HOUSE OF REPRESENTATIVES

MONDAY, SEPTEMBER 11, 1961

The House met at 12 o'clock noon and was called to order by the Speaker pro tempore, Mr. McCORMACK.

The Chaplain, Rev. Bernard Braskamp, D.D., offered the following prayer:

John 8: 32: *Ye shall know the truth, and the truth shall make you free.*

Eternal and ever-blessed God, as we enter upon the duties of a new week, make us more eager to appropriate and apply the principles of brotherhood and the golden rule to the many problems of human relationships.

Show us how to lead mankind into the bright domain of truth and freedom. Use us as Thy ministering servants and emancipators wherever men are held in social bondage; wherever minds are imprisoned in the darkness of ignorance and superstition and wherever hearts are bruised and broken. May our hearts go out in sympathy and in the spirit of the good samaritan to the citizens in the stricken areas of our country.

Above all may we pray and labor to release humanity from spiritual bondage and from those evil passions and ambitions which shackle its soul and are filling the world of our day with so much havoc and horror.

Hear us in the name of the Saviour who came to bring us truth, liberty, and peace. Amen.

THE JOURNAL

The Journal of the proceedings of Thursday, September 7, 1961, 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 bills of the House of the following titles:

H.R. 1021. An act to extend for 2 years the definition of "peanuts" which is now in effect under the Agricultural Adjustment Act of 1938;

H.R. 2308. An act to amend the Ship Mortgage Act, 1920, with respect to its applicability to certain vessels;

H.R. 6302. An act to establish a teaching hospital for Howard University, to transfer Freedmen's Hospital to the university, and for other purposes;

H.R. 7447. An act to amend the Strategic and Critical Materials Stock Piling Act to provide for the immediate disposition of certain waterfowl feathers and down;

H.R. 7622. An act to repeal sections 1176 and 1177 of the Revised Statutes of the United States relating to the District of Columbia; and

H.R. 8719. An act to amend the act of July 23, 1947, chapter 301, as amended, to extend for 2 years the authority to make temporary appointments and promotions in the U.S. Coast Guard.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H.R. 2308. An act to amend the Ship Mortgage Act, 1920, with respect to its applicability to certain vessels;

H.R. 2585. An act relating to the credits against the employment tax in the case of certain successor employers;

H.R. 2883. An act to amend title 28, entitled "Judiciary and Judicial Procedure," of the United States Code to provide for the defense of suits against Federal employees arising out of their operation of motor vehicles in the scope of their employment, and for other purposes;

H.R. 4669. An act to amend the law relating to gambling in the District of Columbia;

H.R. 4670. An act to amend the law relating to indecent publications in the District of Columbia; and

H.R. 5852. An act to provide for the free entry of a towing carriage for the use of the University of Michigan.

The message also announced that the Senate had passed, with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 8666. An act to provide for the improvement and strengthening of the international relations of the United States by promoting better mutual understanding among the peoples of the world through educational and cultural exchanges.

The message also announced that the Senate insists upon its amendment to the foregoing bill, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. FULBRIGHT, Mr. SPARKMAN, Mr. HUMPHREY, Mr. WILEY, and Mr. HICKENLOOPER to be the conferees on the part of the Senate.

The message also announced that the Senate had passed bills and a joint resolution of the following titles, in which the concurrence of the House is requested:

S. 476. An act to establish the Point Reyes National Seashore in the State of California, and for other purposes;

S. 502. An act to authorize the employment of retired personnel of the Federal Government by the Board of Education of the District of Columbia, and to authorize the employment of retired personnel of the Board of Education of the District of Columbia by the Federal Government;

S. 653. An act to provide for the presentation by the United States to the people of Mexico of a monument commemorating the independence of Mexico, and for other purposes;

S. 914. An act to provide for more effective administration of public assistance in the District of Columbia; to make certain relatives responsible for the support of needy persons, and for other purposes;

S. 1292. An act to amend the act of June 19, 1948, relating to the workweek of the Fire Department of the District of Columbia, and for other purposes;

S. 1528. An act to increase the relief or retirement compensation of certain former members of the Metropolitan Police force, the Fire Department of the District of Columbia, the U.S. Park Police force, the White House Police force, and the U.S. Secret Service, and of widows and children of certain deceased former officers and members of such forces, department, or service;

S. 1563. An act to authorize the conveyance of certain lands within the Clark Hill Reservoir, Savannah River, Ga.-S.C., to the Georgia-Carolina Council, Inc., Boy Scouts of America, for recreation and camping purposes;

S. 1918. An act to extend benefits of the Policemen and Firemen's Retirement and Disability Act Amendments of 1957 to widows and surviving children of former members of the Metropolitan Police force, the Fire Department of the District of Columbia, the U.S. Park Police force, the White House Police force, or the U.S. Secret Service Division, who were retired or who died in the service of any such organization prior to the effective date of such amendments;

S. 2180. An act to establish a U.S. Arms Control and Disarmament Agency for World Peace and Security;

S. 2299. An act to provide for the establishment of a juvenile division within or in connection with the District of Columbia Youth Correctional Center, and to authorize the judge of the Juvenile Court of the District of Columbia to commit to such juvenile division, subject to the provisions of the Juvenile Court Act, children 15 years of age, or older;

S. 2397. An act authorizing the National Capital Transportation Agency to carry out part 1 of its transit development program and to further the objectives of the act approved July 14, 1960 (74 Stat. 537); and

S.J. Res. 51. Joint resolution authorizing the creation of a commission to consider and formulate plans for the construction in the District of Columbia of an appropriate permanent memorial to the memory of Woodrow Wilson.

The message also announced that the Senate agrees to the amendments of the House to bills of the Senate of the follow titles:

S. 200. An act to amend the act entitled "An act relative to employment for certain adult Indians on or near Indian reservations," approved August 3, 1956;

S. 1719. An act to amend title 23 of the United States Code with respect to Indian reservation roads;

S. 1768. An act to provide for the restoration to Indian tribes of unclaimed per capita and other individual payments of tribal trust funds;

S. 1807. An act to authorize the disposition of land no longer needed for the Chilocco Indian Industrial School at Chilocco, Okla.; and

S. 2241. An act to donate to the Jicarilla Apache Tribe of the Jicarilla Reservation, N. Mex., approximately 391.43 acres of federally owned lands.

The message also announced that the Senate disagrees to the amendment of the House to the bill (S. 902) entitled "An act to amend the Small Business Investment Act of 1958, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. ROBERTSON, Mr. SPARKMAN, Mr. DOUGLAS, Mr. PROXMIRE, Mr. LONG of Missouri, Mrs. NEUBERGER, Mr. BEALL, Mr. BENNETT, Mr. JAVITS, and Mr. TOWER to be the conferees on the part of the Senate.

The message also announced that the Senate disagrees to the amendments of the House to the bill (S. 2237) entitled "An act to permit the entry of certain eligible alien orphans," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. EASTLAND, Mr. JOHNSTON, Mr. McCLELLAN, Mr. ERWIN, Mr. DIRKSEN, Mr. KEATING, and Mr. FONG to be the conferees on the part of the Senate.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 4317) entitled "An act to

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amend the Internal Revenue Code of 1954 and incorporate therein provisions for the payment of annuities to widows and certain dependents of the judges of the Tax Court of the United States," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. BYRD of Virginia, Mr. KERR, Mr. LONG of Louisiana, Mr. WILLIAMS of Delaware, and Mr. CARLSON to be the conferees on the part of the Senate.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 7391) entitled "An act to promote the conservation of migratory waterfowl by the acquisition of wetlands and other essential waterfowl habitat, and for other purposes," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. MAGNUSON, Mr. ENGLE, Mr. BARTLETT, Mr. MCGEE, Mr. SCHOEPPEL, and Mr. BUTLER to be the conferees on the part of the Senate.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1540) entitled "An act to amend the law establishing the Indian revolving loan fund."

The message further requested that the House return to the Senate the bill (H.R. 8414) entitled, "An act to amend section 5011 of title 38, United States Code, to clarify the authority of the Veterans' Administration to use its revolving supply fund for the repair and reclamation of personal property."

The message also announced that the Vice President has appointed Mr. JOHNSTON and Mr. CARLSON members of the Joint Select Committee on the part of the Senate, as provided for in the act of August 5, 1939, entitled "An act to provide for the disposition of certain records of the U.S. Government," for the disposition of executive papers referred to in the report of the Archivist of the United States No. 62-6.

WATERSHED PROTECTION ACT

The SPEAKER pro tempore laid before the House the following communication, which was read, and referred to the Committee on Appropriations:

SEPTEMBER 8, 1961.

Hon. SAM RAYBURN,
The Speaker,
U.S. House of Representatives,
Washington, D.C.

DEAR MR. SPEAKER: Pursuant to the provisions of section 2 of the Watershed Protection and Flood Prevention Act, as amended, the Committee on Agriculture on September 7, 1961, considered the work plans transmitted to you by Executive Communication 1227 and referred to this committee and unanimously approved each of such plans. The work plans involved are:

STATE AND WATERSHED

Kentucky, East Fork of Pond River; Massachusetts-New Hampshire, Souhegan River; North Carolina, Ahoskie Creek; Iowa, David's Creek; Iowa, Davis-Battle Creek; Iowa, Ryan-Henschal; Oklahoma, Cane Creek; Pennsylvania, Dunlap Creek; Georgia, Little Satilla Creek; Mississippi, Tallahalla Creek; Florida, Sarasota West Coast; and Wisconsin, Kickapoo Creek.

Sincerely yours,
HAROLD D. COOLEY, *Chairman.*

DEPARTMENTS OF STATE AND JUSTICE, THE JUDICIARY AND RELATED AGENCIES APPROPRIATION BILL, 1962

Mr. ROONEY. Mr. Speaker, I ask unanimous consent that the Committee on Appropriations may have until midnight tonight to file a conference report on the bill H.R. 7371, making appropriations for the Departments of State and Justice, the judiciary, and related agencies for the fiscal year ending June 30, 1962, and for other purposes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

EXPORT-IMPORT BANK BILL

Mr. ALBERT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. ALBERT. Mr. Speaker, I take this time to advise the House that on Wednesday next the gentleman from Kentucky [Mr. SPENCE], chairman of the Committee on Banking and Currency, will call up the bill S. 2325, the Export-Import Bank bill, under a unanimous-consent request.

SALINE WATER CONVERSION PROGRAM

Mr. ASPINALL submitted a conference report and statement on the bill (H.R. 7916) to expand and extend the saline water conversion program being conducted by the Secretary of the Interior.

PEACE CORPS

Mr. DORN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. DORN. Mr. Speaker, no one connected with our Foreign Service could officially and openly oppose the creation of a Peace Corps, particularly since it is already in being by Executive order. No one connected with our foreign-aid program could officially and openly oppose the Peace Corps under such circumstances; but, Mr. Speaker, everyone connected with our Foreign Service or our mutual security program with whom I have conferred privately express grave concern and misgivings about this hastily assembled organization of amateurs. Likewise, no official of a friendly nation is going to openly oppose the Peace Corps. As the recipient of our aid, it would be most inexpedient for them to do so. But the reports I receive from abroad indicate there is extreme skepticism of the Peace Corps and there is fear that it could cause serious damage to friendly relations with the United States.

As a Member of this House, you would not welcome amateur reformers into your district to tell your people what is wrong with their way of life. This is a dangerous, psychological approach to foreign, internal, and domestic problems. This House will make a grave mistake if we pass H.R. 7500 without a thorough investigation at home and abroad of the need and effect of this organization.

The establishment of the Peace Corps was a political decision made during the heat of a national political campaign without thorough investigation of its operation at the grassroots level in foreign lands. As a duplication of many of our foreign activities, it cannot possibly do any good, but may without thorough training do irreparable harm.

The time to prevent empire building is before it starts. The time to rid the world of this ill-advised Peace Corps is now. Our foreign friends are tired of this superior than thou attitude of swarms of Americans roving around the world telling them what is wrong with their way of life.

HURRICANE DAMAGE TO TEXAS AND LOUISIANA

Mr. RIVERS of South Carolina. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. RIVERS of South Carolina. Mr. Speaker, during these hours of trial for the people of the States of Texas and Louisiana, our prayers should go out to the victims of this, one of the most severe storms ever to hit this Nation. The reason I take the floor and implore you, my colleagues, and everybody to join in prayer for those unfortunate people is because you who have never lived on the ocean, as I do, or on the seashore, you have never lived until you have endured a hurricane. It is composed of all of nature's hell in a single package.

I saw one come ashore in my district at Beaufort, and when it did, nothing survived its fury, nothing, even the roots of the grass vanished.

We are told by the radio and the newspapers that the eye of this storm which is now just about to hit the State of Texas, with its malevolent fury, will cause a reaction for hundreds of miles in each direction, and into Louisiana.

It will be the largest eye of a hurricane ever to hit this Nation, and where that eye hits Texas, God help Texas. The losses of human life, animal life, and property will be something that is conjectural. I hope that this Government—

and I would like to applaud the action of the President—will leave no stone unturned to help these people. Every Army combatant personnel or Army combat engineer or Navy engineer should be sent immediately, because this will be it.

I hope that the Lord in His omniscience, omnipresence, and omnipotence will spare these people. This is a tragedy that we will read about and our children will read about for many years to come.

I hope these courageous people will be spared.

THE TEXAS HURRICANE

Mr. THOMPSON of Texas. Mr. Speaker, I ask unanimous consent to address the House or 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. THOMPSON of Texas. Mr. Speaker, I appreciate the words of the gentleman from South Carolina very deeply. This is my congressional district that is being hit. Thank God there is no loss of life known as yet, and so far the damage is all material. I want you to know that everything that can be done in Washington is being done. I myself will go down there as soon as we can get through and then if I need your help I will call on you.

ENTRY OF CERTAIN ALIENS

Mr. WALTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill S. 2237, to permit the entry of certain eligible alien orphans, and agree to the conference requested by the Senate.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

The Chair hears none and appoints the following conferees: Messrs. WALTER, FEIGHAN, CHELF, POFF, and MOORE.

THE 100TH BIRTHDAY OF THE BOSTON SUNDAY HERALD

Mr. LANE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. LANE. Mr. Speaker, the Boston Sunday Herald and its many subscribers are celebrating the 100th anniversary of its service to the people of New England.

The Sunday Herald ranks among the best newspapers in the United States for the accuracy of its reporting, and for the high standards of its editorials. Although it is a traditionally conservative Republican paper that is published in the Democratic stronghold of Boston, it enjoys the respect of all. It has courage and conscience and style, documented by nearly 50 citations for public service and journalistic excellence.

Four times since 1923 it has won the highest national award among competing newspapers—the prestige of the Pulitzer Prize.

There are occasions when we take exception to the position of the Herald on State and National issues, but even then we acknowledge the sincerity of its views that may err in judgment, but never sacrifice principle to expediency. On international relations, this newspaper stands for a strong and alert United States that will take the initiative in promoting the practice of human rights and the participation in material progress that will be fair to the whole human family.

The increasing circulation testifies to the support of advertisers and readers in this newspaper that is distinguished by its objective coverage of events, and by the combination of intelligent interpretation and character in its editorials.

Congratulations to the Boston Sunday Herald on its century of service as a newspaper that lives up to the inspiring ideals of a free press.

THE HONORABLE CLARE E. HOFFMAN

Mr. GROSS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. GROSS. Mr. Speaker, I desire to call the attention of the House to the birthday of one of the oldest yet youngest members of this body in mind and spirit.

I speak of the gentleman from Michigan, the Honorable CLARE HOFFMAN, who, on yesterday, observed his 86th birthday.

Mr. Speaker, the gentleman from Michigan is serving his 27th consecutive year in the House of Representatives and through this more than a quarter of a century he has served and continues to serve the 4th Congressional District of Michigan with courage, distinction, and unfailing devotion to his constituents and the Republic.

Incidentally, Mr. Speaker, I am informed that in November of this year, Mr. and Mrs. Hoffman will celebrate their 62d wedding anniversary.

To my warm friend from Michigan I extend my compliments on the occasion of his 86th birthday. May he observe many more such occasions as a Member of the House. And to both Mr. and Mrs. Hoffman my very best wishes when, in November, they turn the corner on 62 years of married life.

Mr. JONAS. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from North Carolina.

Mr. JONAS. Mr. Speaker, I would like to join the gentleman from Iowa in extending greetings and felicitations to the gentleman from Michigan [Mr. HOFFMAN] who yesterday celebrated his 86th birthday. The gentleman from Michigan may be 86 years old but one would never know it to watch him in operation here on the floor from day to day. He not only remains young and vigorous in mind and body but equally so in spirit.

It has been my pleasure to work with the gentleman from Michigan on several subcommittees of the Government Operations Committee and that was an experience I shall never forget. He has one of the keenest legal minds in the House and the load he carries in committee and on the floor would not be undertaken by many Members half his age.

Mr. Speaker, I shall always cherish the friendship accorded me by the gentleman from Michigan, and wish to join my colleague from Iowa in extending to him sincere congratulations on the occasion of his birthday yesterday and to wish for him many happy returns of the day.

Mr. HALEY. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Florida.

Mr. HALEY. May I also join with my colleague in wishing him a happy birthday, and many, many happy birthdays in the future in rendering service to his country.

Mrs. ST. GEORGE. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I yield to the gentlewoman from New York.

Mrs. ST. GEORGE. Mr. Speaker, I would also like to pay my respects to my distinguished colleague, the gentleman from Michigan [Mr. HOFFMAN], But, I also want to pay my respects to Mrs. Hoffman.

Mr. MASON. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Illinois.

Mr. MASON. Mr. Speaker, I want to join with the gentleman from Iowa in paying my respects to the gentleman from Michigan [Mr. HOFFMAN] who antedates me by 2 or 3 years, and to extend my sympathy to Mrs. Hoffman for having put up with him so long as she has.

Mr. CEDERBERG. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Michigan.

Mr. CEDERBERG. Mr. Speaker, I am going to be very brief, but on behalf of the other members of the Michigan delegation I want to extend our birthday greetings to the dean of our delegation [Mr. HOFFMAN].

I am sure our colleagues in the House join us in extending best wishes for many, many more happy birthdays. During his more than a quarter of a century in the House he has made an outstanding contribution through his ability for keen analysis and brilliant debate. We wish for him a full measure of health and happiness in the years ahead.

Mr. KNOX. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Michigan.

Mr. KNOX. Mr. Speaker, I appreciate my colleague from Michigan [Mr. CEDERBERG] interceding in my behalf.

However, I do want to personally congratulate my colleague from Michigan [Mr. HOFFMAN] on being blessed with the good fortune of spending 62 years with his most gracious wife.

My wish is that the union will continue and they will have many more years of a happy married life together.

Mr. WALTER. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Pennsylvania.

Mr. WALTER. Mr. Speaker, I make a point of order that the gentleman from Michigan is not in order. He is reading the Chicago Daily Tribune while we are transacting this very important business.

Mrs. CHURCH. Mr. Speaker, a further point of order.

The SPEAKER pro tempore. The gentlewoman will state the point of order.

Mrs. CHURCH. Mr. Speaker, I suggest the absence of a quorum.

The SPEAKER pro tempore. Will the gentlewoman from Illinois withhold the point of order until the gentleman from Iowa is through with presentation?

Mrs. CHURCH. Mr. Speaker, this is one quorum call I am sure the gentleman from Michigan will not make, and I cannot resist the opportunity to make it for him.

Mr. HOFFMAN of Michigan. Mr. Speaker, will the gentlewoman yield?

I certainly would have made the point of order of no quorum if I had known what they were going to say.

The SPEAKER pro tempore. Does the gentlewoman withdraw her point of order?

Mrs. CHURCH. I withdraw my point of order, Mr. Speaker.

Mr. JONAS. Mr. Speaker, I ask unanimous consent that all Members may extend their remarks following the remarks of the gentlewoman from Illinois [Mrs. CHURCH].

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. HOEVEN. Mr. Speaker, I congratulate my good friend CLARE HOFFMAN on the occasion of his 86th birthday and both Mr. and Mrs. Hoffman on the observance of their 62d wedding anniversary.

CLARE HOFFMAN is one of the most remarkable men I have ever known. He is a peer among rugged individualists. Forthright, brave, determined, sincere and honest are only a few words which typify CLARE HOFFMAN as we all know him. He fills a most valuable place in the daily deliberations of the House of Representatives.

May CLARE HOFFMAN enjoy many more birthdays and may he and his good wife share life's richest blessings in the days that lie ahead.

CALL OF THE HOUSE

Mrs. CHURCH. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

Mr. ALBERT. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 193]

Alger	Gavin	Morrison
Anderson, Ill.	Giaimo	Morse
Anfuso	Gilbert	Mosher
Arends	Glenn	Moulder
Ashbrook	Goodell	Multer
Ashley	Goodling	Nix
Ayres	Granahan	Nygaard
Barrett	Green, Pa.	O'Brien, N.Y.
Barry	Griffiths	O'Hara, Mich.
Bass, N.H.	Hall	O'Neill
Beermann	Halpern	Osmers
Bell	Hardy	Philbin
Bolling	Harrison, Va.	Pilcher
Boykin	Harsha	Poage
Brademas	Harvey, Mich.	Powell
Brewster	Healey	Rabaut
Bromwell	Hébert	Rains
Brooks, La.	Hemphill	Reece
Brown	Herlong	Reifel
Broyhill	Holland	Rogers, Tex.
Bruce	Holtzman	Rostenkowski
Buckley	Horan	Roudebush
Burke, Ky.	Ikard, Tex.	Rousselot
Cahill	Jennings	St. Germain
Celler	Joelson	Santangelo
Clancy	Jones, Ala.	Schadeberg
Cook	Jones, Mo.	Schenck
Cooley	Keith	Scherer
Corbett	Kilburn	Schhweiker
Curtis, Mo.	Kilday	Scranton
Dague	King, N.Y.	Shelley
Davis, Tenn.	Kunkel	Shriver
Delaney	Landrum	Sibal
Dent	Latta	Slack
Derwinski	Lindsay	Stafford
Devine	McCulloch	Staggers
Diggs	McSween	Stephens
Dole	McVey	Stratton
Dominick	Macdonald	Teague, Tex.
Donohue	MacGregor	Thompson, La.
Dooley	Machrowicz	Thompson, N.J.
Dulski	Martin, Mass.	Thomson, Wis.
Durno	Mathias	Toll
Dwyer	May	Tuck
Ellsworth	Meader	Tupper
Evins	Miller, Clem	Vinson
Farbstein	Miller, N.Y.	Wallhauser
Findley	Minshall	Westland
Finnegan	Monagan	Whalley
Fino	Moore	Widnall
Flynt	Moorehead, Ohio	Wilson, Ind.
Friedel	Moorhead, Pa.	Young
Gallagher	Morgan	Zelenko
Garland		

The SPEAKER pro tempore. On this rollcall, 278 Members have answered to their names, a quorum.

By unanimous consent further proceedings under the call were dispensed with.

AMENDMENT TO SMALL BUSINESS INVESTMENT ACT OF 1958

Mr. SPENCE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 902) to amend the Small Business Investment Act of 1958, and for other purposes, with House amendment thereto, insist on the House amendment and agree to the conference requested by the Senate.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky? [After a pause.] The Chair hears none and appoints the following conferees: Messrs. SPENCE, PATMAN, RAINS, MULTER, MCDONOUGH, WIDNALL, and DERWINSKI.

AMENDMENT TO SMALL BUSINESS ACT TO INCREASE AMOUNT AVAILABLE FOR REGULAR BUSINESS LOANS THEREUNDER

Mr. SPENCE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 8762) to amend the Small Business Act to increase the amount available for regular business loans thereunder, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. SPENCE, PATMAN, RAINS, MULTER, MCDONOUGH, WIDNALL, and DERWINSKI.

PROHIBITING TRAVEL OR TRANSPORTATION IN AID OF RACKETEERING ENTERPRISES

Mr. ROGERS of Colorado submitted the following conference report and statement on the bill (S. 1653) to amend title 18, United States Code, to prohibit travel or transportation in commerce in aid of racketeering enterprises:

CONFERENCE REPORT (H. REPT. No. 1161)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1653) To amend title 18, United States Code, to prohibit travel or transportation in commerce in aid of racketeering enterprises, 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 disagreement to the amendment of the House and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the House amendment insert the following:

"That chapter 95 of title 18, United States Code, is amended (a) by adding the following new section at the end thereof:

"'§ 1952. Interstate and foreign travel or transportation in aid of racketeering enterprises

"'(a) Whoever travels in interstate or foreign commerce or uses any facility in interstate or foreign commerce, including the mail, with intent to—

"'(1) distribute the proceeds of any unlawful activity; or

"'(2) commit any crime of violence to further any unlawful activity; or

"'(3) otherwise promote, manage, establish, carry on, or facilitate the promotion, management, establishment, or carrying on, of any unlawful activity

and thereafter performs or attempts to perform any of the acts specified in subparagraphs (1), (2), and (3), shall be fined not more than $10,000 or imprisoned for not more than five years, or both.

"'(b) As used in this section "unlawful activity" means (1) any business enterprise involving gambling, liquor on which the Federal excise tax has not been paid, narcotics, or prostitution offenses in violation of the laws of the State in which they are committed or of the United States, or (2) extortion or bribery in violation of the laws of the State in which committed or of the United States.

"'(c) Investigations of violations under this section involving liquor or narcotics shall be conducted under the supervision of the Secretary of the Treasury.'

and (b) by adding the following item to the analysis of the chapter:

"'Sec. 1952. Interstate and foreign travel or transportation in aid of racketeering enterprises.'"

EMANUEL CELLER,
PETER W. RODINO, Jr.,
BYRON G. ROGERS,
WILLIAM M. MCCULLOCH,
GEORGE MEADER,
Managers on the Part of the House.
JAMES O. EASTLAND,
ESTES KEFAUVER,
OLIN D. JOHNSTON,
EVERETT MCKINLEY DIRKSEN,
ROMAN L. HRUSKA,
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 amendment of the House to the bill, S. 1653, to amend title 18, United States Code, to prohibit travel or transportation in commerce in aid of racketeering enterprises, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommend in the accompanying conference report:

The House passed the Senate bill after amending it by striking out all after the enacting clause and inserting its own provisions. The Senate insisted upon its version and requested a conference; the House then agreed to the conference.

The conference report recommends that the Senate recede from its disagreement to the House amendment and agree to the same with an amendment, the amendment being to insert in lieu of the matter proposed to be inserted by the House amendment the matter agreed to by the conferees, and the House agree thereto.

In substance, the conference report contains the language of the House amendment with a few exceptions which are subsequently explained in detail.

The bill, as passed by the Senate, prohibited travel or the use of any facility for transportation in interstate or foreign commerce, including the mail, in furtherance of "extortion or bribery in violation of the laws of the State in which committed or of the United States." The amendment of the House, however, limited the coverage of the bill as it applied to extortion or bribery to "extortion or bribery in connection with gambling, liquor, narcotics, or prostitution." The version agreed to by the conferees accepts the Senate coverage so that the agreed amendment now covers "extortion or bribery in violation of the laws of the State in which committed or of the United States."

The Senate version also included in the definition of the term "unlawful activity" liquor on which the Federal excise tax had not been paid but the House amendment deleted this condition so as to include within the term "unlawful activity" liquor regardless of the payment of the Federal excise tax. The language adopted by the conferees is the language of the Senate version so as to limit "unlawful activity" on liquor on which the Federal excise tax had not been paid.

The Senate version of the bill was composed of two separate sections, viz., (1) relating to travel in interstate and foreign commerce, and (2) relating to the use of any facility for transportation in interstate or foreign commerce while the House version combined these two separate sections into a single section. On this particular matter, the House version was agreed to by the conferees so that the amendment to chapter 95 of title 18, United States Code, merely adds a new section at the end thereof designed as section 1952. Interstate and foreign travel or transportation in aid of racketeering enterprises.

Finally, the language which was contained in the Senate bill "after such travel" which related to the three specified acts involving travel or the use of any facility in interstate or foreign commerce to further unlawful activity is eliminated in the conference report in conformity with the House version which had eliminated the language as superfluous in view of the fact that the insertion of the word "thereafter" conforms the bill to the requirement that an act be performed subsequent to the travel in or the use of the interstate or foreign commerce facility. Thus, there is required the commission of an overt act after having traveled or after having used the facilities of interstate or foreign commerce.

EMANUEL CELLER,
PETER W. RODINO, Jr.,
BYRON G. ROGERS,
WILLIAM M. MCCULLOCH,
GEORGE MEADER,
Managers on the Part of the House.

Mr. ROGERS of Colorado. Mr. Speaker, I ask unanimous consent for the immediate consideration of the conference report on the bill S. 1653 just filed.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Colorado?

Mr. HARRIS. Mr. Speaker, reserving the right to object, I would like to ask the gentleman from Colorado if there is any change in interpretation as affects certain businesses which we discussed on the floor of the House when the bill was before the House for consideration.

Mr. ROGERS of Colorado. As to the four categories, there is no change whatsoever.

Mr. HARRIS. It remains just as it was explained on the floor of the House when the bill was being considered over here?

Mr. ROGERS of Colorado. Yes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Colorado?

There was no objection.

Mr. ROGERS of Colorado. Mr. Speaker, I ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Colorado?

There was no objection.

The Clerk read the statement.

The SPEAKER pro tempore. The question is on the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

DEFENSE OF SUITS AGAINST FEDERAL EMPLOYEES

Mr. LANE. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 2883) to amend title 28, entitled "Judiciary and Judicial Procedure," of the United States Code to provide for the defense of suits against Federal employees arising out of their operation of motor vehicles in the scope of their employment, and for other purposes, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 2, strike out all after line 22 over to and including line 10 on page 3 and insert:

"(d) Upon a certification by the Attorney General that the defendant employee was acting within the scope of his employment at the time of the incident out of which the suit arose, any such civil action or proceeding commenced in a State court shall be removed without bond at any time before trial by the Attorney General to the district court of the United States for the district and division embracing the place wherein it is pending and the proceedings deemed a tort action brought against the United States under the provisions of this title and all references thereto. Should a United States district court determine on a hearing on a motion to remand held before a trial on the merits that the case so removed is one in which a remedy by suit within the meaning of subsection (b) of this section is not available against the United States, the case shall be remanded to the State court."

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

Mr. BYRNES of Wisconsin. Mr. Speaker, reserving the right to object, I wonder if the gentleman from Massachusetts [Mr. LANE] could tell us whether this has been cleared with the minority members on our committee, and whether it is agreeable to them?

Mr. LANE. Yes; it has been cleared. All parties are satisfied with the amendment as placed on this bill by the Senate. The amendment merely calls for an affidavit.

Mr. BYRNES of Wisconsin. I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

DEPARTMENTS OF LABOR, AND HEALTH, EDUCATION, AND WELFARE APPROPRIATION BILL, 1962

Mr. FOGARTY. Mr. Speaker, I call up the conference report on the bill (H.R. 7035) making appropriations for the Departments of Labor, and Health, Education, and Welfare, and related agencies, for the fiscal year ending June 30, 1962, 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 pro tempore. Is there objection to the request of the gentleman from Rhode Island?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. No. 1154)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 7035) "making appropriations for the Departments of Labor, and Health, Education, and Welfare, and related agencies, for the fiscal year ending June 30, 1962, 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 10, 21, 34, 49, 56, 64, 65, 66, and 69.

That the House recede from its disagreement to the amendments of the Senate numbered 3, 4, 5, 8, 13, 16, 18, 20, 22, 25, 27, 30, 32, 33, 35, 52, 53, 54, 58, 59, 61, 62, 67, and 68, and agree to the same.

Amendment numbered 1: That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$1,796,000"; and the Senate 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 "$500,000"; 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 "$405,000,000"; and the Senate agree to the same.

Amendment numbered 9: That the House recede from its disagreement to the amendment of the Senate numbered 9, and agree to the same with an amendment, as follows: Restore the matter stricken out, amended to read as follows: "including not to exceed $250,000 for temporary employees at rates to be fixed by the Secretary of Labor (but not to exceed a rate equivalent to that for general schedule grade 9) without regard to the civil service laws and Classification Act of 1949, as amended"; 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 "$17,307,000"; and the Senate agree to the same.

Amendment numbered 12: That the House recede from its disagreement to the amendment of the Senate numbered 12, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$23,000,000"; and the Senate agree to the same.

Amendment numbered 14: That the House recede from its disagreement to the amendment of the Senate numbered 14, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$211,557,000"; and the Senate agree to the same.

Amendment numbered 17: That the House recede from its disagreement to the amendment of the Senate numbered 17, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$11,594,000"; and the Senate agree to the same.

Amendment numbered 19: That the House recede from its disagreement to the amendment of the Senate numbered 19, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$5,000,000"; and the Senate agree to the same.

Amendment numbered 23: That the House recede from its disagreement to the amendment of the Senate numbered 23, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$10,000,000"; 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 "$6,000,000"; 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 "$203,000,000"; and the Senate agree to the same.

Amendment numbered 31: That the House recede from its disagreement to the amendment of the Senate numbered 31, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$8,800,000"; and the Senate agree to the same.

Amendment numbered 37: That the House recede from its disagreement to the amendment of the Senate numbered 37, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$127,637,000"; and the Senate agree to the same.

Amendment numbered 38: That the House recede from its disagreement to the amendment of the Senate numbered 38, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$142,836,000"; and the Senate agree to the same.

Amendment numbered 39: That the House recede from its disagreement to the amendment of the Senate numbered 39, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$108,876,000"; and the Senate agree to the same.

Amendment numbered 40: That the House recede from its disagreement to the amendment of the Senate numbered 40, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$132,912,000"; and the Senate agree to the same.

Amendment numbered 42: That the House recede from its disagreement to the amendment of the Senate numbered 42, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$17,340,000"; and the Senate agree to the same.

Amendment numbered 43: That the House recede from its disagreement to the amendment of the Senate numbered 43, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$81,831,000"; and the Senate agree to the same.

Amendment numbered 44: That the House recede from its disagreement to the amendment of the Senate numbered 44, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$56,091,000"; and the Senate agree to the same.

Amendment numbered 47: That the House recede from its disagreement to the amendment of the Senate numbered 47, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$70,812,000"; and the Senate agree to the same.

Amendment numbered 51: That the House recede from its disagreement to the amendment of the Senate numbered 51, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$9,000,000"; and the Senate agree to the same.

Amendment numbered 55: That the House recede from its disagreement to the amendment of the Senate numbered 55, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$2,401,200,000"; and the Senate agree to the same.

Amendment numbered 57: That the House recede from its disagreement to the amendment of the Senate numbered 57, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$3,442,000"; and the Senate agree to the same.

Amendment numbered 60: That the House recede from its disagreement to the amendment of the Senate numbered 60, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$1,607,000"; and the Senate agree to the same.

Amendment numbered 63: That the House recede from its disagreement to the amendment of the Senate numbered 63, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$3,265,000"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 7, 15, 24, 29, 36, 41, 45, 46, 48, and 50.

JOHN E. FOGARTY,
WINFIELD K. DENTON,
CLARENCE CANNON,
MELVIN R. LAIRD,
JOHN TABER,
Managers on the Part of the House.

LISTER HILL,
RICHARD B. RUSSELL,
WARREN G. MAGNUSON,
JOHN STENNIS,
JOHN O. PASTORE,
MIKE MONRONEY,
THOMAS H. KUCHEL,
MARGARET CHASE SMITH,
GORDON ALLOTT,
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. 7035) making appropriations for the Departments of Labor, and Health, Education, and Welfare, and related agencies, for the fiscal year ending June 30, 1962, 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 LABOR

Office of the Secretary

Amendment No. 1—Salaries and expenses: Appropriates $1,796,000 instead of $1,711,000 as proposed by the House and $1,811,000 as proposed by the Senate.

Bureau of International Labor Affairs

Amendment No. 2—Salaries and expenses: Appropriates $500,000 instead of $444,000 as proposed by the House and $510,000 as proposed by the Senate.

Office of the Solicitor

Amendment No. 3—Salaries and expenses: Appropriates $4,116,000 as proposed by the Senate instead of $3,616,000 as proposed by the House.

Bureau of Labor Standards

Amendment No. 4—Salaries and expenses: Appropriates $3,258,000 as proposed by the Senate instead of $3,208,000 as proposed by the House.

Bureau of Employment Security

Amendment No. 5—Limitation on salaries and expenses: Authorizes the expenditure of $10,500,000 from the employment security administration account in the Unemployment trust fund as proposed by the Senate instead of $9,600,000 as proposed by the House.

Amendment No. 6—Limitation on grants to States for unemployment compensation and employment service administration: Authorizes the expenditure of $405,000,000 from the employment security administration account in the Unemployment trust fund instead of $391,700,000 as proposed by the House and $406,700,000 as proposed by the Senate.

Amendment No. 7—Payment to the Federal extended compensation account: Appropriates $340,000,000 instead of $390,000,000 as proposed by the Senate.

Bureau of Labor Statistics

Amendment No. 8—Salaries and expenses: Appropriates $12,667,000 as proposed by the Senate instead of $12,167,000 as proposed by the House.

Amendment No. 9—Revision of the Consumer Price Index: Restores, with amendment, language proposed by the House and stricken by the Senate.

Amendment No. 10—Revision of the Consumer Price Index: Strikes language proposed by the Senate to make the funds appropriated available for obligation until June 30, 1963.

Wage and Hour Division

Amendment No. 11—Salaries and expenses: Appropriates $17,307,000 instead of $12,261,000 as proposed by the House and $17,761,000 as proposed by the Senate. This action was taken with the intention that the increase over the House allowance allow for not more than 500 additional positions.

TITLE II—DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Food and Drug Administration

Amendment No. 12—Salaries and expenses: Appropriates $23,000,000 instead of $23,580,000 as proposed by the House and $22,000,000 as proposed by the Senate.

Office of Education

Amendment No. 13—Land-grant college aid: Appropriates $3,775,000 as proposed by the Senate.

Amendment No. 14—Defense educational activities: Appropriates $211,557,000 instead of $210,857,000 as proposed by the House and $211,707,000 as proposed by the Senate. The increase of $700,000 over the amount proposed by the House is composed of $500,000 for the fellowship program and $200,000 for counseling and guidance institutes.

Amendment No. 15—Defense educational activities: Reported in disagreement. It was agreed that a motion will be made for the House to recede from its disagreement to the language added by the Senate, and concur therein.

Amendment No. 16—Defense educational activities: Strikes language proposed by the House and inserts language proposed by the Senate.

Amendment No. 17—Salaries and expenses: Appropriates $11,594,000 instead of $11,364,000 as proposed by the House and $11,864,000 as proposed by the Senate. The increase over the amount proposed by the House will provide $65,000 for captioned films for the deaf; $20,000 for three additional positions for the library services staff; and $145,000 for fourteen positions to partially restore items disallowed by the House.

Amendment No. 18—Salaries and expenses: Deletes language proposed by the House.

Amendment No. 19—Cooperative research: Appropriates $5,000,000 instead of $5,500,000 as proposed by the House and $4,000,000 as proposed by the Senate. The committee of conference is agreed that no cooperative research project applications should be funded unless evaluated and approved by the Research Advisory Committee.

Office of Vocational Rehabilitation

Amendment No. 20—Research and training: Appropriates $20,250,000 as proposed by the Senate instead of $19,250,000 as proposed by the House. It is the intention of the committee of conference that $250,000 of the increase over the amount proposed by the House be applied for additional training of speech pathologists and audiologists.

Public Health Service

Amendment No. 21—Preamble: Strikes language proposed by the Senate to increase the maximum salary authorized to be paid certain personnel.

Amendment No. 22—Accident prevention: Appropriates $3,618,000 as proposed by the Senate instead of $3,368,000 as proposed by the House.

Amendment No. 23—Communicable disease activities: Appropriates $10,000,000 instead of $9,778,000 as proposed by the House and $10,028,000 as proposed by the Senate.

Amendment No. 24—Control of tuberculosis: Reported in disagreement. It was agreed that a motion will be made for the House to recede from its disagreement and concur in the language proposed by the Senate which will make $500,000 available for grants to States "in such amounts and upon such terms and conditions as the Surgeon General may determine."

Amendment No. 25—Control of tuberculosis: Provides that $3,500,000 of the funds appropriated shall be available for grants to States on a formula basis as proposed by the Senate instead of $4,000,000 as proposed by the House.

Amendment No. 26—Control of venereal diseases: Appropriates $6,000,000 instead of $5,815,000 as proposed by the House and $6,090,000 as proposed by the Senate.

Amendment No. 27—Dental services and resources: Appropriates $2,500,000 as proposed by the Senate instead of $2,182,000 as proposed by the House.

Amendment No. 28—Hospital construction activities: Appropriates $203,000,000 instead of $187,972,000 as proposed by the House and $212,972,000 as proposed by the Senate.

Amendment No. 29—Hospital construction activities: Reported in disagreement. It was agreed that a motion will be made for the House to recede from its disagreement and concur with an amendment which will make $140,028,000 available for part C instead of $125,000,000 as proposed by the House and $150,000,000 as proposed by the Senate, and will, in addition, authorize and direct the Surgeon General to transfer $9,972,000 from part G and section 636 to part C.

Amendment No. 30—Air pollution: Strikes language proposed by the House and inserts language proposed by the Senate.

Amendment No. 31—Air pollution: Appropriates $8,800,000 instead of $8,600,000 as proposed by the House and $8,900,000 as proposed by the Senate. The increase over the amount proposed by the House will provide an additional $100,000 for grants and an additional $100,000 for direct operations.

Amendment No. 32—Radiological health: Deletes language proposed by the House and inserts language proposed by the Senate.

Amendment No. 33—Radiological health: Appropriates $10,647,000 as proposed by the Senate instead of $9,147,000 as proposed by the House.

Amendment No. 34—Grants for waste treatment works construction: Strikes language proposed by the Senate.

Amendment No. 35—Foreign quarantine activities: Appropriates $6,084,000 as proposed by the Senate instead of $5,350,000 as proposed by the House.

Amendment No. 36—Foreign quarantine activities: Reported in disagreement. It was agreed that a motion will be made for the House to recede from its disagreement to the Senate amendment providing that $734,000 shall be available for construction of wharf facilities, and concur therein. The amount provided is to cover the entire cost of this construction.

Amendment No. 37—General research and services, National Institutes of Health: Appropriates $127,637,000 instead of $119,275,000 as proposed by the House and $140,000,000 as proposed by the Senate.

Amendment No. 38—National Cancer Institute: Appropriates $142,836,000 instead of $125,672,000 as proposed by the House and $160,000,000 as proposed by the Senate.

Amendment No. 39—Mental health activities: Appropriates $108,876,000 instead of $92,182,000 as proposed by the House and $125,570,000 as proposed by the Senate.

Amendment No. 40—National Heart Institute: Appropriates $132,912,000 instead of $105,723,000 as proposed by the House and $160,100,000 as proposed by the Senate.

Amendment No. 41—National Heart Institute: Reported in disagreement. It was agreed that a motion will be offered for the House to recede and concur in the Senate amendment which makes $1,000,000 of the appropriation available for plans and specifications for a gerontological research building and appurtenant facilities.

Amendment No. 42—National Institute of Dental Research: Appropriates $17,340,000 instead of $14,681,000 as proposed by the House and $20,000,000 as proposed by the Senate.

Amendment No. 43—Arthritis and metabolic disease activities: Appropriates $81,831,000 instead of $73,661,000 as proposed by the House and $90,000,000 as proposed by the Senate.

Amendment No. 44—Allergy and infectious disease activities: Appropriates $56,091,000 instead of $52,182,000 as proposed by the House and $60,000,000 as proposed by the Senate.

Amendment No. 45—Allergy and infectious disease activities: Reported in disagreement. It was agreed that a motion will be offered for the House to recede from its disagreement and concur in the Senate amendment which provides that $750,000 of the appropriation shall be available for modernization of the Rocky Mountain Laboratory, Hamilton, Montana.

Amendment No. 46—Neurology and blindness activities: Reported in disagreement. It was agreed that a motion will be offered for the House to recede from its disagreement and concur in the Senate amendment which authorizes the use of these funds to cooperate with State health agencies and others in the prevention, control, and eradication of these diseases dealt with under this appropriation.

Amendment No. 47—Neurology and blindness activities: Appropriates $70,812,000 instead of $57,624,000 as proposed by the House and $80,000,000 as proposed by the Senate.

No activity allocations of the appropriations for the various institutes were agreed to by the committee of conference.

Amendment No. 48—National Institutes of Health management fund: Reported in disagreement. It was agreed that a motion will be made for the House to recede and concur in the language proposed by the Senate.

Amendment No. 49—Grants for cancer research facilities: Restores appropriation of $5,000,000 proposed by the House and stricken by the Senate.

Amendment No. 50—Grants for hospital research facilities: Reported in disagreement. It was agreed that a motion will be offered for the House to recede from its disagreement and concur in the Senate amendment

with an amendment which will restore the matter proposed by the House and stricken by the Senate but making the appropriation pursuant to authorization of Section 636 of the Public Health Service Act rather than Section 433(a).

Amendment No. 51—Scientific activities overseas (Special foreign currency program): Appropriates $9,000,000 instead of $8,000,000 as proposed by the House and $10,084,000 as proposed by the Senate.

Amendment No. 52—Salaries and expenses, Office of the Surgeon General: Appropriates $5,375,000 as proposed by the Senate instead of $5,275,000 as proposed by the House.

SOCIAL SECURITY ADMINISTRATION

Amendment No. 53—Limitation on salaries and expenses, Bureau of Old-Age and Survivors Insurance: Strikes language proposed by the House.

Amendment No. 54—Limitation on salaries and expenses, Bureau of Old-Age and Survivors Insurance: Strikes language proposed by the House.

Amendment No. 55—Grants to States for public assistance: Appropriates $2,401,200,000 instead of $2,285,800,000 as proposed by the House and $2,501,200,000 as proposed by the Senate.

Amendment No. 56—Grants for training of public welfare personnel: Strikes appropriation of $2,000,000 as proposed by the Senate.

Amendment No. 57—Salaries and expenses, Bureau of Public Assistance: Appropriates $3,442,000 instead of $3,221,000 as proposed by the House and $3,663,000 as proposed by the Senate.

Amendments Nos. 58 and 59—Grants for maternal and child welfare: Appropriate $69,100,000 as proposed by the Senate instead of $67,100,000 as proposed by the House and earmark the $2,000,000 increase for maternal and child-health services.

Amendment No. 60—Research and training (special foreign currency program): Appropriates $1,607,000 instead of $1,000,000 as proposed by the House and $2,213,000 as proposed by the Senate.

Gallaudet College

Amendment No. 61—Salaries and expenses: Appropriates $1,256,000 as proposed by the Senate instead of $1,200,000 as proposed by the House.

Amendment No. 62—Construction: Appropriates $601,000 as proposed by the Senate instead of $127,000 as proposed by the House.

Office of the Secretary

Amendment No. 63—Salaries and expenses, Office of Field Administration: Appropriates $3,265,000 instead of $3,225,000 as proposed by the House and $3,345,000 as proposed by the Senate. The increase of $40,000 over the amount proposed by the House will allow for one additional secretary in each regional office whose primary responsibility will be to serve the regional representative on aging.

General Provisions

Amendment No. 64—Restores language proposed by the House and stricken by the Senate to limit, to fifteen per centum of the direct costs, the amount of funds that may be used to pay for indirect costs under research grants.

Amendments Nos. 65 and 66: Change section numbers.

TITLE III—NATIONAL LABOR RELATIONS BOARD

Amendment No. 67—Salaries and expenses: Appropriates $19,989,000 as proposed by the Senate instead of $18,213,000 as proposed by the House.

TITLE IV—NATIONAL MEDIATION BOARD

Amendment No. 68—Salaries and expenses: Appropriates $1,804,000 as proposed by the Senate instead of $1,604,000 as proposed by the House.

TITLE IX—GENERAL PROVISIONS

Amendment No. 69: Strikes language proposed by the Senate.

JOHN E. FOGARTY,
WINFIELD K. DENTON,
CLARENCE CANNON,
MELVIN R. LAIRD,
JOHN TABER,
Managers on the Part of the House.

Mr. FOGARTY. Mr. Speaker, when the House passed this bill last May 17, it carried a total of $4,327,457,000. A little over 2 months later on July 25, the Senate passed the bill with an increase to $5,161,380,000. It should be pointed out, however, that in the interim between the time the House passed the bill and the time of Senate action the President submitted amendments to the budget which added $722,133,000. In large part these amendments were due to new legislation passed by this Congress.

As agreed to in conference the total of the bill is $4,915,965,000. This is $245,415,000 less than the Senate bill; $588,508,000 over the House bill; $88,316,081 less than the revised President's budget for 1962 and is $72,451,331 less than the appropriations made for these departments for fiscal year 1961. The following table presents a more detailed tabulation of these comparisons:

Portion of the bill	Appropriations, 1961	Eisenhower budget	Budget amendments submitted to the House	Budget acted on by the House	House bill	Budget amendments submitted to the Senate
Department of Labor	$1,074,560,800	$264,357,000	$20,935,000	$285,292,000	$283,113,000	$497,700,000
Department of Health, Education, and Welfare	3,869,867,131	3,838,992,081	132,987,000	3,971,979,081	4,020,134,000	222,857,000
Related agencies	43,988,400	24,877,000		24,877,000	24,210,000	1,576,000
Total	4,988,416,331	4,128,226,081	153,922,000	4,282,148,081	4,327,457,000	722,133,000

Portion of the bill	Budget acted on by the Senate	Senate bill	Conference agreement	Conference agreement compared with—			
				Appropriations, 1961	Budget, 1962	House bill	Senate bill
Department of Labor	$782,992,000	$679,829,000	$629,350,000	−$445,210,800	−$153,642,000	+$346,237,000	−$50,479,000
Department of Health, Education, and Welfare	4,194,836,081	4,455,365,000	4,260,429,000	+390,561,869	+65,592,919	+240,295,000	−194,936,000
Related agencies	26,453,000	26,186,000	26,186,000	−17,802,400	−267,000	+1,976,000	
Total	5,004,281,081	5,161,380,000	4,915,965,000	−72,451,331	−88,316,081	+588,508,000	−245,415,000

As I have pointed out, the conference agreement which we bring you is substantially over the House bill—a total of $588,508,000. However, over 95 percent of this increase is made up by three items. The largest item of increase is $340 million for payment to the Federal extended compensation account. The House bill carried no provision for this item, but after the House acted, a budget amendment was submitted to the Senate. A minimum of this amount is necessary to enable the Department to carry out the Temporary Extended Unemployment Compensation Act of 1961, which was enacted by this session of Congress.

The second largest item of increase over the House bill is $115,400,000 for grants to States for public assistance. This increase is also in the bill as a result of an amendment to the budget submitted after the House acted on the bill. Again the need for these additional funds is occasioned by recently enacted legislation, in this instance, amendments to the Social Security Act.

The third large item of increase over the House bill is $97,335,000 for the National Institutes of Health. Since this is the only large item of increase, comparatively speaking, that was not occasioned by an amendment to the budget, which in turn resulted from additional recent legislation, I intend to discuss this in considerably more detail in a few moments. For the present, I will simply summarize the situation by saying that the conferees spent about as much time on the National Institutes of Health as all of the other items in the bill combined and we finally agreed on a 50–50 split. My position with regard to support for the work of the National Institutes of Health is well known.

It is hardly necessary for me to state that some of us would like to have seen more funds made available and of course there are those who think the amount agreed upon is entirely too high. The compromise agreed upon probably does not fully satisfy a single one of the conferees, but was agreed to unanimously as being a fair reconciliation of widely divergent opinions.

All of the other items that are over the House bill total to less than 5 percent of the total increase. Unless there are questions concerning them, I will not take the time of the House to discuss them at this time.

Now I should like to discuss in a little more detail the action of the conferees

on the appropriations for the National Institutes of Health. This section of the bill is certainly one of the most important and also one of the most difficult which the conferees had to consider.

Although there was substantial difference between the amounts appropriated by this House and by the Senate for each of the Institutes, there was complete agreement among the conferees on the importance and urgency of the NIH programs, on the objectives toward which they must be directed and on the philosophy underlying the attitude of the Congress toward medical research.

I have heard no dissent—and can imagine none—from the view that our Nation's most important national resource is its people, that good health is their most valuable possession, and that the preservation and advancement of the health of our citizens is, therefore, our foremost national policy and our first obligation as responsible legislators. During the past several years the Congress has given practical expression to this view by substantially increasing the appropriations for the National Institutes of Health which, as the research arm of the Public Health Service, have the primary operating responsibility for Federal participation in the advancement of the medical sciences.

The Congress has rightly taken the position that no opportunity for pressing the attack on the dread diseases should be lost or delayed because of lack of funds. This policy has wide and enthusiastic public support. The Members of the Congress, regardless of party, have insisted on a progressive and rapid expansion of the Nation's capacity for medical research. To this end the Congress has repeatedly made substantial increases in the appropriations with which the National Institutes of Health can support a wide range of promising research projects, the creation of additional research facilities and the training of research manpower.

As a result of these increases, the National Institutes of Health has become the foremost medical research organization not only in the United States but in the world and has become the most effective driving force behind our total national research effort in the medical and related sciences. The NIH now supports fully half of all the biomedical research done in this country. There is now no area of medical science which does not benefit directly from these programs. Virtually every major new contribution to medical knowledge now owes something to the support made available by these programs.

Federal support of programs that contribute so directly and so significantly to the health of every citizen is a most worthwhile expenditure of public funds. It is one of the few expenditures of tax dollars that can truly be described as a dividend paid to the taxpayer.

In fact, it makes little sense to speak of the appropriations for the National Institutes of Health as expenditures. They are investments—and I do not mean this figuratively, but literally. They are investments because they bring long-term returns not only in such important intangibles as health and happiness but in cold assets of dollars and cents. The actual return in national income and in tax revenue of every major advance in the prevention or effective treatment of a disease far exceeds the cost of even the most expensive and protracted research program.

Let me cite just one obvious recent example. I have seen no calculation of the amount of work time that used to be lost as the result of the many infectious diseases which can now be prevented or cut short by the use of antibiotics, but it does not require a statistician to conclude that the earned income and tax revenue restored to the economy by these wonder drugs completely overshadows the cost of their development, and more than pays for many years of research in areas which have not yet seen such dramatic results.

Economic losses due to diseases which doctors have not yet learned to control are staggering.

It is estimated that if the victims of arteriosclerosis—the major killer that is responsible for over half of all deaths in the United States—could live only one extra healthy year they would add a billion dollars to the national income and pay over $150 million in income taxes alone.

Arthritis and rheumatism, in addition to forcing many people to stop working prematurely, are responsible for the loss of 17 million working days by victims still in normal employment. Apart from the human misery caused by these crippling diseases, they cost the Nation over $2 billion a year and represent a loss of more than $250 million in taxes.

The common cold and other acute respiratory diseases have disabled as many as 6 million people on a single day and annually account for nearly 300 million illnesses. Most of these are short and more, uncomfortable than serious but they cost the Nation $2 billion each year.

It is conservatively estimated that cerebral palsy is responsible for a loss of $300 million in income taxes. About 90 percent of the adult victims of this tragic disease cannot support themselves. Merely to maintain them costs well over $200 million.

The total cost to the Nation of mental illnesses is incalculable. The maintenance expenses of non-Federal public mental hospitals alone is over $900 million. The mentally retarded, of whom there are nearly 5½ million or about 3 percent of the entire population, cost the national economy a billion dollars a year. The direct costs and indirect losses due to serious crimes, juvenile delinquency, alcoholism, narcotic addiction and other social maladjustment in which mental illness is a significant factor runs into astronomical figures.

There are over 356,000 blind persons in our country now compared with 230,000 in 1940. In 1958, 110,000 blind persons received $90 million from public funds for their support and it is estimated that the Federal Government lost $95 million in income taxes from the blind who are under 65 and so still in potentially productive years. It will be expected that the Institute for Neurology and Blindness substantially increase their efforts and activities in the field of blindness.

These are only the most dramatic examples of great economic losses due to specific diseases. The whole, long, heart-rending list totals billions of dollars in lost earnings, loss of capital through depletion of savings, nonproductive expenditures on essential care—much of it at public expense—for the incurable, and loss of tax revenues at all levels of government.

These dread diseases are not only a drain on the economy and the cause of a serious loss of income for the Federal Government but they involve direct costs which completely overshadow the NIH appropriation. For example, care and compensation for veterans with neuropsychiatric problems cost the Veterans' Administration $900 million a year; compensation or pensions to veterans with arthritis or rheumatism cost another $200 million. Publicly financed aid to the blind last year cost more than $95 million, much of it from Federal funds. Altogether, actual out-of-pocket expenditures by the Federal Government directly attributable to disease total several billion dollars a year.

If one wants to measure the amount that can profitably be invested in medical research against these cold dollar figures, even a cursory calculation will show that every dollar spent for research to prevent or cure a disease will, when the breakthrough finally comes, be repaid several times over year after year.

Personally, I prefer a different yardstick for measuring the amount that the Federal Government should invest in medical research. To me, the fact that nearly half a million new cases of cancer are diagnosed each year and that about 250,000 individuals will die of it during the next 12 months is a greater spur to action than the fact that this means a $12 billion loss in goods and services which these people would otherwise have produced or that the annual hospital bill for cancer patients is over $300 million.

I am much more concerned—and I believe a humane and decent government ought to be much more concerned—about the intensely personal tragedy of the onslaught of cancer in a home. The investment I want to make in helping to find a cure for leukemia will be paid off by the happy useful life it will enable the stricken child to lead; the dividend to which I look forward is the relieved smile on the faces of the grief-stricken parents.

I can give you no statistical measure of the misery caused by the dread diseases against which you might gage the need for medical research. Surely you do not need one. There is not a Member of this House who cannot recite numerous instances in which medical knowledge or therapeutic techniques have been inadequate to prevent a heart-rending tragedy. We are all acutely aware of how much remains to be done. The hope that medical science will find

the missing clue and the sought-for cure before we ourselves need it nags each of us from time to time.

There can be no serious argument over the fact that this country needs the most vigorous medical research programs our scientists can mount. There is no valid argument against the view that it is the simple execution of an obvious responsibility to the people of this country for the Federal Government to provide whatever funds are needed to supplement private sources of support so that these programs may be promptly carried out. There was no disagreement on these points among the conferees. I believe that there is no disagreement on these points in this House.

The difficult point is to determine the level of support which can be efficiently and effectively used. As the amount proposed by the budget seemed to many of us to be inadequate, and virtually all of the testimony from private individuals, doctors and others, agreed on that, the Appropriations Committee recommended, as a compromise, and the House accepted the figure of $641 million originally proposed by NIH and the Department to the Bureau of the Budget. This was $58 million higher than the budget request, but it did not represent a real broadening of the scope of the NIH programs because it merely restored the amount by which the Bureau of the Budget had cut the NIH request.

This was not as good a figure as many of us thought it ought to be. I should like to remind the House that I pointed out at the time that it fell far short of the $757 million which had actually been requested by the institutes on the basis of their professional judgment of the needs of the NIH research and training programs. I added that I could not tell exactly how much more it falls short of what is actually needed if we are as serious as we ought to be about pushing these vital programs as hard as they can go.

The requests of the public witnesses—the so-called citizens' budget—totaled more than $976 million. Let me stress that this is not an irresponsible figure but the result of the cumulative views of witnesses most of whom are outstanding experts in their field and all of whom are well acquainted with the NIH programs and the research needs and opportunities in the medical sciences.

The conferees have now agreed on a total of $738,335,000 for the several appropriations for the National Institutes of Health in fiscal year 1962. This figure lies halfway between the total of $835,670,000 in the Senate version of the bill and the $641 million allowed by the House when the bill was originally passed.

It is, I think, a good compromise. It is only $19 million less than the professional judgment figure of the Institutes. It can thus be accepted, on the one hand, as being enough to meet the demonstrable needs as seen by those directly responsible for the National Institutes of Health program and, on the other, as being no more than can be appropriately and effectively employed to further medical research as rapidly as available facilities and manpower will permit during the current fiscal year.

The bill, as agreed to by the conferees, provides not only for a vigorous research program but will have an important effect on the Nation's research capacity in the future by making a substantial contribution to the expansion of medical research facilities and the training of research manpower.

Grants for the creation and long-term support of research centers, which were authorized by the Congress in 1960, will be further expanded and the disease categories for which they will be available will be broadened. These centers have already proved to be a highly significant resource for the conduct of complex and exacting investigations. In addition to the specialized clinical centers, funds are provided for the creation of special resource centers in which the principles, instrumentation, and techniques of the physical sciences and certain engineering specialties can be brought to bear on biomedical research.

Additional centers for handling primates for medical research will also be constructed and supported.

The bill includes $30 million for the final year of the program authorized by the present Health Research Facilities Construction Act. This program has made an extraordinary contribution to the expansion of research facilities but it has not kept pace with construction needs. The $30 million ceiling on the annual appropriation has become a serious limitation and the requirement that the Federal contribution be matched on a dollar-for-dollar basis has deprived some institutions of access to these much needed construction funds. Bills pending before the Congress would extend the program and will give the House a further opportunity to consider the ceiling on the appropriation. This conference report, however, includes $5 million for urgently needed cancer research facilities in institutions that are not able to meet the matching requirements of the Health Research Facilities Construction Act.

The special provision, in the bill as passed by the House, of $10 million in matching funds for the construction of experimental hospitals has been retained but has been transferred from the NIH appropriation to the appropriation for hospital construction activities in anticipation of authority contained in H.R. 4998.

The bill also provides for the expansion of the training and fellowship programs of the Institutes. These programs are under review by the NIH and the committee has asked for a report on the estimated manpower requirements and expected output over the next 5 and 10 years as a basis for considering the future expansion of the training programs. Strong representations have, however, been made to the committees in both Houses to the effect that a year's delay in the progressive development of these programs will slow their momentum and will leave a training gap which it will not be possible to make up.

Especially with regard to the National Institute of Mental Health, we expect a sizable part of the increase over the budget to be devoted to the acceleration of training programs. Severe personnel shortages continue to prevent thousands upon thousands of mental patients from receiving the newer treatments which have been developed.

We are particularly interested in seeing expansion of the general practitioner training program. This is one of the most popular and worthwhile programs in the entire mental health field, and the demand for training on the part of general practitioners today far exceeds the present availability of training programs and stipends.

Both House and Senate committees agree as to the necessity for an accelerated campaign against juvenile delinquency, and I think the recommendation that the sum of $2.5 million be spent on this activity during fiscal year 1962 is the minimum which should be so utilized.

The most important effect of the increases to which the conferees have agreed is, however, to give still greater impetus to the vitally important work already in progress on the dread diseases and to the indispensable basic research that must provide clinicians with an understanding of fundamental life processes and of the chemical and physical mechanisms on which the proper functioning of the body depends.

The 865 pages of official testimony and 200-odd pages devoted to private witnesses in the transcript of the committee's hearings are full of the most impressive evidence of the recent accomplishments of medical research and of the needs and opportunities for pressing forward, with even greater vigor, the never ending work of pushing back the scourges which beset mankind. No one who has reviewed this evidence can doubt that the sum now provided in this bill for medical research and training can be wisely and productively spent.

We are confident that the increases provided will be warmly welcomed by the American people who have such an important and very personal stake in the success of the NIH programs. We strongly recommend that they be accepted by the House.

Mr. Speaker, this conference report was agreed to unanimously by both the managers on the part of the House and the managers on the part of the Senate. I urge its adoption by the House.

I now yield to the distinguished ranking minority member of the subcommittee, the gentleman from Wisconsin [Mr. LAIRD].

Mr. LAIRD. Mr. Speaker, the gentleman from Rhode Island has explained the increases in the bill from the amounts originally included as it passed the House, and has set forth the total reduction which was made in the bill as it passed the Senate. The Senate bill contained $5.161 billion. As he stated, we have reduced this bill in conference by $245 million.

One of the reductions made in conference has to do with grants to the States for welfare programs. There is

a strong feeling on the part of many Members that the Department of Health, Education, and Welfare in administering this program with the States can carry on a more vigilant type of review. Many of the examples of waste that have been pointed out in the welfare programs, such as aid to dependent children, old-age assistance, and others, can be prevented if carefully policed by the Department of Health, Education, and Welfare, with resultant savings of both Federal and local funds.

The conferees also made a reduction in the appropriation for carrying out the temporary unemployment compensation program. In that particular program there is a reduction in this bill of $150 million from the budget request. This reduction below the budget was brought about by new estimates which show less than the anticipated unemployment for extended periods that the Bureau of the Budget and the Department of Labor submitted to the Congress as justification for the request.

With regard to the National Institutes of Health, the House and the Senate conference split the difference between the Senate bill and the House bill. But we made it very clear in the report on the part of the managers that the conferees did not agree on any earmarking of funds by activities within the appropriations. The Department will submit to the Congress a listing, and that listing will be submitted to us late this afternoon or tonight; that will show, by Institute, a breakdown of the appropriations for next fiscal year by activity. In the statement on the part of the managers we have made a very clear statement that the priorities should be worked out in the Department rather than by the Committee of Conference. I had asked the Secretary of Health, Education, and Welfare for a priority listing by activities in the National Institutes of Health giving priorities to the various earmarkings that had been done by the Senate, but that listing has not yet been forthcoming. I have been assured this morning that such a listing will be forthcoming and will be available for us late this afternoon and under leave to extend my remarks I will include it in the RECORD at this point:

National Institutes of Health—Distribution of conferee increases over House allowances

	Research grants	Clinical research centers [1]	Primate centers [1]	Fellowships	Training	State control program	Community demonstration projects	Professional and technical assistance	Chemotherapy contracts	Other direct operations	Total increases
General research and services	$2,412,000	[0]	[0]	$1,000,000	$4,500,000	0	0	0	0	$450,000	$8,362,000
National Cancer Institute	6,138,000	[$1,000,000]	[0]	400,000	2,000,000	0	$500,000	$4,000,000	$2,250,000	1,876,000	17,164,000
Mental health activities	6,609,000	[2,500,000]	[0]	1,750,000	6,500,000	$750,000	0	300,000	0	785,000	16,694,000
National Heart Institute	17,570,000	[2,000,000]	[$2,000,000]	750,000	3,500,000	1,500,000	0	1,800,000	0	2,069,000	27,189,000
National Institute of Dental Research	755,000	[0]	[0]	250,000	1,500,000	0	0	0	0	154,000	2,659,000
Arthritis and metabolic disease activities	4,982,000	[0]	[0]	330,000	2,000,000	0	0	0	0	858,000	8,170,000
Allergy and infectious disease activities	1,583,000	[0]	[0]	100,000	110,000	0	0	0	0	2,116,000	3,909,000
Neurology and blindness activities	5,988,000	[2,000,000]	[0]	500,000	2,154,000	0	0	3,000,000	0	1,546,000	13,188,000
Total	46,037,000	[1] [7,500,000]	[1] [2,000,000]	5,080,000	22,264,000	2,250,000	500,000	9,100,000	2,250,000	9,854,000	97,335,000

[1] The entries under "Clinical research centers" and "Primate centers" are included in the entries in the column "Research grants."

Mr. DINGELL. Mr. Speaker, I was very much distressed to note the deep cuts made by the other body in the Labor-HEW appropriation bill and rejoice greatly to find that much of this cut has been put back in by the conferees. Even with the cuts restored, I note that Food and Drug, already hard put by budget limitations to carry out its responsibility to safeguard the health and welfare of American people, will have about 30 less inspectors than provided by the original budget request. This cut will impair all of Food and Drug's inspection programs and it is indeed regrettable that the full amount of the budget request, and more, was not appropriated.

In his budget, the President requested an appropriation of $23,580,000 to operate the Food and Drug Administration during fiscal year 1962. The President's budget was approved by the House of Representatives. The Senate, however, reduced the appropriation to $22 million, a cut of $1,580,000. These divergent amounts have been resolved by a House-Senate Conference Committee which agreed to reinstate $1 million of the Senate cut, bringing the total Food and Drug Administration appropriation for fiscal year 1962 to $23 million.

The President's budget and the House bill would have provided FDA with an increase of $4,732,000 over the fiscal year 1961 appropriation. This increase, it might be noted, was identical to the one approved by the Eisenhower administration before leaving office. In effect, therefore, it represented the combined thinking of two administrations. Furthermore, it was in accordance with a plan instituted in fiscal year 1957 to strengthen FDA across the board over a period of up to 10 years. This plan was the result of a special study made in 1955 by an advisory committee of citizens which concluded that FDA was understaffed and lacked the proper facilities and equipment to provide adequate protection to the Nation's consumers of foods, drugs, and cosmetics.

The loss of $580,000 for fiscal year 1962 will have direct effects of an adverse nature on FDA's operations. Thirty positions, including inspectors and chemists working in FDA's 18 district offices scattered throughout the Nation, will be lost to the Agency. These positions had been requested to bolster FDA's efforts protecting consumers against harmful food additives. In imposing this cut, the Congress has, in effect, denied FDA the resources to carry out responsibilities which Congress itself assigned to the Agency only 3 years ago when it passed the Food Additives Amendment of 1958.

There are today an estimated 3,000 chemicals used in foods and food packaging materials. Many of them are known to be highly toxic, and unless they are used in a manner and in amounts prescribed by scientific tests, these chemicals can be harmful to consumers.

It is FDA's responsibility under law to determine the safety of all food additives and to establish tolerances for their proper use in each and every food product. Once this is accomplished, FDA, by means of its inspectors and chemists in field laboratories, must make sure that these tolerances are maintained by each of the estimated 73,000 food manufacturing, processing, and packaging establishments using additives. This is a heavy burden and important responsibility, and the health of every American depends to a considerable extent upon FDA's ability to bear this burden adequately and fulfill its responsibilities under law.

As of now, FDA has the manpower to inspect each year only a fourth of the food establishments under its jurisdiction. To cut the Agency's staff by 30 positions does little to improve matters. For this reason it is unfortunate that the full appropriation of $23,580,000 as requested by the President and approved by the House was not approved.

Mr. FOGARTY. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

The SPEAKER pro tempore. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 7: Page 8, line 8, insert:

"PAYMENT TO THE FEDERAL EXTENDED COMPENSATION ACCOUNT

"For payment into the Federal extended compensation account of the unemployment trust fund, as repayable advances, as authorized by section 13 of the Temporary Extended Unemployment Compensation Act of 1961, $390,000,000, to remain available only until September 30, 1962."

Mr. FOGARTY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. FOGARTY moves that the House recede from its disagreement to the amendment of the Senate numbered 7 and concur

therein with an amendment, as follows: In lieu of the sum "$390,000,000," insert "$340,000,000."

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 15: Page 18, line 13, insert: ": *Provided further,* That no part of this appropriation shall be available for graduate fellowships awarded initially under the provisions of the Act after the date of enactment of the Department of Health, Education, and Welfare Appropriation Act, 1962, which are not found by the Commissioner of Education to be consistent with the purpose of the Act as stated in section 101 thereof."

Mr. FOGARTY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. FOGARTY moves that the House recede from its disagreement to the amendment of the Senate numbered 15 and concur therein.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 24: Page 24, line 20, insert: "of which $500,000 shall be available for grants of money, services, supplies and equipment to States, and with the approval of the respective State health authority, to counties, health districts and other political subdivisions of the States for the control of tuberculosis in such amounts and upon such terms and conditions as the Surgeon General may determine, and".

Mr. FOGARTY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. FOGARTY moves that the House recede from its disagreement to the amendment of the Senate numbered 24 and concur therein.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 29: Page 26, line 12, strike out "$125,000,000" and insert "$150,000,000".

Mr. FOGARTY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. FOGARTY moves that the House recede from its disagreement to the amendment of the Senate numbered 29 and concur therein with an amendment, as follows: In lieu of the amount proposed by said amendment, insert the following: "$140,028,000 plus $9,972,000 which the Surgeon General is authorized and directed to transfer from the sums set forth herein for section 636 and for grants or loans for facilities pursuant to part G".

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 36: Page 30, line 21, insert: ", of which $734,000 shall be available for construction of wharf facilities at the Rosebank Quarantine Station."

Mr. FOGARTY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. FOGARTY moves that the House recede from its disagreement to the amendment of the Senate numbered 36 and concur therein.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 41: Page 32, line 23, insert: ", of which $1,000,000, to remain available until December 31, 1962, shall be available for plans and specifications for a gerontological research building and appurtenant facilities."

Mr. FOGARTY. I offer a motion.

The Clerk read as follows:

Mr. FOGARTY moves that the House recede from its disagreement to the amendment of the Senate numbered 41 and concur therein.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 45: Page 33, line 18, insert the following: ", and of which $750,000 shall be available for modernization, including renovation and alterations, planning and construction, of the Rocky Mountain Laboratory, Hamilton, Montana."

Mr. FOGARTY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. FOGARTY moves that the House recede from its disagreement to the amendment of the Senate numbered 45 and concur therein.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 46: Page 33, line 24, insert the following: "; to cooperate with State health agencies, and other public and private nonprofit institutions, in the prevention, control, and eradication of neurological and sensory diseases and blindess by providing for consultative services, training, demonstrations, and other control activities, directly and through grants-in-aid,".

Mr. FOGARTY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. FOGARTY moves that the House recede from its disagreement to the amendment of the Senate numbered 46 and concur therein.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 48: Page 34, line 7, insert the following:

"NATIONAL INSTITUTES OF HEALTH MANAGEMENT FUND

"The paragraph under this head in the Department of Health, Education, and Welfare Appropriation Act, 1958 (71 Stat. 220) is amended by striking out the words 'cost of such operation' in the second sentence of such paragraph, and inserting in lieu thereof 'reasonable value of the meals served.' "

Mr. FOGARTY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. FOGARTY moves that the House recede from its disagreement to the amendment of the Senate numbered 48 and concur therein.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 50: Page 34, line 19, strike out lines 19 to 24, as follows:

"GRANTS FOR HOSPITAL RESEARCH FACILITIES

"For making grants, as authorized by section 433(a) of the Act, for the construction of hospital research facilities, $10,000,000: *Provided,* That none of these funds shall be used to pay in excess of two-thirds of the cost of such facilities."

Mr. FOGARTY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. FOGARTY moves that the House recede from its disagreement to the amendment of the Senate numbered 50 and concur therein with an amendment, as follows: Restore the matter stricken by said amendment, amended to read as follows:

"HOSPITAL AND MEDICAL FACILITY RESEARCH

"For research and demonstration in the development and utilization of services and hospital and other medical facilities, including grants for construction and equipment of experimental or demonstration hospitals and other medical facilities, as authorized by section 636 of the Act, $10,000,000: *Provided,* That none of these funds shall be used to pay in excess of two-thirds of the cost of such construction and equipment: *Provided further,* That this paragraph shall be effective only upon enactment into law of H.R. 4998, Eighty-seventh Congress, or similar legislation."

Mr. LAIRD. Mr. Speaker, will the gentleman yield?

Mr. FOGARTY. I yield to the gentleman from Wisconsin.

Mr. LAIRD. Mr. Speaker, I have been asked several questions about this amendment and what its practical effect is. This amendment carries out the program that was outlined on the floor of the House by the gentleman from Rhode Island and myself at the time the Labor-Health, Education, and Welfare appropriation bill was before us. The only difference in the provisions of this amendment and the bill that was passed by the House of Representatives is that instead of using the authority of section 433(a) of the Public Health Service Act we will use the authority of section 636 as amended in bill H.R. 4998, which has passed both the House and the Senate. We have retained the two-thirds matching provision that was in the House bill as it passed the House several months ago.

Mr. FOGARTY. Mr. Speaker, I move the previous question on the motion.

The previous question was ordered.

The motion was agreed to.

A motion to reconsider the votes by which action was taken on the several motions was laid on the table.

Mr. FOGARTY. Mr. Speaker, I ask unanimous consent that all Members be permitted to extend their remarks in the RECORD on the conference report just agreed to.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Rhode Island?

There was no objection.

RESERVE COMPONENTS OF THE ARMED FORCES

Mr. RIVERS of South Carolina. Mr. Speaker, I ask unanimous consent to take from the Speaker's table for immediate consideration the bill (H.R. 5490) to provide for more effective participation in the Reserves components of the Armed Forces, and for other purposes, with a Senate amendment thereto.

The Clerk read the title of the bill.

The Clerk read the Senate amendment as follows:

Strike out all after the enacting clause and insert: "That section 6 of the Universal Military Training and Service Act, as amended (50 U.S.C. App. 456), is amended—

"(1) by amending subsection (c)(2)(A) by striking out in the last sentence thereof the words 'eight years' and substituting the words 'six years' in lieu thereof;

"(2) by amending subsection (c)(2)(B) to read as follows:

"'(B) Any person who after attaining the age of eighteen years and six months, but prior to attaining the age of twenty-six years and prior to the issuance of orders for him to report for induction, enlists or accepts appointment in an organized unit of the National Guard shall be deferred from training and service under this Act so long as he continues to serve satisfactorily as a member of such organized unit. No person deferred under the provisions of this clause shall by reason of such deferment be liable for training and service in the Armed Forces by reason of subsection (h) of this section after the twenty-eighth anniversary of the date of his birth or the sixth anniversary of the date of his enlistment or appointment in such unit, whichever occurs later. No such person who has completed six years of satisfactory service as a member of an organized unit of the National Guard, and who during such service has performed active duty for training with an armed force for not less than three consecutive months shall be liable for induction for training and service under this Act, except after a declaration of war or national emergency made by the Congress.';

"(3) by amending subsection (c)(2)(D) by striking out in the last sentence thereof the words 'eight years' and substituting the words 'six years' in lieu thereof;

"(4) by amending subsection (c)(2)(E) to read as follows:

"'(E) Notwithstanding any other provision of this Act, the President, under such rules and regulations as he may prescribe, may provide that any person enlisted in the Ready Reserve of any reserve component of the Armed Forces pursuant to authority conferred by this paragraph or under section 262 of the Armed Forces Reserve Act of 1952, as amended, or any member of the National Guard deferred from training and service by clause (A) of this paragraph, or any person enlisted or appointed in the National Guard after the effective date of this amended clause and deferred from training and service by clause (B) of this paragraph who fails to serve satisfactorily as a member of such Ready Reserve or National Guard or the Ready Reserve of another reserve component of which he becomes a member may be selected for training and service and inducted into the armed force of which such reserve component is a part, prior to the selection and induction of other persons liable therefor.';

"(5) by amending clause (C) in the first sentence of subsection (d)(1) to read as follows: '(C) agrees to remain a member of a regular or reserve component until the sixth anniversary of the receipt of a commission,';

"(6) by amending the fifth and sixth sentences of subsection (d)(1) to read as follows: 'If, at the time of, or subsequent to, such appointment, the armed force in which such person is commissioned does not require his service on active duty in fulfillment of the obligation undertaken by him in compliance with clause (B) of the first sentence of this paragraph, such person shall be ordered to active duty for training with such armed force in the grade in which he was commissioned for a period of active duty for training of not less than three months or more than six months (not including duty performed under section 270(a) of title 10, United States Code), as determined by the Secretary of the military department concerned to be necessary to qualify such person for a mobilization assignment. Upon being commissioned and assigned to a Reserve component, such person shall be required to serve therein, or in a Reserve component of any other armed force in which he is later appointed, for the remainder of his service obligation.'; and

"(7) by striking out in the seventh and eighth sentences of subsection (d)(1) 'in such unit' wherever it appears therein.

"SEC. 2. Section 262 of the Armed Forces Reserve Act of 1952, as amended (50 U.S.C. 1013), is amended—

"(1) by striking out in subsection (b)(3) the words 'eighteen years and six months' and substituting the words 'twenty-six years' in lieu thereof; and

"(2) by striking out in the first sentence of subsection (c) thereof the words 'eight years' and substituting the words 'six years' in lieu thereof;

"(3) by amending the last sentence of subsection (c) thereof to read as follows: 'Each such person (1) shall be deferred from training and service under the Universal Military Training and Service Act, as amended, so long as he continues to serve satisfactorily, as determined under regulations prescribed by the appropriate Secretary, (2) shall by reason of that deferment remain liable for induction for training and service under the provisions of section 4(a) of such Act until the twenty-eighth anniversary of the date of his birth or until the sixth anniversary of the date of his enlistment under this section, whichever anniversary occurs later, and (3) upon the completion of six years of such satisfactory service pursuant to such enlistment shall be exempt from further liability for induction for training and service under such Act, except after a declaration of war or national emergency made by the Congress after August 9, 1955.'

"SEC. 3. Section 270 of title 10, United States Code, is amended by adding the following new subsection at the end thereof:

"'(c) Any person who becomes a member of the Army National Guard of the United States or the Air National Guard of the United States after the enactment of this subsection and who fails in any year to perform satisfactorily the training duty prescribed by or under law for members of the Army National Guard or the Air National Guard, as the case may be, as determined by the Secretary concerned, may, upon the request of the Governor of the State or territory, Puerto Rico, or the Canal Zone, or the commanding general of the District of Columbia National Guard, whichever is concerned, be ordered, without his consent, to perform additional active duty for training for not more than forty-five days. A member ordered to active duty under this subsection shall be ordered to duty as a Reserve of the Army or as a Reserve of the Air Force, as the case may be.'

"SEC. 4. (a) Section 651(a) of title 10, United States Code, is amended to read as follows:

"'(a) Each person who becomes a member of an armed force before his twenty-sixth birthday shall serve in the armed forces for a total of six years. Any person covered by this subsection may be sooner discharged because of personal hardship under regulations prescribed by the Secretary of Defense, or, if he is a member of the Coast Guard while it is not operating as a service in the Navy, by the Secretary of the Treasury. Any part of such service that is not active duty or is active duty for training shall be performed in a reserve component.'

"(b) The amendment made by subsection (a) of this section shall be effective with respect to all persons who became members of the armed forces prior to the date of enactment of this Act as well as to all persons who become members after the date of enactment of this Act, any enlistment or written agreement entered into prior to such date to the contrary notwithstanding.

"SEC. 5. Section 3261 of title 10, United States Code, is amended—

"(1) by striking out the designation '(b)' in subsection (a) and inserting the designation '(c)' in place thereof; and

"(2) by redesignating subsection (b) as subsection '(c)' and inserting the following new subsection (b):

"'(b) Under regulations to be prescribed by the Secretary of the Army, a person who enlists or reenlists in the Army National Guard, or whose term of enlistment or reenlistment in the Army National Guard is extended, shall be concurrently enlisted or reenlisted, or his term of enlistment or reenlistment shall be concurrently extended, as the case may be, as a Reserve of the Army for service in the Army National Guard of the United States.'

"SEC. 6. Section 8261 of title 10, United States Code, is amended—

"(1) by striking out the designation '(b)' in subsection (a) and inserting the designation '(c)' in place thereof; and

"(2) by redesignating subsection (b) as subsection '(c)' and inserting the following new subsection (b):

"'(b) Under regulations to be prescribed by the Secretary of the Air Force, a person who enlists or reenlists in the Air National Guard, or whose term of enlistment or reenlistment in the Air National Guard is extended, shall be concurrently enlisted or reenlisted, or his term of enlistment or reenlistment shall be concurrently extended, as the case may be, as a Reserve of the Air Force for service in the Air National Guard of the United States.'

"SEC. 7. Title 32, United States Code, is amended as follows:

"(1) Section 302 is amended to read as follows:

"'§ 302. Enlistments, reenlistments, and extensions

"'(a) Under regulations to be prescribed by the Secretary concerned, original enlistments in the National Guard may be accepted for—

"'(1) any specified term, not less than three years, for persons who have not served in an armed force; or

"'(2) any specified term, not less than one year, for persons who have served in any armed force.

"'(b) Under regulations to be prescribed by the Secretary concerned, reenlistment in the National Guard may be accepted for any specified period, or, if the person last served in one of the highest five enlisted grades, for an unspecified period.

"'(c) Enlistments or reenlistments in the National Guard may be extended—

"'(1) under regulations to be prescribed by the Secretary concerned, at the request of the member, for any period not less than six months; or

"'(2) by proclamation of the President, if Congress declares an emergency, until six months after termination of that emergency.'

"(2) The analysis of chapter 3 is amended by striking out the following item:

" '302. Enlistments.'

and inserting the following item in place thereof:

" '302. Enlistments, reenlistments, and extensions.'

"SEC. 8. The amendments made by sections 5, 6, and 7 of this Act shall not affect any enlistment, reenlistment, or appointment entered into or made before the effective date of this Act.

"SEC. 9. (a) Section 29(a) of the Act of August 10, 1956, as amended (5 U.S.C. 30r), is amended by striking out the words 'fiscal year' wherever they appear therein and substituting the words 'calendar year' in lieu thereof.

"(b) Except with respect to substitute postal employees, the amendments made by subsection (a) of this section shall become effective as of January 1, 1961, and with respect to substitute postal employees such amendments shall become effective as of January 1, 1962."

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Carolina?

Mr. BYRNES of Wisconsin. Reserving the right to object, Mr. Speaker, will the gentleman advise whether this amendment has been taken up with the minority members of the committee?

Mr. RIVERS of South Carolina. It has.

Mr. BYRNES of Wisconsin. Is it agreeable to them?

Mr. RIVERS of South Carolina. It is agreeable to them.

Mr. BYRNES of Wisconsin. I withdraw by reservation of objection, Mr. Speaker.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. RIVERS of South Carolina. Mr. Speaker, I move that the House concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. RIVERS of South Carolina moves to concur in the Senate amendment to the bill H.R. 5490, with an amendment, as follows:

In lieu of the matter proposed by the Senate amendment, insert "That section 6 of the Universal Military Training and Service Act, as amended (50 U.S.C. App. 456), is amended—

"(1) by amending subsection (c)(2)(E) to read as follows:

" '(E) Notwithstanding any other provision of this Act, the President, under such rules and regulations as he may prescribe, may provide that any person enlisted in the Ready Reserve of any reserve component of the Armed Forces pursuant to authority conferred by this paragraph or under section 262 of the Armed Forces Reserve Act of 1952, as amended, or any member of the National Guard deferred from training and service by clause (A) of this paragraph, or any person enlisted or appointed in the Ready Reserve of any reserve component of the Armed Forces (other than under section 511(b) of title 10, United States Code), the Army National Guard, or the Air National Guard after the effective date of this amended clause, but prior to his attaining the age of 26, who fails to serve satisfactorily as a member of such Ready Reserve or National Guard or the Ready Reserve of another reserve component of which he becomes a member may be selected for training and service and inducted into the armed force of which such reserve component is a part, prior to the selection and induction of other persons liable therefore.'; and

"(2) by striking out the words 'in such unit' in the seventh and eighth sentences of subsection (d)(1) and amending the fifth and sixth sentences of that subsection to read as follows: 'If, at the time of, or subsequent to, such appointment, the armed force in which such person is commissioned does not require his service on active duty in fulfillment of the obligation undertaken by him in compliance with clause (B) of the first sentence of this paragraph, such person shall be ordered to active duty for training with such armed force in the grade in which he was commissioned for a period of active duty for training of not less than three months or more than six months (not including duty performed under section 270(a) of title 10, United States Code), as determined by the Secretary of the military department concerned to be necessary to qualify such person for a mobilization assignment. Upon being commissioned and assigned to a reserve component, such person shall be required to serve therein, or in a reserve component of any other armed force in which he is later appointed, until the eighth anniversary of the receipt of such commission pursuant to the provisions of this section'.

"SEC. 2. Section 270 of title 10, United States Code, is amended by adding the following new subsection at the end thereof:

" '(c) Any person who becomes a member of the Army National Guard of the United States or the Air National Guard of the United States after the enactment of this subsection and who fails in any year to perform satisfactorily the training duty prescribed by or under law for members of the Army National Guard or the Air National Guard, as the case may be, as determined by the Secretary concerned, may, upon the request of the Governor of the State or territory, Puerto Rico, or the Canal Zone, or the commanding general of the District of Columbia National Guard, whichever is concerned, be ordered, without his consent, to perform additional active duty for training for not more than forty-five days. A member ordered to active duty under this subsection shall be ordered to duty as a Reserve of the Army or as a Reserve of the Air Force, as the case may be.'

"SEC. 3. Section 3261 of title 10, United States Code, is amended—

"(1) by striking out the designation '(b)' in subsection (a) and inserting the designation '(c)' in place thereof; and

"(2) by redesignating subsection (b) as subsection '(c)' and inserting the following new subsection (b):

" '(b) Under regulations to be prescribed by the Secretary of the Army, a person who enlists or reenlists in the Army National Guard, or whose term of enlistment or reenlistment in the Army National Guard is extended, shall be concurrently enlisted or reenlisted, or his term of enlistment or reenlistment shall be concurrently extended, as the case may be, as a Reserve of the Army for service in the Army National Guard of the United States.'

"SEC. 4. Section 8261 of title 10, United States Code, is amended—

"(1) by striking out the designation '(b)' in subsection (a) and inserting the designation '(c)' in place thereof; and

"(2) by redesignating subsection (b) as subsection '(c)' and inserting the following new subsection (b):

" '(b) Under regulations to be prescribed by the Secretary of the Air Force, a person who enlists or reenlists in the Air National Guard, or whose term of enlistment or reenlistment in the Air National Guard is extended, shall be concurrently enlisted or reenlisted, or his term of enlistment or reenlistment shall be concurrently extended, as the case may be, as a Reserve of the Air Force for service in the Air National Guard of the United States.'

"SEC. 5. Title 32, United States Code, is amended as follows:

"(1) Section 302 is amended to read as follows:

" '§ 302. Enlistments, reenlistments, and extensions

" '(a) Under regulations to be prescribed by the Secretary concerned, original enlistments in the National Guard may be accepted for—

" '(1) any specified term, not less than three years, for persons who have not served in an armed force; or

" '(2) any specified term, not less than one year, for persons who have served in any armed force.

" '(b) Under regulations to be prescribed by the Secretary concerned, reenlistment in the National Guard may be accepted for any specified period, or, if the person last served in one of the highest five enlisted grades, for an unspecified period.

" '(c) Enlistments or reenlistments in the National Guard may be extended—

" '(1) under regulations to be prescribed by the Secretary concerned, at the request of the member, for any period not less than six months; or

" '(2) by proclamation of the President, if Congress declares an emergency, until six months after termination of that emergency.'

"(2) The analysis of chapter 3 is amended by striking out the following item:

" '302. Enlistments.'

and inserting the following item in place thereof:

" '302. Enlistments, reenlistments, and extensions.'

"SEC. 6. The amendments made by sections 3, 4, and 5 of this Act shall not affect any enlistment, reenlistment, or appointment entered into or made before the effective date of this Act.

"SEC. 7. (a) Section 29(a) of the Act of August 10, 1956, as amended (5 U.S.C. 30r), is amended by striking out the words 'fiscal year' wherever they appear therein and substituting the words 'calendar year' in lieu thereof.

"(b) Except with respect to substitute postal employees, the amendments made by subsection (a) of this section shall become effective as of January 1, 1961, and with respect to substitute postal employees such amendments shall become effective as of January 1, 1962."

The motion was agreed to.

A motion to reconsider was laid on the table.

CHILDREN HANDICAPPED BY DEAFNESS

Mrs. GREEN of Oregon. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 336) to make available to children who are handicapped by deafness the specially trained teachers of the deaf needed to develop their abilities and to make available to individuals suffering speech and hearing impairments the specially trained speech pathologists and audiologists needed to help them overcome their handicaps.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Oregon?

There was no objection.

The Clerk read the Senate bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

TITLE I—TRAINING OF TEACHERS OF THE DEAF

SEC. 101. In order to encourage and facilitate the training of teachers of the deaf, the Commissioner of Education (hereinafter in this title referred to as the "Commissioner") shall, with the advice and assistance of the Advisory Committee on the Training of Teachers of the Deaf (established by section 105 and hereinafter in this title referred to as the "Advisory Committee"), establish and conduct a program of grants-in-aid to accredited public and nonprofit institutions of higher education which are approved training centers for teachers of the deaf or are affiliated with approved public or other nonprofit institutions which are approved for the training of teachers of the deaf to assist such institutions in providing courses of training and study for teachers of the deaf and in improving such courses. Such grants-in-aid shall be used by such institutions to assist in covering the cost of such courses of training and study and for establishing and maintaining scholarships for qualified persons who desire to enroll in such courses of training and study, the stipends of any such scholarships to be determined by the Commissioner. The Commissioner shall submit all applications for grants-in-aid under this title to the Advisory Committee for its review and recommendations, and the Commissioner shall not approve any such application before he has received and studied the recommendations of the Advisory Committee with respect to such application, unless the Advisory Committee shall have failed to submit its recommendations to him after having had adequate time to do so.

SEC. 102. Payments of grants-in-aid pursuant to this title shall be made by the Commissioner from time to time and on such conditions as he may determine, including the making of such reports as the Commissioner may determine to be necessary to carry out the provisions of this title. Such payments may be made either in advance or by way of reimbursement.

SEC. 103. For the purposes of this title:

(a) The term "nonprofit", as applied to an institution, means an institution owned and operated by one or more corporations or associations no part of the net earnings of which inures, or may lawfully inure, to the benefit of any private shareholder or individual;

(b) The term "accredited", as applied to an institution of higher education, means an institution of higher education accredited by a nationally recognized body or bodies approved for such purpose by the Commissioner; and

(c) The term "approved", as applied to training centers for teachers of the deaf, means centers approved by a nationally recognized body or bodies approved for the purpose by the Commissioner, except that a training center for teachers of the deaf which is not, at the time of its application for a grant under this title, approved by such a recognized body or bodies may be deemed approved for purposes of this title if the Commissioner finds, after consultation with the appropriate approved body or bodies, that there is reasonable assurance that the center will, with the aid of such grant, meet the approval standards of such body or bodies.

SEC. 104. The Commissioner is authorized to delegate any of its functions under this title, except the making of regulations, to any officer or employee of the Office of Education.

SEC. 105. (a) There is hereby established in the Office of Education an Advisory Committee on the Training of Teachers of the Deaf. The Advisory Committee shall consist of the Commissioner, who shall be Chairman, and twelve persons appointed, without regard to the civil service laws, by the Commissioner with the approval of the Secretary of Health, Education, and Welfare. The twelve appointed members shall be selected so as to secure on the Committee a balanced representation from among individuals identified with institutions approved for the training of teachers of the deaf, individuals identified with institutions of higher education which are affiliated with institutions approved for the training of teachers of the deaf, individuals who have responsibilities in the teaching of the deaf, and individuals identified with the general public who have demonstrated an interest in the education of the deaf.

(b) The appointed members of the Advisory Committee shall hold office for a term of four years, except that (1) any member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of such term, and (2) the terms of the members first taking office after the date of enactment of this title shall expire, as designated by the Commissioner at the time of appointment, three at the end of four years after such date, three at the end of three years after such date, three at the end of two years after such date, and three at the end of one year after such date. None of the appointed members shall be eligible for reappointment until a year has elapsed since the end of his preceding term.

(c) The Advisory Committee shall periodically review the operations of the grants-in-aid program established pursuant to this title with a view to determining the extent to which such program is succeeding in carrying out the purposes for which it was established. On the basis of such reviews the Advisory Committee shall submit to the Commissioner such recommendations with respect to the operation and administration of the program as it may deem advisable, together with any recommendations for legislation which it may deem necessary or desirable to carry out the purposes for which this title was enacted. Such recommendations, together with the Commissioner's comments thereon, shall be referred to the Secretary of Health, Education, and Welfare for transmittal by him to the Congress.

(d) The Advisory Committee is authorized to review all applications for grants-in-aid under this title and recommend to the Commissioner the approval of such applications as, in the opinion of the Advisory Committee, contribute to the carrying out of the purposes of this title, and the disapproval of such applications as, in the opinion of the Advisory Committee, do not contribute to the carrying out of such purposes.

(e) The Commissioner may utilize the services of any member or members of the Advisory Committee in connection with matters relating to the provisions of this title, for such periods, in addition to conference periods, as he may determine.

(f) Members of the Advisory Committee shall, while serving on business of the Advisory Committee or at the request of the Commissioner under subsection (e) of this section, receive compensation at rates fixed by the Secretary of Health, Education, and Welfare, not to exceed $50 per day, and shall also be entitled to receive an allowance for actual and necessary travel and subsistence expenses while so serving away from their places of residence, except that any member may waive his right to receive such compensation or allowance, or both.

SEC. 106. (a) For the purpose of carrying out the provisions of this title there are authorized to be appropriated such amounts as may be necessary for the fiscal year beginning July 1, 1961, and for the nine succeeding fiscal years, but aggregate payments, from sums so appropriated, with respect to costs incurred during the fiscal year beginning July 1, 1961, or the next fiscal year by recipients of grants-in-aid under this title may not exceed $1,500,000. Any grant for training or scholarships made from an appropriation under this title for any fiscal year may include such amounts for providing such training or scholarships during succeeding years as the Commissioner may determine.

(b) The provisions of this title shall terminate on June 30, 1971.

TITLE II—TRAINING OF SPEECH PATHOLOGISTS AND AUDIOLOGISTS

SEC. 201. In order to encourage and facilitate the training of speech pathologists and audiologists, the Director of the Office of Vocational Rehabilitation (hereinafter in this title referred to as the "Director") shall, with the advice and assistance of the Advisory Committee on Speech Pathology and Audiology Training (established by section 205 and hereinafter in this title referred to as the "Advisory Committee"), establish and conduct a program of grants-in-aid to accredited public and nonprofit institutions of higher education which are engaged in the training of speech pathologists and audiologists to assist such institutions in providing such training and in improving courses for such training. Such grants-in-aid shall be made only to institutions of higher education which offer programs of such nature and content as to enable students who have successfully completed such programs to qualify for an advanced certificate in speech pathology or audiology from a nationally recognized body or bodies approved for the purpose by the Director. Such grants-in-aid shall be used by such institutions to assist in covering the cost of courses of graduate training and study leading to the master's or doctor's degree and for establishing and maintaining graduate fellowships with such stipends as may be determined by the Director. The Director shall submit all applications for grants-in-aid under this title to the Advisory Committee for its review and recommendations, and the Director shall not approve any such application before he has received and studied the recommendations of the Advisory Committee with respect to such application, unless the Advisory Committee shall have failed to submit its recommendations to him after having had adequate time to do so.

SEC. 202. Payments of grants-in-aid pursuant to this title may be made by the Director from time to time, in advance or by way of reimbursement, on such conditions as the Director may determine, including the making of such reports as the Director may determine to be necessary to carry out the provisions of this title.

SEC. 203. For the purposes of this title:

(a) The term "nonprofit", as applied to an institution of higher education, means an institution owned and operated by one or more corporations or associations no part of the net earnings of which inures, or may lawfully inure, to the benefit of any private shareholder or individual.

(b) The term "accredited", as applied to an institution of higher education, means an institution of higher education accredited by a nationally recognized body or bodies approved for the purpose by the Director.

SEC. 204. The Director is authorized to delegate any of his functions under this title except the making of regulations, to any officer or employee of the Office of Vocational Rehabilitation.

SEC. 205 (a) There is hereby established in the Office of Vocational Rehabilitation an Advisory Committee on Speech Pathology and Audiology Training. The Advisory Committee shall consist of the Director who shall be Chairman and twelve persons, appointed

without regard to the civil service laws, by the Director with the approval of the Secretary of Health, Education, and Welfare. The twelve appointed members shall be selected so as to secure on the Advisory Committee a balanced representation from among individuals who devote a major part of their efforts to departments of speech pathology and audiology in institutions of higher education and who reflect varied specialties represented in such departments, individuals from the ranks of professional people actively engaged in the diagnosis, training, or rehabilitation of individuals suffering serious speech or hearing impairments, and individuals from the general public who have demonstrated an interest in the problem of speech and hearing disabilities.

(b) The appointed members of the Advisory Committee shall hold office for a term of four years, except that (1) any member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of such term, and (2) the terms of the members first taking office after the date of enactment of this title shall expire, as designated by the Director at the time of appointment, three at the end of four years after such date, three at the of three years after such date, three at the end of two years after such date, and three at the end of one year after such date. None of the appointed members shall be eligible for reappointment until a year has elapsed since the end of his preceding term.

(c) The Advisory Committee shall periodically review the operations of the grants-in-aid program established pursuant to this title with a view to determining the extent to which such program is succeeding in carrying out the purposes for which it was established. On the basis of such reviews the Advisory Committee shall submit to the Director such recommendations with respect to the operation and administration of the program as it may deem advisable, together with any recommendations for legislation which it may deem necessary or desirable to carry out the purposes for which this title was enacted. Such recommendations, together with the Director's comments thereon, shall be referred to the Secretary of Health, Education, and Welfare for transmittal by him to the Congress.

(d) The Advisory Committee is authorized to review all applications for grants-in-aid under this title and recommend to the Director the approval of such applications as, in the opinion of the Advisory Committee, contribute to the carrying out of the purposes of this title, and the disapproval of such applications as, in the opinion of the Advisory Committee, do not contribute to the carrying out of such purposes.

(e) The Director may utilize the services of any member or members of the Advisory Committee in connection with matters relating to the provisions of this title, for such periods, in addition to conference periods, as he may determine.

(f) Members of the Advisory Committee shall, while serving on business of the Advisory Committee or at the request of the Director under subsection (e) of this section, receive compensation at rates fixed by the Secretary of Health, Education, and Welfare, not to exceed $50 per day, and shall also be entitled to receive an allowance for actual and necessary travel and subsistence expenses while so serving away from their places of residence, except that any member may waive his right to receive such compensation or allowance, or both.

SEC. 206. (a) For the purpose of carrying out the provisions of this title, there are authorized to be appropriated such amounts as may be necessary for the fiscal year beginning July 1, 1961, and for the nine succeeding fiscal years, but aggregate payments, from sums so appropriated, with respect to costs incurred during the fiscal year beginning July 1, 1961, or the next fiscal year by recipients of grants-in-aid under this title may not exceed $2,000,000. Any grant for training or fellowships made from an appropriation under this title for any fiscal year may include such amounts for providing such training or fellowships during succeeding years as the Commissioner may determine.

(b) The provisions of this title shall terminate on June 30, 1971.

Mrs. GREEN of Oregon. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mrs. GREEN of Oregon: Strike out all after the enacting clause of the Senate bill, S. 336, and insert the provisions of the bill, H.R. 9011, as follows: "That, in order to encourage and facilitate the training of more teachers of the deaf, the Commissioner of Education (hereinafter in this Act referred to as the 'Commissioner') shall, with the advice and assistance of the Advisory Committee on the Training of Teachers of the Deaf (established by section 5 and hereinafter in this Act referred to as the 'Advisory Committee'), establish and conduct a program of grants-in-aid to accredited public and nonprofit institutions of higher education which are approved training centers for teachers of the deaf or are affiliated with approved public or other nonprofit institutions which are approved for the training of teachers of the deaf to assist such institutions in providing courses of training and study for teachers of the deaf and in improving such courses. Such grants-in-aid shall be used by such institutions to assist in covering the cost of such courses of training and study and for establishing and maintaining scholarships for qualified persons who desire to enroll in such courses of training and study, the stipends of any such scholarships to be determined by the Commissioner. The Commissioner shall submit all applications for grants-in-aid under this Act to the Advisory Committee for its review and recommendations, and the Commissioner shall not approve any such application before he has received and studied the recommendations of the Advisory Committee with respect to such application, unless the Advisory Committee shall have failed to submit its recommendations to him after having had adequate time to do so.

"SEC. 2. Payments of grants-in-aid pursuant to this Act shall be made by the Commissioner from time to time and on such conditions as he may determine, including the making of such reports as the Commissioner may determine to be necessary to carry out the provisions of this Act. Such payments may be made either in advance or by way of reimbursement.

"SEC. 3. For the purposes of this Act—

"(a) The term 'nonprofit', as applied to an institution, means an institution owned and operated by one or more corporations or associations no part of the net earnings of which inures, or may lawfully inure, to the benefit of any private shareholder or individual;

"(b) The term 'accredited', as applied to an institution of higher education, means an institution of higher education accredited by a nationally recognized body or bodies approved for such purpose by the Commissioner; and

"(c) The term 'approved', as applied to training centers for teachers of the deaf, means centers approved by a nationally recognized body or bodies approved for the purpose by the Commissioner, except that a training center for teachers of the deaf which is not, at the time of its application for a grant under this Act, approved by such a recognized body or bodies may be deemed approved for purposes of this Act if the Commissioner finds, after consultation with the appropriate approved body or bodies, that there is reasonable assurance that the center will, with the aid of such grant, meet the approval standards of such body or bodies.

"SEC. 4. The Commissioner is authorized to delegate any of his functions under this Act, except the making of regulations, to any officer or employee of the Office of Education.

"SEC. 5. (a) There is hereby established in the Office of Education an Advisory Committee on the Training of Teachers of the Deaf. The Advisory Committee shall consist of the Commissioner, who shall be Chairman, and twelve persons appointed, without regard to the civil service laws, by the Commissioner with the approval of the Secretary of Health, Education, and Welfare. The twelve appointed members shall be selected so as to secure on the Committee a balanced representation from among individuals identified with institutions approved for the training of teachers of the deaf, individuals identified with institutions of higher education which are affiliated with institutions approved for the training of teachers of the deaf, individuals who have responsibilities in the teaching of the deaf, and individuals identified with the general public who have demonstrated an interest in the education of the deaf.

"(b) The Advisory Committee shall periodically review the operations of the grants-in-aid program established pursuant to this Act with a view to determining the extent to which such program is succeeding in carrying out the purposes for which it was established. On the basis of such reviews the Advisory Committee shall submit to the Commissioner such recommendations with respect to the operation and administration of the program as it may deem advisable, together with any recommendations for legislation which it may deem necessary or desirable to carry out the purposes for which this Act was enacted. Such recommendations, together with the Commissioner's comments thereon, shall be referred to the Secretary of Health, Education, and Welfare for transmittal by him to the Congress.

"(c) The Advisory Committee is authorized to review all applications for grants-in-aid under this Act and recommend to the Commissioner the approval of such applications as, in the opinion of the Advisory Committee, contribute to the carrying out of the purposes of this Act, and the disapproval of such applications as, in the opinion of the Advisory Committee, do not contribute to the carrying out of such purposes.

"(d) The Commissioner may utilize the services of any member or members of the Advisory Committee in connection with matters relating to the provisions of this Act, for such periods, in addition to conference periods, as he may determine.

"(e) Members of the Advisory Committee shall, while serving on business of the Advisory Committee or at the request of the Commissioner under subsection (d) of this section, receive compensation at rates fixed by the Secretary of Health, Education, and Welfare, not to exceed $75 per day, and shall also be entitled to receive an allowance for actual and necessary travel and subsistence expenses while so serving away from their places of residence, except that any member may waive his right to receive such compensation or allowance, or both. The provisions of section 1003 of the National Defense Education Act of 1958 shall apply to members of the Advisory Committee.

"SEC. 6. (a) For the purpose of carrying out the provisions of this Act there are authorized to be appropriated $1,500,000 for the fiscal year ending June 30, 1962, and $1,500,000 for the fiscal year ending June 30, 1963. Any grant for training or scholarships made from an appropriation under this Act for any

fiscal year may include such amounts for providing such training or scholarships during succeeding years as the Commissioner may determine.

"(b) The provisions of this Act shall terminate on June 30, 1963."

The amendment was agreed to.

Mr. SMITH of Mississippi. Mr. Speaker, I am pleased to join in support of this legislation to provide for special training for teachers of the deaf. This is the type of program that can be adequately handled only by the Federal Government. There is, at present, a serious shortage of trained teachers in this field and this program will be of great benefit to all of the States attempting to meet the present shortage, both in their public institutions and private schools. I appreciate the efforts of the gentlewoman from Oregon in calling this bill up for action at this time.

Mr. FOGARTY. Mr. Speaker, the need for competent, trained teachers of the deaf is extremely critical throughout the country. This urgent need must be met now. Each year of delay exacts an irremediable toll. Schools for the deaf have long waiting lists of applicants who cannot be admitted because of the growing shortage of teachers and facilities. Failure to meet the basic educational needs of the deaf child infinitely compounds the handicap of deafness and creates bewilderingly complex problems to be faced by the deaf person, his family, and all the agencies, public and private, which seek to meet his needs. It is only through the special skills of those trained to teach the deaf that the deaf child can be brought into realistic contact with his world. Without this education, suited to his needs, the stream of our society and its culture flows past him in ambiguous and confusing undulations. For no other group in our population is the price of educational neglect so high, nor its resultant harm so irreparable.

The art of conveying to the deaf child meaning, that is, comprehension and understanding of ideas inherent in language, is an extremely specialized one. This meaning, which comes to the hearing—and the hard of hearing—child through his ears, is available to the deaf child only through his eyes. Herein lies the difference between the art of the teacher of the deaf and the other teachers in the educational milieu. Training in the special skills of this art is essential if we are to give to each deaf child a firm educational foundation. For the deaf child, the task of learning language—this comprehension of the world about him in terms meaningful and accurate to him and to the persons to whom he wishes to convey his thoughts—is a slow and complex one. He has a right to the teaching of one especially qualified to convey this meaning to him. To the extent that he is denied that right, this Nation is failing in its duty to him, and is robbing itself of the benefit of his contribution to our society in his adulthood.

One of the most difficult problems facing adjustment counselors and placement workers today is the so-called "marginal" deaf person who has reached employable age without benefit of proper education or of any education at all. The problem is frequently compounded because, faced with having to turn numbers of applicants away, the schools are forced into a selection process which frequently "selects out" the more difficult case—the problem child. Of equal significance is the constellation of extremely complex problems posed by many deaf persons who have had school experience from untrained teachers.

Public and private programs are then confronted with the deaf client whose problems are complex and difficult of solution, who may lack not only the rudiments of education, but the positive patterns of social relations and work habits and attitudes which accompany the usual educational process and which must be established in the adult client if he is to succeed with any realistic vocational objective. Needless to say, these problems of personal, social, and vocational adjustment are more difficult to meet in a deaf person who has not had an opportunity to develop an understanding of the world around him, or to acquire the communication skills needed to articulate his thoughts, feelings, and needs to professional persons who would serve him.

One of the first things adjustment workers have had to do for many deaf clients is develop a sense of time—how to tell time, how to make or keep an appointment on time; how to know what time to catch a bus, how to count—how to count money—all of these little things which we take so for granted, and which would have come to him through the schools if he had been given the opportunity of a proper education.

We cannot say that responsibility in this crucial area lies solely with the States or the communities concerned. President Kennedy, in his educational message stressed that the human mind is our fundamental resource. To us this means the mind of the deaf child as well as the hearing. The Federal Government has a responsibility to see that every effort is made to assure that the deaf children of this Nation have available to them the teaching skills of those especially qualified to meet their educational needs. Nor can we assert that the needs to which the bill is addressed do not have sufficient priority to warrant enactment at this time. We must recognize the priority of prevention. We must calculate the price of failure.

On August 31, 1961, I introduced H.R. 9011 to assist in making available to children who are handicapped by deafness the specially prepared teachers of the deaf needed to develop their abilities. In the Nation there are about 35,000 school-age children suffering from deafness. About 27,000 of these children are reported to be enrolled in residential schools for the deaf or in special public day school facilities for the education of the deaf. Many children now enrolled in these special classes are being taught by teachers not fully prepared to instruct the deaf. There are about 8,000 children who are not receiving any specialized help from the schools.

Education of deaf children and youth is a difficult process. One of the avenues of learning—the sense of hearing—is closed to such children. The normal child acquires language in a casual, imitative way, but the deaf child must be taught to communicate before he can begin his schooling or participate in normal social experiences.

The teacher of the deaf has a dual responsibility. He is the one to help the child acquire and maintain a means of communication; at the same time, he is the one to provide the usual elementary and secondary curriculum offering, so that the child will master the basic skills for learning—reading, writing, and arithmetic—and also secure a concept of man's cultural heritage. In order to be effective in this dual role, the teacher must be equipped with technical knowledge about deafness and at the same time qualify as a capable educator.

Several nationwide studies have been made on the preparation of teachers of exceptional children. As far back as 1954, the Office of Education reported that teachers of the deaf were more difficult to secure than teachers in any other single area of exceptionality. While the number of teachers needed was not greater than in most of the other areas, the difficulty in securing them seemed to be more pronounced.

A recent study on the need for teachers of the deaf has been reported in "Information for Prospective Teachers of the Deaf for Schools for the Deaf, Classes for the Deaf, Speech and Hearing Clinics, Rehabilitation Facilities for the Deaf in the United States and Canada," a brochure published by the American Instructors of the Deaf and the Conference of Executives of American Schools for the Deaf. This study reports the acute need for teachers to work in residential schools as well as in special schools and classes for the deaf. The study indicates that about 500 additional teachers of the deaf would be needed each year in order to staff the schools and classes of the Nation.

On the basis of these studies, it appears that about 25 institutions of higher education are now offering professional preparation for educators in the field of the deaf and that many of these, with strengthening and improving, could accept more students. It appears that the best immediate contribution that the Federal Government could make to this problem would be to provide resources for scholarships to graduate and undergraduate students.

The need for such personnel was vividly presented by witnesses who testified in the nine regional hearings on special education and rehabilitation held by the Subcommittee on Special Education of the House Committee on Education and Labor of the 86th Congress. Glaring gaps in our educational provisions for exceptional children and youth were pointed out in each of these hearings. The main deterrent to progress in developing the needed provisions was identified as the lack of qualified teachers of the various types of exceptional children to staff the Nation's schools.

The urgent need for teachers of the deaf was again emphasized at the hearings held by the Subcommittee on Special Education in Washington on August 22 and 23, 1961, on bills under consideration—H.R. 3523, H.R. 5743, and H.R. 7175.

Unless the schools help these children so they can take advantage of educational opportunity, they will not have a chance to become contributing, well-adjusted members of society. If, on the other hand, they are given suitable education, most of them will become useful, productive citizens.

I would like, therefore, to urge the passage of H.R. 9011 so we may speedily provide and improve instruction in this critical area. As means of communication unfold to the deaf child and enable him to acquire a suitable education, it can be presumed that he will engage in normal life activities. Not only will he benefit as an individual, but so will his family and the community.

In introducing this specialized piece of legislation, I am aware also of the several million children who have handicapping conditions other than deafness and do not have access to the type of school program they need. It is my hope that the Special Subcommittee on Education will present at the next session of Congress broadened legislation which will enable the Federal Government to make a contribution not only to mentally retarded and to deaf children, but also to all others in need of special educational opportunities.

The experience of the Office of Education in the administration of Public Law 85-926, professional preparation for teaching mentally retarded children, has fully demonstrated the benefits that can be expected under the program proposed for the teaching of deaf children. The grants made by the Office of Education thus far have enabled 25 of our leading universities to strengthen the preparation of teachers in this field and 180 Fellows have been supported. Several of these persons have already assumed positions in colleges and universities preparing teachers of the mentally retarded. Others have taken positions as directors or supervisors of programs of the mentally retarded in State and local school systems. Testimony recently presented by the State directors and by the national professional organizations representing special education enthusiastically supports the value of the training that is authorized by Public Law 85-926.

Because of the limited funds now available under the program the Office of Education has had to give its priority to the training of college level instructors who will prepare classroom teachers and leaders of the programs in State and local schools. The program should now be expanded to permit additional grants so that classroom teachers can also be trained under the program.

The favorable experiences we have had with the program in the field of mentally retarded gives us confidence that comparable success can be achieved in the preparation of teachers of deaf children. It is assumed that in the first year of the program approximately 350 scholarship grants could be awarded to persons to be trained in about 25 institutions. This would have the twofold effect of both strengthening institutions who are now preparing classroom teachers and at the same time preparing more students for the actual teaching of deaf children. It is estimated that between 600 and 700 teachers of deaf children can be made available in our schools with the enactment of this legislation. It is nothing short of disgraceful that deaf children now capable of benefiting by education are now denied this opportunity in some localities because of an inadequate supply of qualified teachers.

I urge my colleagues in the House to give their wholehearted support to this legislation and to permit the Federal Government to provide the leadership in this field that has proven so valuable in the preparation of teachers of the mentally retarded.

Mr. RIVERS of Alaska. Mr. Speaker, I wish to take this opportunity to urge the passage of H.R. 9011, which would establish in the Office of Education an Advisory Committee on the Training of Teachers of the Deaf, and authorize $1,500,000 for fiscal year 1962 and fiscal 1963 for grants-in-aid to public and nonprofit institutions to help make available to individuals suffering hearing impairments the service of teachers and other specialists in the field of audiology needed to help them overcome their handicaps. Although there is nationwide need for a hearing specialist program, I shall limit my comments to the need for such a program in the State of Alaska.

I recently read an excellent article in the New York Times on the problems of the deaf by Dr. Howard A. Rusk, the medical columnist for the Times. In that article Dr. Rusk pointed out that there are over 6 million persons in the United States with impaired hearing, but that only 109,000, or 2 percent of the total, are deaf. The percentage of the native population afflicted with serious hearing maladies in Alaska is much higher than the national average. In the course of my correspondence with Dr. David L. Sparling, pediatric consultant for the Alaska Native Health Service at Mount Edgecumbe, Alaska, and physicians at the boarding schools operated by the Bureau of Indian Affairs, I have been informed that chronic ear infections are found in as many as 30 percent of the children admitted to the Mount Edgecumbe Hospital. I might add that the children so admitted are from all over Alaska.

During 1960, chronic ear infections were found in 10 percent of the students from remote villages enrolled at Wrangell Institute Elementary Boarding School, and more than 5 percent of the students enrolled at Mount Edgecumbe Secondary Boarding School were so afflicted. Likewise, chronic ear infections have been found among 30 percent of the pupils selected at random in certain native villages scattered throughout Alaska.

What makes these statistics the more striking is that they pertain only to children. According to Dr. Rusk the rate of impaired hearing per 1,000 persons under age 25 in the United States is 7.9 percent with the rate increasing in the higher age brackets. Among the native children of Alaska the percentage of children with impaired hearing is more than twice that high.

All specialists in the field of audiology are agreed that the most important aspect of hearing conservation is early detection of hearing loss. Early treatment of chronic ear infection may produce acceptable hearing. Unfortunately, at the present time, auricular training, for most of Alaska's deaf children must, in the majority of cases be given by untrained volunteers under the occasional supervision of a qualified teacher of the deaf.

In a letter to me of August 11, 1961, Mrs. Henrietta C. Krantz, a speech and hearing specialist employed by the Alaska Department of Health and Welfare, wrote as follows:

> So far as I know the State director of the Alaska Crippled Children's Association is still trying to recruit a teacher of the deaf to take the class that we had hoped to organize in Ketchikan this September. The Office of Vocational Rehabilitation is constantly seeking assistance for individuals, who, because of our inability to supply this type of training have become adults unable to make satisfactory social or economic adjustments.

Alaska is not the only State where there are not enough trained personnel to carry on an effective program of assistance to those suffering hearing impairments. The problem is national in scope. The answer is to establish a program implemented with funds with which to encourage and promote the graduate training of professional audiologists who could treat individuals suffering hearing impairments. For this reason I want to sincerely express to my colleagues the need for enactment of this legislation.

Mrs. GREEN of Oregon. Mr. Speaker, the purpose of the bill, H.R. 9011, is to alleviate a serious shortage of trained teachers of deaf children.

The Special Subcommittee on Education, in hearings across the Nation last year under the chairmanship of the gentleman from Alabama [Mr. ELLIOTT], heard testimony that this shortage has existed for some time. In further hearings this year, the subcommittee received testimony that the shortage is becoming increasingly acute.

Mr. Speaker, dozens and dozens of letters to the subcommittee from principals of schools for deaf children, from administrators of special classes for these handicapped youngsters in the public schools, from State agencies and from parents of deaf children all attest to a need for more trained teachers to give these youngsters a meaningful and adequate education.

There are approximately 400 schools and special classes for deaf children in our country. They are starting the school year this fall with about 500 fewer trained teachers than they need.

While this shortage may seem small, we must consider the handicap to these handicapped children if that gap is not filled. Deaf children must be taught to speak, as well as taught reading, arithmetic, history, and all the other subjects

in a school curriculum. Clearly, their teachers require special training to bridge this barrier to the deaf child's ability to communicate.

Mr. Speaker, our higher education institutions simply are not producing enough trained teachers of the deaf to meet the growing and urgent need for them. Fewer than 200 teachers are graduated each year, yet the schools and classes for deaf children annually report a need for upward of 500 additional teachers.

The bill, H.R. 9011, would establish a 2-year program to assist in training more teachers of the deaf. The bill authorizes appropriations of $1.5 million annually to higher education institutions which are approved as training centers for teachers of the deaf. The bill provides for grants-in-aid to assist in providing and improving courses of training and study and to establish scholarships for qualified persons who wish to enroll in these training courses.

H.R. 9011 also provides for an advisory committee, composed of persons with special knowledge and interest in training teachers of the deaf and in teaching deaf children, to review the program and applications for grants-in-aid.

Mr. Speaker, the other body already has passed legislation on this subject. I hope that a law may be enacted this year so that the higher education institutions may go forward with the task of attracting and training the teachers which deaf children so desperately need.

As the principal of a school for the deaf told our subcommittee:

> These children we are talking about are wonderful youngsters. They have the ability and the will to learn, but they are at the mercy of the caliber of teacher provided for them. Until medical science develops a cure, their avenue to independence and self-sufficiency lies in special education.

Mr. Speaker, Oregon is no different from other States in its need for more teachers for deaf children. I am including at this point some of the letters I have received from persons who work with deaf children in my State, telling of this need:

COUNCIL FOR EXCEPTIONAL CHILDREN,
Salem, Oreg.

Hon. EDITH GREEN,
Chairman, House Select Subcommittee on Education, House of Representatives, Washington, D.C.

MY DEAR MRS. GREEN: As one who has been engaged in the education of deaf children for more than 20 years I am well aware of the problems which exist in this area of education and especially in the difficulties which arise from the shortage of trained teachers of the deaf. Also as president of Willamette Chapter No. 131 of the Council for Exceptional Children, I urge that you give favorable consideration to Senate bill 336 which would provide scholarships and aid in training teachers of the deaf.

Respectfully yours,

INA SMITH,
President, Willamette Chapter No. 131.

THE TUCKER-MAXON ORAL SCHOOL,
Portland, Oreg., April 6, 1961.

Congresswoman EDITH GREEN,
House of Representatives, U.S. Capitol, Washington, D.C.

DEAR MRS. GREEN: There is a frightening shortage of teachers who have necessary training to teach deaf children. Such training requires additional preparation and too few people can afford the expense of such preparation.

For these reasons I am one of many who very much want to see H.R. 4616, introduced by Congressman MONTOYA and H.R. 5360 introduced by Congressman BOLAND, passed. These are identical bills and are the same as S. 336 which has already been passed in the Senate.

I beg of you—please help put this over.

Respectfully and sincerely,

HATTIE HARRELL.

PORTLAND, OREG., *May 30, 1961.*

Hon. EDITH GREEN: I wish you to vote for H.R. 4616, as is, providing grants-in-aid for training teachers of the deaf children. There are very few willing to take the training to teach the deaf children. If aid were offered college students they would be enticed into a field that is very gratifying.

Portland, Oreg., in the past 11 years has found it very difficult to hire trained teachers of the deaf. So have had to hire elementary trained teachers. Sure they can teach subject matter but not speech and lipreading and auditory drill. The deaf child's education has been "slowed." I feel the bill would help speed up matters to help deaf children.

Thanks.

RUTH JENSEN.

P.S.—The lack of trained teachers has been a problem since I began to teach in 1938.

THE TUCKER-MAXON ORAL SCHOOL,
Portland, Oreg., April 10, 1961.

Representative EDITH GREEN,
Select Subcommittee on Education, House of Representatives, Washington, D.C.

DEAR REPRESENTATIVE GREEN: On behalf of the parent-teachers forum of the Tucker-Maxon Oral School in Portland, Oreg., may I urge you, as chairman of the Select Subcommittee on Education, to support H.R. 4616 on the training of teachers of the deaf, speech pathologists and audiologists, now under consideration by your committee.

As parents of deaf children, we are acutely aware of the extreme shortage of well-qualified teachers of the deaf and hard of hearing throughout the country. Children with impaired hearing, with the proper oral education and training to help develop their inherent potential, can and have become assets to their communities and the Nation, rather than liabilities.

It is indeed heartwarming to learn that such legislation is under consideration before Congress. Again, may I urge you to vote "yes" on this bill, and to encourage your fellow Congressmen to follow suit.

Sincerely yours,

Mrs. MARVIN C. GOLDMAN,
Secretary.

Hon. EDITH GREEN,
House of Representatives, Washington, D.C.

DEAR MRS. GREEN: In the interest of better education for our deaf children will you please lend your support to the passage of S. 336, as this bill will do much to alleviate the critical shortage of teachers of the deaf.

I have worked around deaf children for several years and know of the urgent need of additional teachers.

Thank you.

Yours truly,

Mrs. C. D. BUSHMAN.

PORTLAND, OREG., *August 1, 1961.*

Hon. EDITH GREEN,
House of Representatives, Congress of the United States, Washington, D.C.

DEAR MRS. GREEN: Bill S. 336 is in your subcommittee on special education at the present time, with hearings to be scheduled very soon.

I need not tell you that this bill has to do with obtaining the right caliber teachers for deaf children. What you may not be aware of is that each year the shortage of qualified teachers of the deaf becomes more acute. This year the shortage is 20 percent greater than last year, when this same bill was lost in the House of Representatives. There are 30,000 deaf children in schools and classes in this country, and there would be more if qualified teachers were available.

This need is desperate. Won't you please vote "yes" on bill S. 336?

Trusting that we shall hear from you, I remain,

Very truly yours,

ARNOLD H. BAUDER,
President, Parent-Teacher Forum of the Tucker-Maxon Oral School.

Mr. BOLAND. Mr. Speaker, I rise in support of H.R. 9011, a bill to make available to children who are handicapped by deafness the specially trained teachers of the deaf needed to develop their abilities. This legislation is practically similar to my bill, H.R. 5360, which the Special Subcommittee on Education, under the chairmanship of Congresswoman Edith Green, considered when holding hearings recently.

The purpose of H.R. 9011 and my bill, H.R. 5360, is to assist in providing more trained teachers of deaf children by authorizing a 2-year program of grants-in-aid for this purpose. The grants would be used for assisting in covering the costs of providing and improving courses of training and study, and providing scholarships for students who desire to enroll in such courses.

Mr. Speaker, there has been a nationwide shortage of trained classroom teachers of deaf children over the past several years. This shortage for the school year just beginning is critical indeed.

One of the outstanding schools specializing in this field is the Clarke School for the Deaf in Northampton, Mass., in my congressional district. Principal George T. Pratt of the Clarke School has informed me that there will be a nationwide shortage of 454 qualified teachers of the deaf as the 1961–62 school year opens this month.

While only 177 teachers in this specialty were trained during the last year, there are over 30,000 deaf children of school age. One teacher is needed for every 10 pupils in order to provide the special instruction they require in learning a language they cannot hear.

Mr. Speaker, these exceptional children will grow up to become useful productive citizens if they can obtain the proper special education. The States have no training facilities to provide properly trained teachers of the deaf. I firmly believe that this must become a Federal responsibility to establish a program of grants-in-aid to nonprofit institutions of higher education to cover the cost of courses and to provide scholarships for qualified persons who wish to specialize in teaching these deaf children.

I appeal to Members of the House to unanimously pass this legislation.

Mr. BRADEMAS. Mr. Speaker, I am pleased to rise in support of H.R. 9011, a

bill to help provide training for more teachers of the deaf.

As a member of the Subcommittee on Special Education, I have received many letters from both teachers and parents of deaf children from many parts of the country pointing out the need for more trained teachers of the deaf.

I should like especially to take note of the remarks of Mr. William J. McClure, who is not only superintendent of the Indiana State School for the Deaf but also the president of the Conference of Executives of American Schools for the Deaf, who in a recent letter to me said:

There is a desperate need for trained teachers of the deaf all over the country, and we at the Indiana school are feeling this very acutely.

Mr. Speaker I hope very much that H.R. 9011 will be passed and enacted into law during this session of Congress.

Mrs. SULLIVAN. Mr. Speaker, I support S. 336 as amended by H.R. 9011, a bill to encourage teachers to train in the skills of teaching the deaf, but with some reluctance. My reluctance is not due to any disagreement with the objective of the bill—far from it. I have supported legislation of this kind for many years.

My reluctance stems rather from the fact that we are once again handling the educational problems of exceptional children in a piecemeal fashion, a little at a time, one group or category at a time, in a succession of small programs involving small amounts of Federal funds.

Of course I recognize that in the present atmosphere, anything helpful to education—or to any group of children—represents a great accomplishment from a legislative standpoint. Since the Senate has already passed a bill dealing with the expansion of teaching of children with speech and hearing defects, and the encouragement of the training of more speech pathologists and audiologists, I will readily acknowledge that this approach of tackling just one aspect of the problem of teaching exceptional children probably holds some hope of legislative success in the closing days of the session. But I deplore the necessity for taking such a limited step forward, when the educational needs for all of our exceptional children are so great.

I submit at this point, Mr. Speaker, the testimony I gave on August 22 before the Special Subcommittee on Education, headed by the gentlewoman from Oregon, Congresswoman GREEN, on H.R. 15, my bill to try to meet the educational needs of all the exceptional categories of children, as follows:

TESTIMONY BY CONGRESSWOMAN LEONOR K. SULLIVAN, DEMOCRAT, OF ST. LOUIS, BEFORE SUBCOMMITTEE ON SPECIAL EDUCATION, HOUSE COMMITTEE ON EDUCATION AND LABOR, ON H.R. 15, A BILL BY MRS. SULLIVAN, THE EXCEPTIONAL CHILDREN EDUCATIONAL ASSISTANCE ACT, TUESDAY MORNING, AUGUST 22, 1961

I am grateful for this opportunity to testify on H.R. 15, the exceptional children educational assistance bill, to establish a 7-year program of Federal fellowships and scholarships to train more teachers for America's 6 million exceptional children—those with specialized learning needs and problems.

Because of the extraordinarily heavy schedules of controversial legislation on the calendar of the Committee on Education and Labor I was not able to arrange hearings on this bill in either the 85th or 86th Congress, so I am particularly grateful to Congresswoman GREEN, the chairman of this subcommittee, for calling up the bill for hearings this week.

During the 4 years since I originally introduced the legislation, we have made a few piecemeal approaches to the educational problems of exceptional children—chiefly the mentally retarded—but little or nothing has been done for the others. Consequently, it was not surprising to me this past weekend when Secretary Ribicoff reported that an estimated 4½ million handicapped children of school age are not attending school at all. A major reason for that is that most of our school systems lack the specially trained teachers needed to make school a meaningful experience for these youngsters.

The Federal Government, of course, cannot be and should not be expected to finance the training of all of the classroom teachers we need, and the college faculty people we need, in this field of educating exceptional children. The most a Federal program should be expected to do is to provide a starting motor—a mechanism to initiate action in a neglected bit vitally important area of education.

As long as we recognize it as only a starter—as long as we are aware that the biggest effort here is going to have to be by the States and localities, as it should be—then H.R. 15 represents one of the best investments the people of the United States could make, as Federal taxpayers, in the development of human resources, which constitute the greatest of all of our national resources.

THE PROBLEM FACED BY THE EXCEPTIONAL CHILD IN SCHOOL

While all of us are endowed with individual qualities and characteristics which distinguish us from each other most of us are blessed with a kind of normal averageness, if that is the word, of physical appearance and mental capacity which enables us from childhood on to submerge comfortably in the group—in the crowd—if we so desire and travel life's road at a comparatively easy pace. Most of the institutions with which we come in contact, the tools we must use, the clothes we wear, the homes in which we live, the specifications for most jobs, and the schools in which we learn, particularly the schools, are geared or tailored pretty much to the norm. I said we are blessed with the averageness because certainly as children we shrink at the idea of being visibly or demonstrably different.

But while most children seem to fit a comfortable pattern, others, a very select few, are touched by God with such great gifts of mind and perception, as to stand out for their brilliance; and still others, millions of others, are chosen for reasons known only to God for the special testing and trial of another form of differentness, that is, in having to shoulder physical, mental, or emotional handicaps or disabilities.

To romanticize this situation, it is easy to think that the gifted child has everything in his favor with the world as his oyster and the handicapped child inevitably has some inner fire and drive to enable him to overcome his physical limitations and achieve the greatness which has come to so many in similar circumstances, great poets, musicians, teachers, physicians, and so on, who were handicapped and who nevertheless achieved great things in spite of, if not because of, those physical handicaps.

But let us not forget that children do not suck knowledge out of their thumbs. They must be taught and often it is a painstakingly difficult—incredibly difficult—and skilled task to teach some unfortunate children anything, to teach others the minimum of those things they must learn and know in order to live useful lives, and to teach still others all they can learn profitably.

WASTAGE OF HUMAN RESOURCES

In this respect, the greatly gifted child and the handicapped child share some common and often serious problems in the educational process and thus are placed together by educators under the heading of exceptional. For the procedures set up to teach the so-called normal or average child do not begin to reach the educational needs of the difficult child—the exceptional one. As a consequence, the exceptional child—gifted or handicapped—is robbed of some of this educational birthright.

Some millions of children of school age are not in any school at all because of the existence of this problem. Some of these receive some help from the school system, but the problem is enormous, and the needs generally are not being met.

In addition, many others attend schools but find it often a frustrating experience, a place of confusion and torment, because they are just not geared for the classroom routine. They need classroom work specially planned for their abilities or handicaps. A capable youngster with a serious speech or hearing or visual defect can be made to feel dumb; an emotionally disturbed youngster can be a distracting influence on an entire class; a gifted youngster can sit and vegetate in pure boredom in a class which he tends to find a prison for his imagination or feel out of it in a class of older children who are nearer his mental capacity.

This is the problem faced by the exceptional child, and by his parents, and by all of us. Because the specialized equipment or the special techniques—or, most important the specially trained teachers—are not available, the exceptional child suffers from unrealized educational opportunities, and his family is often caught in an agonizing situation. I think all of us know of such families and the problems they face. And lastly, we as a Nation suffer in terms of a tragic wastage of human resources, of skills and abilities we cannot afford to waste.

I am not going to put this in terms of cold war or West versus East or the fact that the Soviet Union is outstripping us in the education of scientists and engineers and technicians. True, a gifted child whose talents are wasted because he is not stimulated to learn to his full capacity might otherwise become a great inventor or scientist whose discoveries could bolster our defenses, but that is not the point I wish to make. I should like to present this problem not in terms of national defense but in terms of what is right and fair to American children and to our society, which could be enriched by the contributions of all of these exceptional children if given the opportunity to learn and contribute to their full capabilities.

INCIDENCE OF EXCEPTIONAL CHILDREN

Who are these children? And how many are there?

H.R. 15 defines the term "exceptional children" to include those who are unusually intelligent or gifted; the mentally retarded; the deaf or hard of hearing; the blind or those with serious visual impairments; children who have serious health problems due to heart disease, epilepsy, or other debilitating conditions; children with speech impediments; and those who are crippled, including those who have cerebral palsy; and, finally, children who are maladjusted emotionally and socially, including the institutionalized delinquent.

There is no exact count available on the number of children in each category. However, spot studies made in 1952 showed that except for the category of blind children or those with serious visual impairments, numbering at that time less than 100.000. each

of the other seven categories was estimated to number at least—or substantially more than—500,000.

In 1954, the Office of Education held a conference on qualification and preparation of teachers of exceptional children, and in the course of the conference a proposed creed for exceptional children was presented by Leonard Mayo, director of the Association for the Aid of Crippled Children, and was accepted by the conference and by the Office of Education, which has since published it. I would like to quote a few passages from it.

This document states:

We believe in the American promise of equality of opportunity, regardless of nationality, cultural background, race, or religion.

"We believe in the American promise of every child within the borders of our country no matter what his gifts, his capacity, or his handicaps.

"We believe that the Nation as a whole, every State and county, every city and hamlet, and every citizen has an obligation to help in bringing to fruition in this generation the ideal of a full and useful life for every exceptional child in accordance with his capacity: the child who is handicapped by defects of speech, of sight, or of hearing, the child whose life may be adversely influenced by a crippling disease or condition, the child whose adjustment to society is made difficult by emotional or mental disorders, and the child who is endowed with special gifts of mind and spirit."

TRAINED MIND AND WARM HEART

The final paragraph of this document states:

"Above all, we believe in the exceptional child himself; in his capacity for development so frequently retarded by the limits of present knowledge; in his right to a full life too often denied him through lack of imagination and ingenuity on the part of his elders; in his passion for freedom and independence that can be his only when those who guide and teach him have learned the lessons of humility, and in which there resides an effective confluence of the trained mind and the warm heart."

I have quoted only portions of the document, the creed for exceptional children. I prize a framed copy of it in my office, and I will readily acknowledge that I have borrowed very heavily from it, deliberately, for the language of the preamble of my bill.

I think those few passages I quoted sum up a philosophy with which we must agree wholeheartedly if we truly mean to see to it that each child in this great country shares equally in the opportunity to learn. We know that each cannot learn at the same speed or to the same degree. But for those who can absorb knowledge and skills, we must make sure the opportunity exists for the child to benefit to the full extent possible.

We do that now for adults, and for children reaching maturity, in connection with vocational training and vocational rehabilitation. We provide the means by which men and women and young men and young women with physical handicaps can be helped and taught to qualify for skilled employment. Wonders are being performed under this program.

But why must we wait until the handicapped child is almost grown and ready for employment to begin thinking of his need in this respect? If we can perform wonders now in the rehabilitation process—and we can—then think how much more we could accomplish with that same individual if we began his specialized education as a youngster and geared it to his capabilities just as we later gear the vocational rehabilitation program to the physical capabilities of the individual.

SPECIALIZED TEACHING TECHNIQUES

Special educational techniques for the exceptional child would eliminate a tremendous amount of emotional stress for many of these children in the growing-up stage and thus help make better citizens of them and better communities for all of us.

Special education does not always and invariably involve special classes, but it does involve specialized teaching. In this connection, I think one of the best statements of the problem which I have seen was made in the annual report of the Ames, Iowa, public schools for 1954–55, in which Walter L. Hetzel stated:

"It must always be remembered that the education of exceptional children has basic concepts and goals in common with the education of all children. The same principles of child development prevail. A deaf child is a child with a hearing handicap. As a child, he has all the needs, desires, and physical energy of children in general. Basically, the only way in which he differs from an average child is his inability to hear; and because of this hearing handicap, he is unable to speak.

"This difference makes it necessary to plan his education with special consideration for his disabilities. The mentally retarded child, the child with visual impairment, the crippled child, and every other exceptional child has fundamental motives and drives common to children in general; but along with those common characteristics, there is in each case a specific handicap or exceptional condition that requires an adjustment or special service in his educational program.

"That program should be designed with full recognition of (a) his likeness to normal children, and (b) his special needs. This, in brief, constitutes the modern approach to the education of exceptional children."

EDUCATORS AWARE OF AND DISTURBED BY PROBLEM

Every family which has an exceptional child knows of the existence of this problem. So does every teacher who struggles with the task of trying to accommodate such a child in a group of 35 or 40 or more other youngsters, when there is insufficient space and not enough teaching hours in the day to cope with such tremendous classes. Our school administrators know of the problem, and so does the Office of Education, which has published much on it.

Many schools and many school systems are trying determinedly to meet the challenge which this problem presents. I was amazed at the number of Catholic schools, for example, set up specifically to meet the needs of exceptional children. I was also deeply impressed by the tremendous amount of literature on this problem.

TEACHER SHORTAGE AS BASIC FACTOR

One theme runs through all of this material, and is voiced again and again by Federal officials, State and local school administrators, and all of the experts in this field. It is this:

The problem is serious not because there is a lack of techniques or knowledge for helping these children, but because of a lack of trained teachers specially qualified to use these techniques and skills.

According to the research material prepared for me by the Library of Congress, there were in 1957 perhaps 25,000 specially trained schoolteachers equipped or certified to provide the specialized teaching required for various types of exceptional children. Some of the States have gone into the leadership on this in setting up certification standards for teaching exceptional children and many have established on a mandatory basis classes for certain physically handicapped and mentally retarded children.

Furthermore, at least 125 colleges and universities were then presenting sequences of courses leading to degrees for teachers or supervisors or researchers in various areas of exceptionality, and the increase in interest in this work on the part of the colleges and universities in recent years has been extremely gratifying.

Nevertheless, the number of teachers specially trained in these fields is so small compared with the magnitude of the need that any program to help in the education of exceptional children must start—and must concentrate on—assuring the training of many more teachers, and men and women to teach such teachers.

I am informed that a conservative guess on the number of elementary and secondary schoolteachers needed in this field would be 100,000—4 times the 25,000 teachers reported to have these specialized skills. And even that number, I am told, would not assure a desirable or practical ratio of teachers to students needing this specialized help.

PURPOSE OF PROPOSED BILL

The purpose of my bill is not to have the Federal Government proceed to do the job, but just lead the way, to provide a limited number of scholarships and fellowships to teachers and prospective teachers to encourage them to go into this field where they are so desperately needed; to provide some assistance to the colleges and universities pioneering in this work to enlarge facilities or obtain specialized equipment; and, above all, to stimulate the States and the localities not only to recognize their obligations—most of them do now—but rather to see the way to setting up the specialized classes or programs which are so necessary, knowing that under this bill more and more qualified teachers will be coming out of the advanced training courses prepared to take over such programs and build their effectiveness.

The Sullivan bill would work in this fashion:

AWARDS TO INDIVIDUALS

Beginning in this present fiscal year, and extending over 7 years, the Office of Education could award a total of $18,500,000 to teachers and prospective teachers for specialized training, primarily at the graduate level, in the field of education of exceptional children. The appropriations authorized for this purpose would be limited to $500,000 for the current fiscal year ending next June 30, increasing each fiscal year thereafter by $1 million until a maximum of $3,500,000 a year was reached in the fiscal year ending June 30, 1965. This amount would continue each year, then, until the end of the fiscal year 1968. These grants would carry such stipends as the Commissoner of Education would determine, but the basic idea is that, by providing for living expenses as well as tuition or other expenses, they particularly enable men and women already engaged in the teaching profession to feel that they can afford to go back to school for this specialized advanced training.

UNDERGRADUATES COULD BE INCLUDED

The money would be allocated on a strict ratio among the States, based on the school populations of the respective States. If there were not enough successful applicants from any State to use up the State's full allocation in any one year, the remaining amount would revert to the Treasury. It could not be reallocated among other States.

Although the program is intended primarily to attract teachers with degrees for advanced training at the graduate level, there is a special provision in the bill to permit the Commissioner, when he deems it advisable, to make awards also for study at the undergraduate level. Thus, if there should be a limited number of graduate teachers in a particular State who were interested in going into this field, there would still be opportunity for the Commissioner to make awards to teachers who have not yet

earned degrees or to residents of the State who have never taught professionally but who want to enter this field of teaching the exceptional child. But the primary emphasis of the bill, as I said, is on work at the graduate level.

The awards of scholarships and fellowships would be made directly to the individual recipient, not to the colleges or universities offering specialized courses. Since more institutions of higher learning are entering this field year by year, the recipient would thus have a free choice of institutions, providing, of course, that the recipient attended an accredited institution which offered appropriate courses in this field.

AWARDS TO INSTITUTIONS

An additional total amount of $2,500,000 would be authorized for appropriation during the 7-year program for grants to colleges and universities, primarily for installation of specialized equipment or facilities for training teachers in the fields of exceptional children. This particular item is not allocated on a State-by-State basis, nor is there a limitation of how much of the $2,500,000 could be appropriated in any 1 fiscal year. The basic idea in connection with this phase of the bill is to give the Commissioner of Education an opportunity to help schools actively engaged in teacher-training work to expand facilities, to put in necessary laboratories, and so on.

The Commissioner would be free to use some of this money in order to help an institution of higher education expand its faculty to establish courses in teacher training in the exceptionality categories. But I repeat, the emphasis intended on the use of this money is for things, rather than personnel. The amount of money involved is really so small that it could be used up quickly and to little overall effect if much of it were to go to schools to hire personnel, but I would not want to tie the Commissioner's hands too tightly if it should be determined by those best in a position to know the facts, that substantial portions of the awards to institutions should be made for that purpose.

Conceivably the best use to which this $2,500,000 might be put could even be for the purpose of setting up summer workshops or institutes at a number of centrally located colleges and universities. I just throw that out as a possibility, knowing that the summer institute idea has been used with very great success in the National Science Foundation and NDEA programs for high school teachers of science and mathematics.

ADVISORY COMMITTEES

Rather than try to spell out in every detail how these funds would have to be used to achieve the greatest effectiveness, I have provided in the bill for the creation of an advisory committee to assist the Commissioner in determining the areas and priorities of need in the award of grants to individuals and institutions, and in setting the standards for making the awards.

The advisory committee would be composed of people conversant with the overall educational needs of exceptional children, which is broad enough in phraseology, I hope, so that it could include outstanding lay people and other professionals, not just professional educators. To assure full participation by the professional educators now engaged in this work, I suggest in the bill the establishment of advisory panels of specialists in special education for each of the various categories of exceptional children, who could advise the Commissioner on particular problems and needs in their respective fields.

COOPERATION WITH THE STATES

There is one other provision of the bill which I believe warrants mention at this time, a provision calling for close and continuing and affirmative cooperation with the various State educational agencies to keep them fully informed of all developments under this program.

In this connection, the Commissioner of Education is instructed to notify the appropriate State officials of the names and home addresses of each resident of their State who is studying under a scholarship or fellowship grant under this program, and the field of study each is pursuing, so that the States can then bring up whatever ammunition they can to attract these teachers to positions back in their home States.

Of course, no teacher receiving a grant would or could be required to promise to teach in a particular State as a condition to receiving the award; so they will be free agents in that respect. But the States should be encouraged to try to get these people to come back to the home State so that the schools there can benefit, and the children can benefit, from the skills which these teachers will have acquired with Federal help.

The theory behind this section on cooperation with the States is that if the State agencies are keyed into the program, and are kept fully informed of all developments under it, and are consulted on the needs for specialized teachers in their States, they in turn will develop a greater awareness of those needs and the potentials of educating their exceptional children more effectively. They will thus also be encouraged, I believe, to develop more statewide programs and stimulate the local communities to set up special classes in these areas of specialized need.

PARTIAL SOLUTIONS FOR A MUCH BROADER PROBLEM

At the national level, Congress has not by any means been insensitive to this problem. Thanks to Congressman FOGARTY, we have appropriated substantial sums for research into the problems of teaching mentally retarded children and in 1958—a year after what is now H.R. 15 was originally introduced—we passed the bill to authorize a $1-million-a-year program to finance some fellowships for specialized work in teaching the mentally retarded. I was glad to support that bill, but as I said at the time it was passed, it was only a partial solution to a much broader problem.

Now the Senate has this year suggested a further partial solution by passing S. 336, which would provide grants for the training of teachers of the deaf, and for the training of speech pathologists and audiologists.

But is there any legitimate reason why we have to approach this problem in piecemeal fashion, enacting something for the mentally retarded children in 1958, something for the children with speech and hearing defects in 1961 or 1962, something for the crippled and cerebral-palsied in, say, 1963 or 1964, leaving out the emotionally and socially maladjusted, or the children with debilitating conditions unless and until their parents can form a big enough lobby and become articulate enough to command equal attention from the Congress?

I have heard it said by some legislative strategists that it is always so hard to get through any broad type of Federal aid to education, that it is simpler just to handle all of these problems in piecemeal fashion, solving one problem, one year in the name of national defense, then tackling the mentally retarded problem separately because no one can conscientiously oppose aid for mentally retarded children, and so on. Of course your experience on education issues in the Congress might bear that out. But I think, if we are doing anything significant and substantial in the field of training teachers for one group of exceptional children fairness dictates that we include them all in the same program and that it be the most effective type of program we can devise.

In connection with the needs of gifted children, your committee provided a good start in 1958 by including in the National Defense Education Act funds for testing and surveys to uncover the incidence of such youngsters in our schools. Presumably, then, we are singling them out for particular emphasis in the national defense-related subjects such as languages, mathematics, and the sciences. In the same act you set up a fellowship program for teachers in these specialized fields of knowledge. The National Science Foundation also devotes substantial funds for seminars and institutes for teachers in the secondary schools. So this problem is not entirely ignored. But we also need teachers in the elementary schools and in high school, too, who are able to work with the unusually intelligent child, not only in the teaching of a particular subject related to the national defense but in helping the child to achieve his full educational potential in all the fields of learning.

DOLLAR AUTHORIZATIONS PROBABLY TOO LOW

The $21 million which would be authorized over a 7-year period by H.R. 15—$18,500,000 in grants to individuals and $2,500,000 in grants to institutions—is an extremely modest amount compared to the need and the challenge. It is a figure based on recommendations made 4 years ago, and is probably too low in relation to today's costs, prices, and needs. I would be delighted—and I invite you to do it—to see the subcommittee double or triple that amount. I was groping somewhat in the dark in trying to arrive at a reasonable figure. As some of you may know, and as the material I intend to submit for your record will show, I originally invited the Commissioner of Education in 1957—Dr. Derthick—to recommend to me the kind of legislation which would best help meet the need for teachers of exceptional children as he himself had described the need in testimony before the House Appropriations Subcommittee. His office declined to make any official policy recommendations and, I would say, appeared quite lukewarm about the whole matter. I will let our exchange of correspondence at that time speak for itself.

I have not discussed the bill with the new Commissioner of Education because, frankly, I know he's had his hands full, since taking office, with issues and controversies with which all of you are quite familiar. But I hope this subcommittee, if it seriously plans to go ahead with H.R. 15, will discuss with the Commissioner and recognized experts in this field the proper dollar amount which should be authorized overall. I leave that to your good judgment.

CONCLUSION

Madam Chairman, there are two technical amendments which must be made in H.R. 15. On page 3, line 7, the word "Hawaii" should be deleted since Hawaii is now, of course, a State by right and by law and not merely by convenient definition in this measure.

On page 4, section 4, beginning at line 17, the $500,000 which would be authorized for the fiscal year ending June 30, 1961, is no longer appropriate. I would suggest, therefore, that each of the fiscal year authorizations be moved back 1 year, so that the program would continue through fiscal year 1968 rather than 1967.

I am submitting for your record the background material which I prepared at the time this bill was originally introduced. I hope you will include it in the printed transcript. It gives the origin of what is now H.R. 15. It details the actual development of the various provisions of the bill. It shows the factors which were taken into consideration. It lists the people who had a

hand in developing the provisions. Most importantly, it gives what I believe is an outstanding research report from the Legislative Reference Service on this whole program. And this research material, in turn, explains the bases on which I had to make the final decisions from among various alternatives for what was, and still is, a pioneering legislative effort to help extend the American promise of equality of opportunity, as the preamble of the bill states, "to every child within our country, no matter what his gifts, his capacity, or his handicaps, whether he is handicapped by defects of speech, of sight, or of hearing, or crippling disease or condition, whether his adjustment to society is made difficult by emotional or mental disorders, or whether, on the other hand, he is endowed with outstandingly brilliant gifts of mind and of spirit."

Mr. Speaker, the statement above lists the distinctive features of H.R. 15. I think it would help in an understanding of those features if the text of H.R. 15 were printed at this point in the RECORD in full, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

This Act may be cited as the "Exceptional Children Educational Assistance Act."

FINDINGS AND PURPOSE OF ACT

SEC. 2. The Congress believes that the American promise of equality of opportunity extends to every child within our country, no matter what his gifts, his capacity or his handicaps, whether he is handicapped by defects of speech, of sight or hearing, or crippling disease or condition, whether his adjustment to society is made difficult by emotional or mental disorders, or whether, on the other hand, he is endowed with outstandingly brilliant gifts of mind and of spirit. All such exceptional children require special educational guidance for development of their total educational potential.

The Congress finds that the educational problems presented by such exceptional children are of national concern, and that there is an acute national shortage of, and urgent national need for, individuals professionally qualified to teach such children, to supervise the teachers of such children, to train such teachers and supervisors, and to conduct research into the problems relating to the education of exceptional children.

While the Congress recognizes that the primary responsibility for meeting these problems lies with the States and local communities, national interest in the training of self-reliant and useful citizens demands that the Federal Government assist and encourage and stimulate the initiation of adequate programs in the States to meet these problems.

Therefore, this Act provides, on a temporary, seven-year basis, a program to further the training of teachers, supervisors of teachers, and researchers in special education for exceptional children, and to encourage and assist public and nonprofit institutions of higher education to expand their training work in these fields.

DEFINITIONS

SEC. 3. As used in this Act—

(1) The term "State" means a State, Hawaii, the District of Columbia, and the Commonwealth of Puerto Rico;

(2) The term "Commissioner" means the United States Commissioner of Education;

(3) The term "school-age population" means that part of the population which is between the ages of five and seventeen, both inclusive, determined by the Commissioner on the basis of the population between such ages for the most recent year for which satisfactory date are available from the Department of Commerce;

(4) The term "State educational agency" means the State board of education or other agency or officer primarily responsible for the State supervision of public elementary and secondary schools in a State, or, if there is no such agency or officer, an agency or officer designated by the Governor or by State law;

(5) The term "nonprofit institution" means an institution owned and operated by one or more corporations or associations no part of the net earnings of which inures, or may lawfully inure, to the benefit of any private shareholder or individual; and

(6) The term "exceptional children" means those children determined in accordance with regulations issued by the Commissioner to present special educational problems, such as (a) children who are unusually intelligent or gifted; (b) children who are mentally retarded; (c) children who are deaf or hard of hearing; (d) children who are blind or have serious visual impairments; (e) children who have serious health problems due to heart disease, epilepsy, or usually intelligent or gifted; (b) children who suffer from speech impediments; (g) children who are crippled (including those who have cerebral palsy); and (h) children who are maladjusted emotionally and socially, including the institutionalized delinquent.

AUTHORIZATION OF APPROPRIATIONS

SEC. 4. (a) There are hereby authorized to be appropriated $500,000 for the fiscal year ending June 30, 1961; $1,500,000 for the fiscal year ending June 30, 1962; $2,500,000 for the fiscal year ending June 30, 1963; $3,500,000 for the fiscal year ending June 30, 1964; $3,500,000 for the fiscal year ending June 30, 1965; $3,500,000 for the fiscal year ending June 30, 1966; and $3,500,000 for the fiscal year ending June 30, 1967; for grants to individuals for scholarships and fellowships in accordance with the provisions of section 5(a) of this Act.

(b) There is also authorized the sum of $2,500,000 to be expended during the existence of this program in the form of grants to public and nonprofit institutions in accordance with the provisions of section 5(b) of this Act.

GRANTS BY THE COMMISSIONER

SEC. 5. (a) The Commissioner is authorized to award scholarships and fellowships, with such stipends as he may determine, to individuals for the purpose of taking advanced training, at institutions selected by the recipients, for stated periods of time, in order to engage in employment as teachers of exceptional children, or to train or supervise teachers in this field, or engage in research in the teaching of exceptional children: *Provided,* That, in his discretion, the Commissioner, in order to accomplish the objectives of this Act, may also make these awards for study at the undergraduate level.

(b) The Commissioner is also authorized to make grants to public and nonprofit institutions of higher education to construct, install, improve, or expand specialized facilities and equipment in connection with courses of instruction for persons preparing to engage in employment as teachers of exceptional children, or to train such teachers, or to supervise such teachers, or to engage in research in special education for exceptional children: *Provided,* That the Commissioner, in his discretion, may also make grants to establish specialized courses in this field in such institutions.

(c) The amount of scholarships and fellowship grants made in any fiscal year to residents of a State under section 5(a) shall not exceed, in the aggregate, an amount which bears the same ratio to the total funds appropriated under authority of section 4(a) for such fiscal year as the school age population of such State bears to the total school age population of all the States.

(d) Payments of grants pursuant to this Act may be made by the Commissioner from time to time, on such conditions as the Commissioner may determine, including conditions requiring public and other nonprofit institutions to make such reports, in such form, and containing such information as the Commissioner may from time to time reasonably require to carry out his functions under this Act, and conditions requiring compliance with such provisions as the Commissioner may from time to time find necessary to assure the correctness and verification of such reports.

(e) The Commissioner shall consult with an advisory committee as described in section 6(a) which shall assist him in determining the areas and priorities of need in the award of these grants, and in setting the standards for the granting of such fellowships, scholarships, and grants.

ADVISORY COMMITTEE AND ADVISORY PANELS

SEC. 6. (a) The Commission shall appoint an advisory committee of not more than eight persons who shall be conversant with the overall educational needs of exceptional children and who shall assist the Commissioner in developing general policies under this Act. The Commissioner shall be ex officio a member of this committee and shall act as chairman thereof.

(b) The Commissioner is also authorized from time to time to establish advisory panels of specialists in special education for any of the categories of exceptional children enumerated in this Act. Each such panel shall consist of not less than five persons, who shall meet at the call of the Commissioner.

DELEGATIONS OF FUNCTIONS

SEC. 7. The Commissioner may delegate to any officer or employee of the Office of Education any of his functions under this Act except the making of regulations.

PUBLICIZING AVAILABILITY OF GRANTS

SEC. 8. The Commissioner shall take such steps as are practicable to publicize to the fullest extent possible the availability of fellowships, scholarships, and grants under this Act among teachers and prospective teachers, and among all colleges and universities offering accredited courses of study leading to advanced degrees in nursery, kindergarten, elementary, or secondary education.

COOPERATION WITH STATES

SEC. 9. In the administration of this Act, the Commissioner shall consult and advise with the various State educational agencies to determine the extent of need for teachers of exceptional children in the respective States and to keep the State educational agencies fully informed of all developments under this program in order to encourage them to establish special programs or special classes for exceptional children. In this connection, the Commissioner shall advise the State educational agencies of the names and home addresses of all individuals from their respective States who have received fellowships, scholarships, or grants for training in the field of education of exceptional children, and the particular field of study each is pursuing, so that the respective State educational agencies can then take appropriate steps to seek to attract such persons to positions in their home States in order to utilize the advanced education and skills which they have acquired under this program: *Provided,* That no individual receiving a scholarship, fellowship, or grant for advanced study under this Act shall be required, as a condition of such scholarship or fellowship or grant, to promise to take employment subsequently in any State.

Mr. GARLAND. Mr. Speaker, I wish to take this opportunity to commend the Members of the House for their favorable action yesterday on H.R. 9011. My interest has been so deep for this particular cause that I have submitted my own bill, H.R. 5623, for the training of special teachers for children handicapped by speech and/or hearing impairments.

From the research I have done on the current ability of our schools and communities to properly care for and train these children, it is obvious that there are serious shortages that prevent the proper training of these young people who could be more useful to themselves and their communities if they received the special instruction they require.

I am anxious for this shortage of specially trained teachers of the deaf, pathologists, and audiologists to be corrected and augmented by a Federal program of assistance. The program I have proposed will be of the grant-in-aid variety and would be administered by the Commissioner of Education in coordination with accredited training institutions. Since the encouragement of these specially trained teachers cannot be fostered at the local level, it is imperative that the Government take steps to help, not by gifts, but by assistance that will be matched by participating training institutions.

This problem is not theoretical. Its severity cannot be ignored. The situation is revealed in the experience over the years. In the past, it has been necessary for schools such as the Governor Baxter State School for the Deaf, in Portland, Maine, to obtain retired teachers, to get extensions for older teachers as they come to the normal retirement age, and to get teachers from the public school system who do not have this very vital specialized training.

It is obvious that this is detrimental to our handicapped children who are so deserving of this help.

Other programs have been tried, such as scholarships, but even this has not been sufficient to maintain the necessary staff members qualified for this work.

It is my belief that recruitment must come on a national level to fulfill these teaching needs. Schools for the deaf are under a tremendous pressure to obtain these specialized teachers because of our expanding population. Federal assistance for training these people is desperately needed.

The key to this problem is simply that there are not enough trained teachers to deal with speech and hearing impairments. The public school systems cannot handle the problems and needs of these handicapped children, and the local communities cannot or will not supply the funds to attract the number of teachers required.

This bill provides our handicapped children with the opportunity to help themselves to become more useful and valuable citizens because this legislation assists in providing them with a proper education under the guidance of expert instructors.

These children are depending upon us to help them. I am proud that we have not let them down.

Mr. LINDSAY. Mr. Speaker, I support this bill which will establish a program of grants in aid for the training of teachers of the deaf. The problem of the deaf and the hard of hearing is one of the least understood, and most neglected, of all of the growing health problems that face this country. It is national and international in scope. A greater number of babies are born each year afflicted with this tragic, lonely handicap of deafness.

Medical science has not yet discovered the cure for deafness at birth. But the lifelong handicap that results from deafness—that forever isolates the deaf child or person from all other human beings, that forces a segregation of its own just as demoralizing as any other kind of segregation—can be overcome. The enactment of H.R. 9011 is one way to begin. It would give us, in greater quantity and quality, the indispensable weapon against the handicap of deafness—trained teachers.

In the 86th Congress and again in this Congress I introduced legislation which would reflect a national response to the national problem of providing Federal funds to train teachers of those handicapped by deafness. I did so with some knowledge of the extent of the problem and an awareness of the enormous waste, in terms of the capacity of deaf persons to be useful and productive members of society, caused by the disaster of deafness. It is a disaster, I assure you, that can strike any home, any parent, any child.

There are in our midst today some 30,000 deaf children of school age with an expected increase of 400 every year. The number continues to rise while the number of specialists dedicated to train these children to take their rightful place in our society, with full opportunity to make their own way, is woefully small, and diminishing in relation to the mounting need.

To train these children, we need some 500 specialists annually. At the moment, there are only 177 such teachers in training in the special teacher training centers. In June 1959 only 127 such teachers were graduated. These figures alone manifest the critical shortage of trained personnel in this field.

From a study of the reports supplied me and conversation with informed sources, I am convinced that 80 percent of these handicaps are remediable. I have seen what can be done for these children if proper training is afforded them. Let me give you two examples of the kind of thing that can be done in this field.

In my own congressional district in Manhattan are located the largest public junior high school for the deaf in the country—Junior High 47, and the country's best known private school—primary and secondary—the Lexington School for the Deaf. In these remarkable schools I have seen the miracle of the deaf child's transition from the silent world of the deaf to the other world of communication, language and speech. After all, the chief thing that elevates human beings above all other species is an intelligence that enables them to communicate by speech.

The Lexington School happens to be a private school, but it charges no tuition and it receives most of its support from the State. It takes children beginning from age 3 or 4 up and gives them a high school education. Many go on to college. By the time they are finished they are equipped to lead normal lives in the adult world and to communicate with others.

The teachers in this school, and in junior high 47 must have very special qualifications. Not only must they have all of the qualifications of high school teachers in the normal school, but they must be specially trained to communicate with the deaf. The young men and women who make this their lifework must, after having met all the other standards for high school teaching, take specialized postgraduate courses, and pay tuition for this purpose. The Lexington School has a postgraduate training school of its own, which is well known around the country and abroad. Most of the teachers in training here have to borrow the funds in order to pay the relatively modest tuition. On top of this, they have to live and, in big cities where the problem is most acute, moderate- or low-income housing is not available. The Lexington School is in a position to provide living accommodations for many of these dedicated persons. But food, clothes, and other costs of living must be borne by them.

Most schools cannot even afford living accommodations. Then when these teachers are finished and are qualified to take on the task of teaching the deaf, they are often paid less than the high school teachers in the regular school system.

Can this be right? Is there any wonder that there exists such a shortage of teachers in this field? And we must remember that teaching the deaf requires a personal dedication and a steadfastness that few other specialized professions require. It is the hardest possible physical work. In addition to personal dedication it requires a persistence and a patience that most people do not have, including most teachers. Why then should we permit conditions to exist that make the cause of these young teachers and hopeful teachers so much more difficult than it has to be?

A properly staffed school specializing in the teaching of the deaf, if adequately supported, can become the laboratory for the advancement of teaching techniques in every school and at every educational level the country over. If methods can be devised, and they are already in process, for the advancement of learning in specialized schools such as Junior High School 47, and the Lexington School of New York City, they will have general application. After all, the essence of education is to teach students to teach themselves—to give them the necessary tools with which to build their own intellectual houses. The job of the teacher is to communicate with the student. Therefore, the development of methods and techniques for communication between the teacher of the deaf and the deaf student will certainly be of immeasurable benefit also

to the teacher who is seeking to establish lines of communication between students with hearing, but who still do not hear.

What I am suggesting, is that one of the soundest investments we can make toward the advancement of learning in the United States is to multiply 100-fold our effort in educational laboratories such as the two I have mentioned by adequately staffing them with specially trained teachers.

The specific Federal approach adopted in this bill now before the House is but one step. This is a modest proposal, calling for Federal assistance through a $3-million, 2-year program of grants-in-aid to accredited public and nonprofit institutions of higher education which are approved training centers for teachers of the deaf. I am pleased beyond measure that the House is at long last taking definitive action on this bill. The more I examine this problem, the more I wonder why we have delayed as long as we have.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill, H.R. 9011, was laid on the table.

GENERAL LEAVE TO EXTEND

Mrs. GREEN of Oregon. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the bill just passed.

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

There was no objection.

MILITARY CONSTRUCTION APPROPRIATION BILL, 1962

Mr. SHEPPARD. Mr. Speaker, I call up the conference report on the bill (H.R. 8302) making appropriations for military construction for the Department of Defense for the fiscal year ending June 30, 1962, 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 pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. No. 1156)

The committee on conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 8302) "making appropriations for military construction for the Department of Defense for the fiscal year ending June 30, 1962, 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 amendments of the Senate numbered 1, 5, 6, 7, and 8, and 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 "$192,278,000"; and the Senate agree to the same.

Amendment numbered 4: That the House recede from its disagreement to the amendment of the Senate numbered 4, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$498,346,000"; and the Senate agree to the same.

The committee of conference report in disagreement amendment numbered 2.

HARRY R. SHEPPARD,
ROBERT L. F. SIKES,
CLARENCE CANNON,
CHARLES R. JONAS,
JOHN TABER,
Managers on the Part of the House.

JOHN STENNIS,
RICHARD B. RUSSELL,
MIKE MONRONEY,
LEVERETT SALTONSTALL,
STYLES BRIDGES,
HARRY F. BYRD,
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. 8302) making appropriations for military construction for the Department of Defense for the fiscal year ending June 30, 1962, 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:

Amendment No. 1—Military construction, Department of Defense: Appropriates $27,000,000 as proposed by the Senate instead of $15,000,000 as proposed by the House. The conferees are in agreement that no part of these funds shall be obligated for facilities in support of large solid-propellant boosters until specific approval has been obtained from the Committees on Appropriations of the House of Representatives and the Senate.

Amendment No. 2—Military construction, Army: Reported in disagreement. The managers on the part of the House will move to concur in the Senate amendment with an amendment substituting the amount of $154,122,000 instead of $147,450,000 as proposed by the House and $176,512,000 as proposed by the Senate. The conferees have agreed to the reductions as proposed by the Senate and the following additions to the amounts and line items as proposed by the House:

Fort Benning, Ga.: Academic building	$300,000
Fort Leonard Wood, Mo.: Health facility	375,000
Army Chemical Center, Md.: Supertoxic laboratory	3,234,000
Fort Belvoir, Va.: Flying facilities	248,000
Redstone Arsenal, Ala.: Consolidated facility	250,000
U.S. Military Academy, N.Y.: Library	222,000
Sandia Base, N. Mex.: Communication facilities	750,000
Fort Buckner, Okinawa: Hospital	1,251,000
Montmorillon, France: Trainfire range	140,000
Minor construction	750,000
Access roads	250,000

The conferees are not in agreement as to the addition of $3,812,000 for the Quartermaster Research and Development Center, Natick, Mass., as proposed by the Senate. The motion to be made by the managers on the part of the House will exclude this amount and line item from the bill.

In addition the conferees have reduced the total funds available for this appropriation by $3,000,000 instead of $5,000,000 as proposed by the House, and will expect the Army to meet this funding reduction by recoupment of funds from prior appropriations.

The conferees have deleted the amount of $382,000 added by the Senate for the construction of an elementary school at Fort Clayton, Canal Zone and are in agreement that the cost of this school should be provided from funds available to the Canal Zone Government.

Amendment No. 3—Military construction, Navy: Appropriates $192,278,000, instead of $181,387,000 as proposed by the House and $201,259,000 as proposed by the Senate. The conferees have approved the amounts and line items as proposed by the House and the following additional amounts and line items:

Naval Station, Charleston, S.C.: Barracks	$500,000
NAS North Island, Calif.: Tactical control facility	1,480,000
Classified locations AC-4 and AC-7	138,000
NOTS China Lake, Calif.: Expansion of water system	50,000
MCB, Camp Lejeune, N.C.: Head facilities	50,000
MCB, Camp Pendleton, Calif.: Camp facilities, Stuart Mesa	5,000,000
Navy PG School, Monterey, Calif.: Laboratory	2,463,000
Camp Butler, Okinawa	160,000
PWC, Naval Base, Guam	250,000
Minor construction	250,000
Restoration of damaged facilities	250,000
Capehart housing support	50,000
Access roads	250,000

In addition the conferees have reduced the total funds available for this appropriation by $2 million as proposed by the House, and will expect the Navy to meet this funding reduction by recoupment of funds from prior appropriations.

The Departments of Defense and Navy will be expected to make a detailed study of the requirements for repair of jet engines at NAS Miramar, Calif. and the most economical and efficient method of meeting this requirement, including consideration of accomplishing this work in other naval and/or commercial facilities. Review should also be made of the cost and extent of any facilities required at NAS Miramar, including comparison with similar functions in the Air Force. The results of such a study should be made available to the Committees on Appropriations of the House of Representatives and the Senate prior to consideration of the military construction bill for fiscal year 1963.

The conferees have approved $2,463,000 for the Aeronautical Propulsion Laboratory at the Naval Post Graduate School, Monterey, Calif., with the understanding that no part of these funds shall be obligated until specific approval has been obtained from the Committees on Appropriations of the House of Representatives and the Senate.

Amendment No. 4—Military construction, Air Force: Appropriates $498,346,000 instead of $479,522,000 as proposed by the House and $539,243,000 as proposed by the Senate.

The conferees have agreed to the reductions as proposed by the Senate, except for Hickam AFB, Hawaii, and the following additions to the amounts and line items as proposed by the House:

Minot AFB, N. Dak.: Open mess, officers	$205,000
Olmsted AFB, Pa.: Instrument repair shop	719,000
L. G. Hanscom Field, Mass.: Headquarters building	919,000

Andrews AFB, Md.:	
Shop	$288,000
Headquarters building	1,720,000
Glasgow AFB, Mont.:	
Exchange snackbar	100,000
Exchange sales store	127,000
Trailer court parking	977,000
Corrosion control facilities	1,250,000
Civil engineering maintenance facilities	1,250,000
Hospital facilities:	
Lincoln AFB, Nebr	838,000
Little Rock AFB, Ark	1,900,000
Itazuke AB, Japan	806,000
Misawa AB, Japan:	
Air search radar	130,000
Weather facility	10,000
Planning	2,750,000
Minor construction	1,500,000
Access roads	1,000,000

In addition the conferees have reduced the total funds available for this appropriation by $20,000,000 instead of $23,000,000 as proposed by the House and will expect the Air Force to meet this funding reduction by recoupment of funds from prior appropriations.

The conferees have deleted $781,000 added by the Senate for a material science laboratory at Wright Patterson Air Force Base, Ohio. The deletion of this project does not involve disapproval of the function at this location, but is based upon inadequate planning and a desire for further study by the Air Force as to the feasibility of using existing facilities at this location.

The conferees have included $838,000 for the dispensary at Lincoln Air Force Base, Nebr., and $1,900,000 for the hospital at Little Rock Air Force Base, Ark., as proposed by the Senate, and have deleted funds requested for hospitals at March Air Force Base, Calif., and Francis E. Warren Air Force Base, Wyo., as proposed by the House. The conferees are disturbed with reference to the policy of the Department of Defense in programing beds in new construction specifically for retired personnel, as has been done at the hospitals for which funds have been denied, and the lack of a uniform policy with reference to provisions for care of dependents of military personnel. The basic law authorizing the use of military medical facilities by retired military personnel is completely permissive in nature and does not involve specific requirements for the construction of facilities for such personnel. Provision should be made for retired personnel on a space available basis as authorized by law and construction requirements be based only on beds required for active duty military personnel and their dependents. The Department of Defense will be expected in the future to adhere to a policy in the construction of hospital facilities which makes adequate provisions for the care of dependents on a uniform basis, including obstetrical facilities, and does not program beds in new construction for retired personnel.

The conferees have approved $1,250,000 for Civil Engineering maintenance facilities instead of $2,167,000 as proposed by the Senate and are in agreement that priority in the obligation of these funds should be given to the replacement of makeshift facilities at remote radar sites and other installations in the northern areas of the United States and Canada.

Amendment No. 5—Military construction, Army Reserve: Appropriates $14,381,000 as proposed by the Senate instead of $13,000,000 as proposed by the House.

Amendment No. 6—Military construction, Air Force Reserve: Appropriates $4,608,000 as proposed by the Senate instead of $4,000,000 as proposed by the House.

Amendment No. 7—Military construction, Army National Guard: Appropriates $21,868,750 as proposed by the Senate instead of $12,000,000 as proposed by the House.

Amendment No. 8—Military construction, Air National Guard: Appropriates $18,275,000 as proposed by the Senate instead of $14,000,000 as proposed by the House.

HARRY R. SHEPPARD,
ROBERT L. F. SIKES,
CLARENCE CANNON,
CHARLES R. JONAS,
JOHN TABER,
Managers on the Part of the House.

Mr. SHEPPARD. Mr. Speaker, the conference report provides $947,878,750 for the military construction program. This is $99,689,250 below the budget estimates; $72,268,000 below the Senate bill and $64,519,750 above the House bill. The specific items added to the House bill are listed in the statement of the managers. Two programs in particular have been of interest to various Members of the House and I would like to comment on them. The conference report approves the budget estimate of $12 million for the solid propellant booster program as requested by the President. This item was not considered by the House. The House conferees have also accepted the increases as proposed by the Senate for the Army and Air Force Reserve programs and the Army and Air National Guards. The conference report as submitted by the managers on the part of the House is unanimous on the part of all concerned. Not included in the report is the military construction appropriation for the Army. This amendment is in disagreement between the managers on the part of the House and those of the Senate and will be subject to a separate motion and vote after action on the conference report. This is a good report and I urge its adoption.

Mr. JONAS. Mr. Speaker, will the gentleman yield?

Mr. SHEPPARD. I yield to the gentleman from North Carolina.

Mr. JONAS. Mr. Speaker, as the chairman of the subcommittee has explained, the conference action provides $72,268,000 less than the bill that passed the other body. It provides $64,519,750 more than the bill which passed the House. As the gentleman from California has said, the conference report is unanimous. We were under some pressure in the conference. The other body had included an item that had been stricken out on the floor here, although originally contained in our bill as it came out of the House Committee on Appropriations. The conferees on the part of the House felt duty bound to uphold the position taken by the House, so that item comes back in disagreement. And, as the gentleman from California has explained, a separate vote will occur on it after other procedures dealing with this conference report have been concluded.

Mr. Speaker, I ask unanimous consent to include as part of my remarks a tabulation showing service-by-service budget estimates, House action, Senate action, and action taken in conference.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The tabulation is as follows:

Title	Budget estimates (revised)	Passed House	Passed Senate	Conference	Conference action compared with—		
					Estimates	House	Senate
Military construction, Department of Defense	[1] $27,000,000	$15,000,000	[1] $27,000,000	[1] $27,000,000		+$12,000,000	
Loran station	10,000,000	10,000,000	10,000,000	10,000,000			
Military construction, Army	194,977,000	147,450,000	176,512,000	154,122,000	−$40,855,000	+6,672,000	−$22,390,000
Military construction, Navy	205,211,000	181,387,000	201,259,000	192,278,000	−12,933,000	+10,891,000	−8,981,000
Military construction, Air Force	560,380,000	479,522,000	539,243,000	498,346,000	−62,034,000	+18,824,000	−40,897,000
Military construction, Army Reserve	13,000,000	13,000,000	14,381,000	14,381,000	+1,381,000	+1,381,000	
Military construction, Naval Reserve	7,000,000	7,000,000	7,000,000	7,000,000			
Military construction, Air Force Reserve	4,000,000	4,000,000	4,608,000	4,608,000	+608,000	+608,000	
Military construction, Army National Guard	12,000,000	12,000,000	21,868,750	21,868,750	+9,868,750	+9,868,750	
Military construction, Air National Guard	14,000,000	14,000,000	18,275,000	18,275,000	+4,275,000	+4,275,000	
Total	1,047,568,000	883,359,000	1,020,146,750	947,878,750	−99,689,250	+64,519,750	−72,268,000

[1] Includes budget estimates of $12,000,000 in H. Doc. 179, not considered in the House.

Mr. WEAVER. Mr. Speaker, I wish to take this opportunity to commend the committee and the managers on the part of the House for their efforts to include in this bill $838,000 for construction of a dispensary at the Lincoln Air Force Base, Nebr. I also wish to extend the thanks of the people of Lincoln and the military personnel at the base for this action.

This dispensary is badly needed at the Air Force base. The present facilities are limited and occupy a converted bachelor officers' quarters, hardly adequate for the kind of care needed. At a time when our Strategic Air Force must be constantly at its peak of efficiency, better equipment and better housing for medical care is essential.

I sincerely appreciate the fact that the conference committee recognized these very serious needs and took constructive action to guarantee early construction.

Mr. BOLAND. Mr. Speaker, I trust that the House will not agree to the motion to exclude the amount of $3,812,000 for the Quartermaster Research and Development Center at Natick, Mass.

It is difficult to understand, in view of the arguments detailed a few moments ago by the distinguished gentleman from North Carolina [Mr. JONAS], how any Member of this body could persist in voting to keep the Food and Container Institute of the Quartermaster Corps in its present location in Chicago.

As has been stated by many of our colleagues on the floor today, particularly the gentleman from Massachusetts [Mr. BATES], this matter has been studied, restudied, evaluated and reevaluated by the Department of the Army, by Committees on Armed Services and Appropriations, by the Comptroller General of the United States, and by a special committee of the National Academy of Sciences—and, all have recommended that the transfer should be carried out.

It is true that this House twice decided that the Institute should remain in Chicago. But, I submit, Mr. Speaker, that its decision was not based on the merits of the matter. It was grounded solely and simply on personalities. It is always difficult to oppose the great and able Members of the Illinois delegation. This House has had enough field days for the Chicago and Illinois delegations. It ought to resolve this matter on its own merits. Mr. Speaker, although this matter has been based on personalities rather than merit, the rollcall of July 25, 1961, emphatically shows that there is considerable support for the position taken by the interested committees of the House that this move ought to be approved. The vote on that day was 241 to 170 against the move. A mere shift of 36 votes would have sustained the proponents of the transfer.

Mr. Speaker, the real issues here are what is best for the United States—what is best for the Department of the Army—what is best for the Quartermaster Corps in developing methods of giving our armed services the very best in equipment and supplies?

Mr. Speaker, these questions have been answered eloquently by the conclusions reached by the numerous studies. It has been repeatedly and incontrovertibly affirmed that moving the Institute from Chicago to Natick would:

First. Show an annual saving of $1,155,000;

Second. Bring all of the research and development activities of the Quartermaster Corps of the Department of the Army under one roof;

Third. Increase the efficiency of research and development operations;

Fourth. Assure lower operating costs of research management and administration at one location; and

Fifth. Realize the desirability and advantage of having an integrated team of scientists of different disciplines who can freely communicate on a person-to-person basis to help solve the unique military problems entrusted to the Quartermaster Corps.

Mr. Speaker, in view of what has been said here today, the conclusions of the committees that have studied this matter and the good sense of this House, we should retain this item in this bill and resolve once and for all a matter that already has taken too much important time of this body.

Mr. SHEPPARD. Mr. Speaker, I move the previous question.

The previous question was ordered.

The conference report was agreed to.

The SPEAKER pro tempore. The clerk will report the amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 2: On page 2, line 16, strike out "$147,450,000" and insert "$176,512,000".

Mr. SHEPPARD. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. SHEPPARD moves that the House recede from its disagreement to the amendment of the Senate numbered 2 and concur therein with an amendment, as follows: in lieu of the sum proposed by said amendment insert: "$154,122,000".

Mr. SHEPPARD. Mr. Speaker, this amendment is concerned with the military construction appropriation for the Department of the Army. The managers on the part of the House and the Senate have agreed on every item in the bill and the corresponding amounts except for the request to transfer the Food and Container Institute from Chicago, Ill., to Natick, Mass. The motion which I have just offered includes the amounts unanimously agreed upon by the managers and eliminates any funds for this proposed transfer. The specific items involved other than Natick are set forth in the statement of the managers.

Mr. Speaker, after our hearings on this proposal the Appropriations Committee approved the transfer of these functions to Natick. By action on the House floor on an amendment offered by the gentleman from Illinois [Mr. YATES], the House by a vote of 241 to 170 overwhelmingly disapproved the committee action. Similar action occurred previously on the military construction authorization bill. Despite what personal feelings they might have, I have always held the position that the managers on the part of the House represent the views of the majority of the House and not their own views as individuals when the Senate conferees refuse to agree to the House position on this line item, I could see no recourse except to bring this matter back to the House in disagreement and allow the House once more to work its will. Frankly, the feasibility of this transfer of functions has always been questionable, but our hearings developed the fact that such a transfer could well be economically desirable. Therefore we recommended the appropriations for Natick to the House.

At the conclusion of my remarks I shall yield such time as he may desire to the ranking minority member of the House managers and to any other House conferees and then to the proponents and opponents of this proposal. After the time has expired, I shall move the previous question on this motion and allow the House to decide once more what should be done. In the event this motion is defeated, which would be a reversal of the previous position of the House on this construction item, I shall immediately offer another motion to concur with an amendment which would add the funds required for the facilities at Natick to the amount which is now before the House.

Mr. Speaker, I yield such time as he may desire to the gentleman from North Carolina [Mr. JONAS].

Mr. JONAS. Mr. Speaker, I do not think any Member of the House should quarrel with the way the conferees are proceeding with respect to this item. We have, as the gentleman from California has explained, undertaken in the conference to uphold the position taken in the House on a record vote. We took that position in conference, although our subcommittee had recommended this transfer to our committee at the time, after exhaustive hearings, prolonged deliberations, and careful study. We brought the item in the Military Construction bill to the House and on motion the funds were denied for the transfer. Those funds were restored in the other body, and we went to conference with that item in disagreement.

We never were able to reconcile the disagreement. The conferees on the part of the other body insisted on maintaining the position taken by that body; and the House conferees felt duty-bound to uphold the position expressed in the record vote in the House.

I do not speak now for anyone on the subcommittee or on the conference committee except myself, but I think I should explain to the House that I favor this transfer. In the subcommittee I favored it; in the full Committee on Appropriations of the House I favored it; and I argued for it when the bill was before the House on July 24. The conferees from the other body did not accept the House view and we are now back with the conference report. I feel that I have discharged my obligation to the House as reflected in the record vote to which I have referred, and that I have a right now to again voice my own feelings with respect to this transfer and cast my vote in the way I think is proper; namely, the transfer of this installation to Natick, Mass.

May I say I do this without any feeling that what is involved is a contest between Chicago and Massachusetts; if there is I certainly am not involved in it. I have not been lobbied by anybody in connection with this transfer. I realize there are differences of opinion between Members of the House. Those from the Chicago area would like to retain the installation there. Others would like to have it moved to Massachusetts.

In my consideration of this problem I have tried to eliminate all sectional and personal questions. I base my view that this transfer should be made upon the fact that this project has been studied by more committees and by more officials than any project that has come up for consideration since I have been a Member of this body. Every study by every committee that has studied it has recommended that this transfer be made to Natick, and this includes the Department of the Army, the Department of Defense, a subcommittee of the

House Committee on Armed Services, and a Special Advisory Board on Quartermaster Research and Development appointed by the National Academy of Science and the National Research Council.

Mr. YATES. Mr. Speaker, will the gentleman yield?

Mr. JONAS. I yield to the gentleman from Illinois.

Mr. YATES. The gentleman has not pointed out that a staff study made by the staff of the Committee on Appropriations of the House came to an opposite conclusion from all the studies the gentleman has mentioned.

Mr. JONAS. That is not entirely correct. The staff study was critical in some respects, but it did not answer the issue as categorically as the National Academy of Science Board, as the Secretary of Defense, or the Secretary of the Army.

Mr. YATES. I think the gentleman is correct in stating what the decisions of the other Boards were, but if the gentleman will permit me to share his time for a moment to read a staff report of the Committee on Appropriations, I think the gentleman may come to an opposite conclusion.

Mr. JONAS. I hope the gentleman will not take all of my time.

Mr. YATES. I withdraw my request. I will read that portion of the staff report on my own time.

Mr. JONAS. Mr. Speaker, in conclusion may I read from a letter the members of the committee received from the Chairman of the Advisory Board, dated September 1, 1961, written after the action taken in this body late in July. This letter is signed by Dr. Allen Abrams, Chairman, Advisory Board, Quartermaster Research and Development, and I quote from that letter the following:

The Advisory Board is composed of men of high standing in the fields of scientific research and development. These men are appointed by the National Academy of Sciences and the National Research Council. They serve without compensation and without political, regional or other bias. Their function is to assist the military in its task of supplying our soldiers with the best possible equipment and food.

The Q.M.R. & D. has two principal research facilities (1) at Natick, Mass., valued at about $13 million and with a staff of about 1200 people. Here are the principal scientific and engineering laboratories and pilot plants; (2) at Chicago the Food and Container Institute (FCI), a branch of Q.M.R. & D., which carries on research on food and the containers in which it is issued. This separation of the facilities has placed an extra burden on the staff at Natick and has hampered the constant communication required between staff members.

Hence, the relocation of the FCI has been investigated by various echelons of the Army, the Secretary of the Army, the Secretary of Defense, and the Bureau of the Budget. Estimates have been prepared and studies made as to the relocation of the FCI from its presently outmoded facilities. Two places have received special consideration:

(1) Chicago, because of its midwest manufacturing and scientific area;

(2) Natick, Mass., because 80 percent of the Q.M.R. & D. facilities and personnel are in that area—and it too has access to many scientific institutions and manufacturing organizations.

Then, Dr. Abrams proceeds to point out that this question, when it was assigned to his Board, was reassigned to a special panel which considered this question from all angles, and came up with the unanimous recommendation that the Institute be moved to Natick. That recommendation by the panel was later unanimously approved by the full board, and a recommendation so made to the Secretary of the Army.

Mr. YATES. Mr. Speaker, will the gentleman yield?

Mr. JONAS. I yield to the gentleman from Illinois.

Mr. YATES. That panel did not make an adequate report, as I pointed out when this matter was debated earlier in the House. The Chairman himself, Dr. Abrams, in a statement to me declared that he would need at least 30 days in which time to make a detailed study of the feasibility of moving that institute from Chicago to Natick. He was given 1 week by the Secretary of the Army in which to come to a conclusion. As a result, we in Chicago feel that we were never given the opportunity to adequately prepare or to present our side.

Mr. JONAS. In reply to that, may I read the following paragraph from Dr. Abrams' letter?

Earlier this year a Midwest Congressman called me, as Chairman of the Q.M.R. & D. Advisory Board, to ask whether our Board would be able to investigate the proposed move and as to how long the investigation would take. We advised him that if the request came from official sources we would investigate; that such a study would probably require 30 days. At that time we had little or no knowledge of the several previous investigations and were basing our estimate of time on the necessity for digging out the facts. Hence, when the request for the study was transmitted to us by the Secretary of the Army these studies were supplied to us and it became evident that a detailed study would not be required. The Secretary had requested that our report "be concluded as promptly as possible" so we agreed that an evaluation of the accumulated information would be adequate.

Then he goes on to point out that among other things considered was the report by the Subcommittee of the Armed Services Committee of this House, which conducted a full and complete study of this proposal. May I read the following from the recommendation of that subcommitee?

A wholly objective analysis of all the figures presented carries the burden of persuasion on the side of the move from Chicago to Natick. It appears that there will be an annual savings by reason of the move of something on the order of $900,000 each year. There is a definite advantage of mutual stimulus engendered by direct communication with scientific personnel.

Mr. YATES. Mr. Speaker, would the gentleman yield for a question?

Mr. JONAS. I yield to the gentleman from Illinois for a question.

Mr. YATES. Does the letter from Dr. Abrams indicate that in addition to the studies that the gentleman has referred to that the doctor or his group studied in addition the report of the staff of the Appropriations Committee of the House?

Mr. JONAS. That was not made available.

Mr. YATES. I see. That was the only study that was adequate, and the only study that went into a detailed survey.

Mr. JONAS. May I say this to the gentleman in response to that? That was a study prepared for the committee at our request, and was considered by our subcommittee. After it was considered and evaluated along with all the other studies, the subcommittee voted to recommend the transfer.

Mr. SHEPPARD. Mr. Speaker, I yield 5 minutes to the gentleman from Massachusetts [Mr. MARTIN].

Mr. MARTIN of Massachusetts. Mr. Speaker, there is not much that I can add to the very ably presented argument of my friend and colleague from North Carolina [Mr. JONAS].

This is really a very simple question. It is not a question of politics or partisanship and I strongly hope that will not enter into the decision we are called upon to make.

This is much more than a choice between Chicago and Natick. It is a choice between efficiency and inefficiency; between economy and waste at a crucial hour in world affairs, when every dollar we spend on our national defense should return a dollar's worth of value to the taxpayers of this country.

I hope and pray, as we all do, that it will not again be necessary to send American boys to war. But if that terrible emergency should be forced upon us, we want to send those boys with the best equipment and the best food that America can provide.

The gentleman from North Carolina [Mr. JONAS] has pointed out how essential it is that these important research facilities should be assembled under one roof, where the researchers and the scientists can work in close collaboration and not be separated miles apart.

Let us consider how thoroughly this matter has been studied. After the most careful and critical investigation, the transfer to Natick was recommended by the Secretary of the Army in the Eisenhower administration, Mr. Brucker. It has also been strongly recommended to the Congress by the Secretary of the Army in the Kennedy administration, Mr. Stahr.

It was recommended by the Armed Services Committee of the House and the Armed Services Committee of the Senate. It was recommended by the Appropriations Committee of the House and by the Appropriations Committee of the Senate. It was made the subject of a special study by a subcommittee of the House Armed Services Committee, the gentleman from California [Mr. DOYLE], and the gentleman from Pennsylvania [Mr. VAN ZANDT]. Their investigation included a personal inspection visit to both sites. These gentlemen concurred in the previous recommendations that the transfer be made in the interests of both efficient operation and of economy.

The subcommittee declared that the scientific advantages which would accrue from uniting the work under one roof at the parent laboratory in Natick would compel them to recommend the transfer even if no economies were to result, but

that a combination of both efficiency and economy was indisputable proof of the desirability of the transfer.

The Senate has twice seen the wisdom of the transfer and has restored the funds which the House eliminated.

Now the conferees, in view of the previous House action, have properly brought the issue back to the House for another vote.

I say to my colleagues that here is a chance to practice economy as well as preach it.

Here is a situation where the Department of Defense, the administration, and the Army desire to do that which is efficient and economical. We should support their efforts. We are constantly calling upon the Defense Department to spend the funds which we appropriate wisely and effectively and we criticize them when they waste funds. We shall be on mighty thin ice if we criticize their operations in the future if we fail now to support their efforts to achieve efficiency and economy in this important project.

Perhaps I may be accused of being prejudiced because Natick is in my district. Naturally I would like to see this installation to go to Natick because it is the only defense installation in my district. But beyond all this, I am broad-minded enough, I am nationally spirited enough to do what is right for the Nation and for our Armed Forces, and even though my district would profit by the change, I would not advocate it unless I was thoroughly convinced by the most competent evidence, including the conclusions of the National Academy of Science, that Natick was the proper place for this installation to be placed.

Let us do the efficient thing and the economical thing; let us do the right thing and assemble these important research facilities which mean so much to our men in uniform, under one roof at Natick.

Mr. FULTON. Mr. Speaker, will the gentleman yield?

Mr. MARTIN of Massachusetts. I yield to the gentleman from Pennsylvania.

Mr. FULTON. May I point out that if the House does not want to choose between Illinois and Massachusetts, it might choose Massachusetts on the ground that it will save $900,000 a year.

Mr. MARTIN of Massachusetts. Nine hundred thousand dollars of the taxpayers' money which might go to some other installation in some other part of the country.

Mr. SHEPPARD. Mr. Speaker, I yield 5 minutes to the gentleman from Massachusetts [Mr. BATES].

Mr. BATES. Mr. Speaker, Massachusetts never asked for this project. The first I ever heard of it was when it was before the House Committee on Armed Services to be considered. It seems to me quite clear, after studying this matter now for 3 years, that the right thing to do is to transfer this to Natick.

Over the weekend I had an opportunity to talk to some parents who have received bills to send their children to college. They want excessive spending eliminated in Washington. This is an opportunity to save $1 million a year. As a matter of fact, because of the dilatory tactics of last year this delay has already cost us $1 million.

Being on the Committee on Armed Services, I want to be certain that our servicemen have the very best equipment possible. We all know this agency is going to move from its present site. We know that. Nobody denies it. Right now it is floundering. The Army Quartermaster Corps has no sense of direction as far as this is concerned. It is waiting for this bill to become law so that it will have the money to go ahead.

I was on the committee of conference, representing the House Committee on Armed Services, and the senior Senator of the conference, the gentleman from Georgia, said that he knew of no project, as long as he has been in Congress, that has ever been studied and restudied as much as this one.

Every single decision made by responsible authority was to the effect that clearly this should go to Natick, Mass. The Department of the Army on two separate occasions in the last 2 years, once through Secretary of the Army Brucker, said it was desired to make this move as soon as possible. That was in the Eisenhower administration. Now Secretary of the Army Stahr in this administration said, "Thus the Army's position is sound and it has been reaffirmed by the most searching review."

The House Committee on Armed Services, the Senate Committee on Armed Services, the House Military Appropriations Subcommittee, the full Committee on Appropriations of the House, and the Military Subcommittee on Appropriations in the Senate, all have recommended that this project go to Natick.

A year ago a controversy arose, not from the members of our committee but by a delegation from Illinois who asked that members of our committee be assigned to study this project. They were so assigned, and the project was delayed for a year. After the most careful evaluation, after the greatest scrutiny, the gentleman from California [Mr. DOYLE], a Democrat, and the gentleman from Pennsylvania [Mr. VAN ZANDT], a Republican, interested only in what was the best for the United States and for its taxpayers, said this in conclusion:

> Suffice it to say it appears there will be an annual saving of at least $900,000 if the transfer is made to Natick, Mass.

And they so recommended the transfer.

The Director of Research and Development of the Army, Richard S. Morse, said:

> We in the Army have extensive data demonstrating both the economic and management advantages which would accrue from consolidating our activities at Natick.

Even the General Accounting Office, an unbiased organization, an arm of the Congress, if you will, established to be of assistance to us on matters of this nature said:

> We believe that fairly significant savings could be realized by the Government if the CAC is inactivated as planned by the Army. Amortization on a 7 year basis of new facilities would result in an annual saving of $275,000 for the first 7 years. After the first 7 years, we estimate an annual savings of $998,000.

We had this measure before the Congress a little earlier, and the gentleman from Illinois [Mr. YATES] offered amendments so that this matter could be studied once again, now by an agency of his own choice, the National Academy of Sciences. This organization studied this problem and once again they concurred with everyone else whoever studied this matter. As a matter of fact, right now the Natick office manages the contracts for the Food and Container Institute.

At Natick we have the following equipment, which they do not have in Chicago, and if they want to use such equipment, they must go outside and get them on a contract basis.

This is what they have: Van de Graaff accelerator, Solar furnace, large hot and cold climatic chambers, mass infrared spectograph, food extraction plants, electron microscopes, X-ray defraction equipment, hazardous research facilities, psychophysiological equipment, biophysical facilities, cartographic facilities, and Quartermaster Radiation Laboratories (to be completed in June 1962).

All the equipment available for this purpose is now at Natick. This is bringing together, as the House Committee said, the parents with the child.

It seems to me, Mr. Speaker, this issue is quite clear. We have delayed it too long already. Let us vote down the recommendations and vote "no" when this proposal comes before us.

Mr. SHEPPARD. Mr. Speaker, I yield 5 minutes to the gentleman from Massachusetts [Mr. LANE].

Mr. LANE. Mr. Speaker, I sincerely regret that the House conferees are not in agreement as to the addition of $3,812,000 to authorize construction of facilities at the Quartermaster Research and Engineering Center in Natick, Mass. This fund is needed to house the Quartermaster Food and Container Institute due to the proposal for transfer from the Chicago, Ill., Administration Center to Natick.

This item first received the approval of the House Armed Services Committee in their authorization bill to the House. That committee arrived at their conclusions following the appointment of a special subcommittee that consisted of the gentleman from California, the Honorable CLYDE DOYLE, and the gentleman from Pennsylvania, the Honorable JAMES VAN ZANDT. They investigated this project at great length and recommended transfer from Chicago to Natick, in their report to the full Armed Services Committee.

At the time of the consideration of that authorization bill in the House, and at the request of the gentleman from Chicago [Mr. YATES] a further delay was granted in order to have an additional study made by the Defense Department. Although the matter had been studied and restudied by the military, again this committee recommended unanimously

this transfer. This item was recommended favorably by the House committee on the military construction appropriation bill and so reported to the House. The other body has seen fit to insist that this item remain in the conference report.

This appropriation was recommended and sponsored by the Secretary of Defense and not by us, the Members from Massachusetts. Expert testimony offered before your Committee on Appropriations and the Committee on Armed Services clearly establishes that this inevitable move is in the best interests of the Army and the taxpayers. I call your attention to the statement of this committee on page 11 of the report on this military construction appropriation bill for 1962, the following:

> This matter has been investigated and studied on numerous occasions by several committees of the Congress, the Army, and the Department of Defense. Testimony received by the committee and information made available have been both detailed and voluminous. Based on this testimony and the various studies to which it has access, the committee believes that it is in the best interest of the Government to transfer this function as recommended in the budget.

In other words, you have heard a great deal in reference to the hearings before this Appropriations Committee. The evidence produced through the interrogation by our colleagues on that committee has shown conclusively the compelling reasons for the transfer of the Quartermaster Food and Container Institute from Chicago, Ill., to Natick, Mass.

I wish that the Members would read from page 533 of part II of the hearings before this Subcommittee on Appropriations on Military Construction, in which the conscientious gentleman from North Carolina [Mr. JONAS] asks this question:

> This committee is primarily concerned with the dollars involved because we are not a legislative committee; we are an appropriating committee. We have to satisfy ourselves as to the effect the spending will have.
>
> I asked Dr. Sieling the questions about the advantages of the move from a scientific and research standpoint because I thought the record should contain a statement setting forth the practical advantages and the benefits that might be derived.

Dr. Sieling answered as follows:

> I appreciate that, sir. I would not want to belabor the subject, but the technical advantages that would be derived from consolidation of this food and container research activity with the other elements of the Quartermaster research organization at Natick would be outstanding in that we would bring together the technical people from the various fields so that they, when they have a problem to solve, could personally talk with each other on a day-to-day basis as the solutions develop, leaving nothing to chance discussion at later time and having, let us say, a simple example of the development of a dehydrated meat requires the work of the engineers to develop a method of dehydration, it requires the work of chemists to elucidate the color changes that may result from dehydration, the work of physicists to examine the influence of dehydration on the ability to reconstitute the food.
>
> All of these attendant scientific skills are at Natick. The bacteriologist, engineer, plastics expert, chemist, the metallurgist, the etymologist, all of these people who have to do with the keeping quality and the original fabrication of this item except the food technologist are at Natick. The last man is at Chicago. At the present time he must rely on telephonic or letter communication with the other scientists.

What more proof is necessary?

The evidence in support of this transfer is overwhelming. Both the Republican administration and the Democratic administration have recommended it.

The Quartermaster Research and Engineering Center at Natick, Mass., by every standard for determining location and efficient functioning, is the natural home for the Food and Container Institute, Quartermaster Corps, U.S. Army.

Mr. SHEPPARD. Mr. Speaker, I yield 2 minutes to the gentleman from Illinois [Mr. KLUCZYNSKI].

Mr. KLUCZYNSKI. Mr. Speaker, here we are again moving the Food Container Institute from Chicago to Natick, Mass. I hate to get into an argument with my good friends from Massachusetts—Democrats and Republicans. They are all really great Members of this body but they want to take the Food Container Institute which has been in my district in Chicago for over 25 years. The Food Container Institute has done a fine job in research. It is located in the great Midwest, the breadbasket of America. This House has voted twice to keep it there, rollcall No. 22, March 23, 1961—yeas 267, nays 145; rollcall No. 119, July 25, 1961—yeas 241, nays 170.

I cannot understand why the other body insists on transferring the institute to the Quartermaster Research Center at Natick, Mass. Mr. Speaker, you take this important facility away from me, and these boys will decide to take something away from you next session. You know the way "sharpies" operate. I hope the House agrees to the amendment as presented by Congressman SHEPPARD.

Mr. SHEPPARD. Mr. Speaker, I yield 5 minutes to the gentleman from Illinois [Mr. YATES].

Mr. YATES. Mr. Speaker, the conferees have come to the correct decision in moving to exclude the appropriation from this bill for the transfer of the Quartermaster Food and Container Institute from its logical location in the city of Chicago to Natick, Mass.

The eloquent arguments we have heard today from the gentleman from North Carolina and the distinguished Members from Massachusetts were all made at the time this bill came up in the House earlier this year. They were made not once but twice for this matter was before the House twice. On each occasion the House voted to retain the Food and Container Institute in Chicago, Ill., its logical location. As a matter of fact, when the matter was last before the House, the vote was 241 to 170 to keep the Food and Container Institute at Chicago, Ill.

Much has been said about studies, much has been said about surveys that have been made. Let me tell you, however, that the best survey, the most complete survey ever made was the staff report of the Committee on Appropriations. This was the conclusion of that report:

> The staff is of the opinion the Army planning in reaching its decision to deactivate the CAC has been inadequate. The Army's claim that the closing of CAC is dependent upon the relocation of Q.M.F. & C.I. to Natick does not appear sound. Q.M.F. & C.I. occupies only 10 percent of the total space at this facility and is but one of a number of military and civilian tenants. It is felt that the Army has not realistically computed the overall costs involved in relocating all the tenants of the CAC. The staff believes the Army should reevaluate this entire proposal and that any decision to move the Q.M.F. & C.I. from Chicago should be predicated upon locating that facility where it can best perform its mission.

We agree with the staff's conclusion. We think the Institute should be where it can best perform its mission, and on two different occasions the House declared that its mission can best be performed in the city of Chicago, Ill., in the district represented so ably by the distinguished gentleman from Illinois [Mr. KLUCZYNSKI].

Various gentlemen who have taken the floor said there has been no lobbying for this move to Natick, Mass. Why did Dr. Abrams call to a Member from Wisconsin and ask him to change his vote and vote for this proposal. Can it truly be said there has been no lobbying?

Mr. BATES. I would suspect he was interested in correct action.

Mr. YATES. He was interested in sustaining his own inadequate report. Dr. Abrams told me personally it would take at least a month to prepare an adequate survey, and he nevertheless bowed to the pressure applied by the Secretary of the Army and made his report within a week of having received the request to make the survey. All he did was to review in one week the surveys that had already been taken. It was not an independent survey of his own. He approved the surveys that had already taken place and made no new investigation of his own.

Mr. BATES. Mr. Speaker, will the gentleman yield?

Mr. YATES. I yield to the gentleman from Massachusetts.

Mr. BATES. The gentleman selected the board in the first place.

Mr. YATES. That is true. We wanted a fair study, however, and we never received a fair one. We were brushed off by Dr. Abrams and his group. I can only conclude that his decision had been made before he began his week's work. He never gave us an adequate or fair opportunity to present Chicago's side of the story. Mr. Speaker, we have already gone into all of the arguments. There has been nothing new presented since this matter was before the House on July 25. The argument of the gentleman from Massachusetts and the arguments on the other side were presented to the House at that time.

Mr. JONAS. Mr. Speaker, will the gentleman yield?

Mr. YATES. I yield to the gentleman from North Carolina.

Mr. JONAS. There has been one significant thing that happened since.

Mr. YATES. What is that?

Mr. JONAS. The other coordinate branch of the Congress has acted differently.

Mr. YATES. I agree.

Mr. JONAS. I do not agree necessarily that we have to follow the other body, but it does bring new light on the question. The views of the other body certainly are worthy of consideration.

Mr. YATES. I thank the gentleman for his statement, but I will say to him that it brings no new light on this matter at all. This is just another instance where the other body has acted erroneously, and the House of Representatives must correct the action of the other body.

Mr. Speaker, I urge the House to approve the motion of the committee of conference.

Mr. SHEPPARD. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California [Mr. SHEPPARD].

The question was taken; and on a division (demanded by Mr. JONAS) there were—ayes 40, noes 43.

Mr. YATES. Mr. Speaker, I object to the vote on the ground that a quorum is not present, and make the point of order that a quorum is not present.

The SPEAKER pro tempore (Mr. MILLS). Under order of the House of September 1, further proceedings on this matter will go over until Wednesday next.

The gentleman withdraws his point of order that a quorum is not present?

Mr. YATES. I do, Mr. Speaker.

GENERAL LEAVE TO EXTEND REMARKS

Mr. SHEPPARD. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks in the RECORD on the conference report just considered.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

DISTRICT OF COLUMBIA DAY

The SPEAKER pro tempore. This is District of Columbia day. The Chair recognizes the gentleman from South Carolina [Mr. MCMILLAN].

REGULATING THE PRACTICE OF PHYSICAL THERAPY IN THE DISTRICT OF COLUMBIA

Mr. MCMILLAN. Mr. Speaker, I call up the bill (S. 1762) to regulate the practice of physical therapy in the District of Columbia, and ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Carolina?

Mr. KEARNS. Mr. Speaker, reserving the right to object, I want to concur with the request of the distinguished gentleman from South Carolina in calling up the Senate version of this bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Physical Therapists Practice Act."

DEFINITIONS

SEC. 2. As used in this Act—

(a) The term " Commissioners" means the Commissioners of the District of Columbia sitting as a board, or their authorized agent or agents.

(b) The word "she" and the derivatives thereof shall be construed to include the word "he" and the derivatives thereof.

(c) The term "physical therapy" means the treatment of human disability, injury, or disease by supervised therapeutic procedures embracing the specific scientific application of physical measures to secure the functional rehabilitation of the human body. Nothing in this Act shall be construed as authorizing a physical therapist, whether registered or not, to practice medicine, osteopathy, chiropractic, naturopathy or any other form or method of healing.

(d) The term "physical therapist" means a person who practices physical therapy under the prescription, supervision, and direction of a person licensed to practice under the Healing Arts Practice Act of the District of Columbia, approved February 27, 1929 (45 Stat. 1326), as amended.

(e) The word "State" or "States" shall be deemed to include any territory of the United States and the Commonwealth of Puerto Rico.

EXEMPTION FROM REGISTRATION

SEC. 3. This Act shall not apply to any person employed in the District of Columbia by the Federal Government or any agency thereof while such person is acting in the discharge of her official duties.

REGISTRATION

SEC. 4. (a) No person shall practice physical therapy in the District of Columbia unless (1) she is duly registered in accordance with the provisions of this Act, or (2) is exempted from such registration by the terms of this Act.

(b) No person not registered in accordance with the provisions of this Act, unless exempted from registration by the terms of this Act, shall, directly or indirectly, (1) represent herself to be so registered or (2) represent herself to be certified, licensed, or authorized to practice physical therapy.

(c) No person shall use in connection with her name the words "physical therapist", "physiotherapist", "physical therapy technician", or use the initials "P.T.", "P.T.T.", "R.P.T.", or any other letters, words, abbreviations, or insignia indicating or implying that she is a registered physical therapist, unless such person is a holder of a valid registration under this Act.

(d) Nothing in this section shall prohibit any person duly licensed or registered in the District of Columbia under any other Act from engaging in the practice for which she is duly registered or licensed.

(e) Nothing in this Act shall apply to any person licensed under the Healing Arts Practice Act of the District of Columbia, nor to any employee of any such person working under his immediate supervision and direction in his private office, provided no such employee shall hold herself out, or otherwise represent herself to be a physical therapist.

POWERS OF COMMISSIONERS

SEC. 5. The Commissioners are hereby vested with full power and authority to delegate, from time to time, to their designated agent or agents, any of the functions vested in them by this Act.

ESTABLISHMENT OF BOARD

SEC. 6. The Commissioners may establish a physical therapists examining board to perform any of the functions vested in the Commissioners by this Act, and, if so established, such board shall be composed of such persons possessing such qualifications as the Commissioner shall determine. The Commissioners are authorized to prescribe the terms of office of members of such board and to fix the compensation of such members. The Commissioners may appoint as members of such board, Federal and District government employees, and such members shall not be entitled to receive compensation as board members, and any such member shall not be debarred by such membership from employment in the Federal or District governments not inconsistent with her duties as a board member. Any board member may receive her compensation as a board member as well as any retirement pay, retirement compensation, or annuity to which she may be entitled on account of previous service rendered to the United States or the Distirct of Columbia governments.

POWERS AND DUTIES

SEC. 7. (a) The Commissioners are authorized to adopt from time to time and prescribe such rules and regulations as may be necessary to enable them to carry into effect the provisions of this Act. The Commissioners shall maintain a register of all persons registered as physical therapists. The Commissioners shall maintain a register of approved schools which they deem afford adequate training in physical therapy.

(b) The Commissioners may make such studies and investigations, and obtain or require the furnishing of such information under oath or affirmation or otherwise, as they deem necessary or proper to assist them in prescribing any regulation or order under this Act, or in the administration and enforcement of this Act, and regulations and orders thereunder. For such purposes, the Commissioners may administer oaths and affirmations, may require by subpena or otherwise the attendance and testimony of witnesses and the production of documents at any designated place. In the event of contumacy or refusal to obey any such subpena or requirement under this section, the Commissioners may make application to the municipal court for the District of Columbia for an order requiring obedience thereto. Thereupon the court, with or without notice and hearing, as it in its discretion may decide, shall make such as is proper and may punish as a contempt any failure to comply with such order in accordance with the provisions of subsection (c), section 5, of the Act of April 1, 1942 (56 Stat. 193, chapter 207; sec. 11-756(c), D.C. Code, 1951 edition).

REGISTRATION

SEC. 8. The Commissioners shall register as physical therapists all applicants who prove to the satisfaction of the Commissioners their fitness for registration under the terms of this Act. The Commissioners shall issue to each person registered a certificate of registration, which shall be prima facie evidence of the right of the person to whom it is issued to represent herself as a registered physical therapist, and authorized to practice as such under this Act.

REGISTRATION WITHOUT EXAMINATION

SEC. 9. The Commissioners shall register as a physical therapist, without examination,

any physical therapist who is at least twenty years of age and of good moral character and who presents evidence satisfactory to the Commissioners that she was, prior to the effective date of this Act, practicing physical therapy in the District of Columbia for a period of two years immediately preceding the effective date of this Act, and that she (1) has graduated from an approved school of physical therapy listed in the register of approved schools or (2) received comparable training or experience in the practice of physical therapy as determined by the Commissioners. Application for registration under this section shall be made on or before the expiration of one year from the effective date of this Act.

REGISTRATION AFTER EXAMINATION

SEC. 10. The Commissioners shall pass upon the qualifications of applicants for registration, provide for and conduct all examinations, determine which applicants have successfully passed the examination and duly register such applicants. To be eligible to be examined for registration as a physical therapist, an applicant must meet the following requirements:

(a) Be at least twenty years old.

(b) Be of good moral character.

(c) Be in good physical and mental health, as certified by a physician licensed to practice in the District of Columbia.

(d) Be a graduate of an approved school of physical therapy listed in the register of approved schools; or possess comparable educational qualifications as determined by the Commissioners.

The examinations specified in this section shall be conducted at such times and places as the Commissioners may determine, and notice of time and place of such examination shall be published not less than thirty days before the first day of each examination in one or more newspapers of local circulation.

The examination shall embrace such coverage of the following subjects to determine the applicant's qualification: The applied sciences of anatomy, neuroanatomy, kinesiology, physiology, pathology, physics; "physical therapy" as defined in this Act, applied to medicine, neurology, orthopedics, pediatrics, psychiatry, surgery; medical ethics; technical procedures in the practice of "physical therapy" as defined in this Act.

RECIPROCITY

SEC. 11. Any applicant who has practiced physical therapy and has been registered, certified, or licensed as such in any State may, upon proof of good moral character, be registered without examination, provided the applicant has graduated from a school of physical therapy approved by the Commissioners, or has received competent comparable training as determined by the Commissioners. It is intended that the standards of education and training required for registration under this section shall be substantially equivalent to those required for registration pursuant to section 10 of this Act. This section shall be construed to apply only to candidates from States which admit registered physical therapists of the District of Columbia without examination.

RENEWAL OF REGISTRATION

SEC. 12. (a) Every registered physical therapist engaged in or who proposes to engage in the practice of physical therapy in the District of Columbia is hereby required to register with the Commissioners annually. Any registrant who allows her registration to lapse by failing to renew the registration annually may be reinstated by the Commissioners by showing cause satisfactory to the Commissioners for such failure and upon payment of all required fees. The Commissioners are authorized, after public hearing, to change from time to time the period for which registration or renewal thereof may be issued.

(b) Any person registered under the provisions of this Act but not so practicing in the District of Columbia shall give written notice of such fact to the Commissioners. Upon receipt of such notice, the Commissioners shall place the name of such person upon the nonpracticing list. While remaining on such list, such person shall not be subject to the payment of any renewal fee and shall not hold herself out as a registered physical therapist nor practice as such in the District of Columbia. Application for renewal of registration and payment of renewal fee for the current year shall be made to the Commissioners by any such person desiring to resume practice as a registered physical therapist.

DENIAL, REVOCATION, AND SUSPENSION OF REGISTRATION

SEC. 13. The Commissioners are authorized and empowered to deny, revoke, or suspend any registration or certificate of renewal of registration issued by the Commissioners or applied for in accordance with the provisions of this Act if the applicant or holder thereof—

(1) has been guilty of fraud or deceit in procuring or attempting to procure any registration or renewal thereof provided for in this Act;

(2) has been convicted of a crime involving moral turpitude;

(3) is an intemperate consumer of intoxicating liquors or is addicted to the use of habit-forming drugs;

(4) has been guilty of unprofessional conduct;

(5) has willfully violated any of the provisions of this Act, or rules or regulations promulgated by the Commissioners pursuant to authority contained in this Act;

(6) is mentally incompetent;

(7) is guilty of undertaking to treat ailments of human beings other than by physical therapy as authorized by this Act, or the undertaking to practice physical therapy independent of the prescription and direction of a person appropriately licensed to practice under the Healing Arts Practice Act of the District of Columbia; or

(8) is otherwise professionally incapacitated.

Provided, That such denial, revocation, or suspension shall be made only upon specific charges in writing. A copy of any such charges and at least ten days' notice of the hearing of the same shall be mailed to the holder of or applicant for such registration, addressed to her at her last known address.

COURT REVIEW

SEC. 14. Any person aggrieved by any final decision or final order of the Commissioners denying, suspending, or revoking any registration, or renewal of registration, issued or applied for under this Act may obtain a review thereof in the municipal court of appeals for the District of Columbia, and may seek a review by the United States Court of Appeals for the District of Columbia Circuit of any judgment of the municipal court of appeals entered pursuant to its review of any such decision or order, all in accordance with subsection (f) of section 7 of the Act approved April 1, 1942, as added by the Act approved August 31, 1954 (68 Stat. 1049).

UNAUTHORIZED PRACTICE OF PHYSICAL THERAPY

SEC. 15. It shall be unlawful for any person in the District of Columbia to—

(a) sell or fraudulently obtain or furnish any diploma, license, certificate of registration, or record required by this Act, or required by the Commissioners under authority of this Act, or aid or abet in the selling, fraudulently obtaining, or furnishing thereof;

(b) practice physical therapy under cover of any diploma, certificate of registration, or record required by this Act or required by the Commissioners under authority of this Act, illegally or fraudulently obtained or signed or issued unlawfully or under fraudulent registration;

(c) use in connection with her name any designation tending to imply that she is a registered physical therapist unless duly registered under provisions of this Act;

(d) practice physical therapy during the time her registration shall be suspended or revoked.

PRACTICE OF REGISTERED PHYSICAL THERAPISTS

SEC. 16. A person registered under this Act as a physical therapist shall not treat human ailments by physical therapy or otherwise except under the prescription and direction of a person duly licensed or registered under the Healing Arts Practice Act of the District of Columbia.

ENFORCEMENT

SEC. 17. Any person who shall violate the provisions of section 4, 15, or 16 of this Act shall be guilty of a misdemeanor and shall be punished by a fine of not exceeding $500 or by imprisonment for not more than one year, or both.

CONDUCT OF PROSECUTIONS

SEC. 18. (a) Prosecutions for violations of any provisions of sections 4, 15, or 16 of this Act shall be conducted in the name of the District of Columbia in the municipal court for the District of Columbia, by the Corporation Counsel or any of his assistants.

(b) It shall be necessary to prove in any prosecution or hearing under this Act only a single act prohibited by law or a single holding out or an attempt without proving a general course of conduct in order to constitute a violation.

FEES AND CHARGES

SEC. 19. (a) The Commissioners are authorized and empowered, after a public hearing, to fix and, from time to time increase or decrease, fees for any services rendered under this Act. The Commissioners shall, pursuant to this section, increase, decrease, or fix fees in such amounts as will, in the judgment of the Commissioners, approximate the costs to the District of Columbia of administering this Act: *Provided*, That no fee shall be increased, decreased, or fixed except after a public hearing.

(b) Upon the change of a registration period as authorized by subsection (a) of section 12 the fee for registration or renewal of registration shall be prorated on the basis of the time covered.

(c) All moneys collected for fees and charges made pursuant to authority contained in this Act shall be paid into the Treasury to the credit of the District of Columbia.

SEVERABILITY

SEC. 20. If any provision of this Act, or the application thereof to any person or circumstance, is held invalid, the remainder of the Act, and the application of such provision to other persons and circumstances, shall not be affected thereby.

APPROPRIATIONS

SEC. 21. There is hereby authorized to be appropriated out of the revenues of the District of Columbia such sums as may be necessary to pay the expenses of administering and carrying out the purposes of this Act.

REORGANIZATION

SEC. 22. Nothing in this Act shall be construed so as to affect the authority vested in the Board of Commissioners of the District of Columbia by Reorganization Plan Numbered 5 of 1952 (66 Stat. 824). The performance of any function vested by this Act in the Board of Commissioners or in any office or agency under the jurisdiction and control of said Board of Commissioners may be delegated by said Board of Commissioners in accordance with section 3 of such plan.

EFFECTIVE DATE

SEC. 23. This Act shall take effect one hundred and twenty days after funds are appropriated for the purpose of administering the provisions of this Act.

Mr. McMILLAN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. McMILLAN. Mr. Speaker, the purpose of this bill is to regulate the practice of physical therapy in the District of Columbia so as to accomplish the following:

First. Provide a prohibition against the practice of physical therapy in the District of Columbia by an individual unless that person is registered under the provisions of this bill or is exempt from registration by the terms of the bill; and

Second. Provide authority for the Commissioners of the District of Columbia to register as physical therapists all applicants who prove to the satisfaction of the Commissioners their fitness for registration under the terms of the bill.

The committee was informed that at the present time in the District of Columbia, a physical therapist is not required to be registered or licensed. Accordingly, it is entirely possible that any person, regardless of his professional ability, may practice physical therapy in the District. This is not the situation in the majority of the States where some form of regulatory action has been provided. A total of 38 States have laws regulating the practice of physical therapy, and 10 other States are in the process of obtaining such legislation. It is of interest to note that both of the adjoining States of Maryland and Virginia require licensing of physical therapist practicing within their jurisdictions.

The committee was also informed that modern medicine has demonstrated to an increasing degree the value of physical therapy in restoring the patient to his previous level of physical activity, or a partial restoration to the level of self-care. It has been demonstrated that many patients suffering from chronic disease or disability, when exposed to long periods of inactivity, have a disability in excess of that caused by the disease or injury per se. Inactivity predisposes muscular stiffness, weakness, and atrophy, softening of the bones, and adversely affects the patient's state of physical and emotional well-being. There is a great need to provide physical therapy treatments on a visiting basis to patients with chronic illness or post-traumatic disability who are outside of the hospitals and are in their homes or other institutions. Each year there is an increasing need for trained and well-qualified physical therapists.

It is obvious to the committee that the citizens of the District of Columbia cannot be expected to differentiate between competent and incompetent practitioners of physical therapy. The minimum standards which guarantee safe performance must be required by law in order to protect the citizens of the District of Columbia. Physical therapy treatment should only be entrusted to individuals who have the education, training, and experience that enables them to be thoroughly conversant with modern techniques, as well as precautions and contraindications.

It is contemplated that the act will be self-supporting through the charging of fees necessary to administer the act. However, it is necessary that funds be appropriated for the expenses which are entailed in administering the act since the fees collected have to be covered into the Treasury and cannot be spent until appropriated. It is estimated that the cost of administration of the act will be approximately $3,750 for the first year, and the normal yearly budget thereafter will be approximately $1,000.

This bill is not intended to and does not apply to masseurs, masseuses, or anyone employed by a health club or similar establishment, unless such person be employed as a physical therapist.

This legislation has the approval of the Board of Commissioners for the District of Columbia, the Department of Public Health for the District of Columbia, and the Physical Therapy Association.

The bill was ordered to be read a third time, was read the third time, and passed.

A similar House bill (H.R. 8984) was laid on the table.

A motion to reconsider was laid on the table.

AMENDING THE ACT TO REGULATE THE HEIGHT OF BUILDINGS IN THE DISTRICT OF COLUMBIA

Mr. McMILLAN. Mr. Speaker, I call up the bill (S. 1529) to amend the act entitled "An act to regulate the height of buildings in the District of Columbia," approved June 1, 1910, as amended.

The Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That paragraph 3 of section 5 of the Act entitled "An Act to regulate the height of buildings in the District of Columbia", approved June 1, 1910, as amended (36 Stat. 452; 43 Stat. 961; sec. 5-405, D.C. Code, 1951 edition), is amended by striking "over eight stories in height or".

Mr. McMILLAN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. McMILLAN. Mr. Speaker, the purpose of this bill is to amend the act to regulate the height of buildings in the District of Columbia, approved June 1, 1910, so as to provide a more uniform, modern height limitation on buildings in medium- and high-density apartment areas of the District of Columbia, by eliminating the eight-story height limitation on apartment buildings constructed in the District of Columbia.

The bill was introduced at the request of the Board of Commissioners. A letter dated March 28, 1961, accompanying the draft bill, setting forth in detail the views of the Board of Commissioners, is quoted in part, as follows:

The present height limitation contained in section 5 of the act approved June 1, 1910, as amended, states that "* * * no building shall be erected * * * over 8 stories or over 90 feet in height * * *." The proposed amendment would eliminate the words "over 8 stories in height or," thus leaving the requirement to read: "* * * no building shall be erected * * * over 90 feet in height." This use of height limitations expressed in terms of maximum feet rather than maximum stories is in harmony with modern zoning language and practice. Indeed, the section proposed to be amended by this bill is the only section in the act which expresses its requirements in terms of maximum stories. All other provisions refer to maximum footage.

Under the District Building Code the minimum ceiling height of a habitable story is 8 feet. Thus the proposed amendment would increase the number of stories permitted in an apartment building 90 feet high from 8 to 10, with no increase in the overall bulk of the building.

The Commissioners are informed by the District zoning authorities that an increase from 8 to 10 stories within the framework of a 90-foot apartment building would result in the following advantages:

1. Simplication in drawing and processing construction plans.
2. Lower building costs per living unit.
3. Uniformity with the requirements in special purpose districts, which presently permit 10 stories under identical bulk and height requirements.
4. Decreased lot coverage, with increased light and air.

Although the geographical areas affected by the proposed amendment comprise only about 2 percent of the District's zoned area, the Commissioners are informed by the zoning authorities that the amendment is highly desirable to implement one of the Zoning Commission's most important programs—construction of high-density apartment buildings peripheral to the central business district. Apartments of this nature, it is believed, would ease the transportation problem, combat in part the flight to the suburbs, and increase tax revenues as a result of the minimum capital outlay necessary for municipal services in apartment areas of this type.

The bill was ordered to be read a third time, was read the third time, and passed.

A similar House bill (H.R. 9009) was laid on the table.

A motion to reconsider was laid on the table.

EXEMPTING FROM TAXATION CERTAIN PROPERTY OF THE ARMY DISTAFF FOUNDATION

Mr. McMILLAN. Mr. Speaker, I call up the bill (H.R. 2838) to exempt from taxation certain property of the Army Distaff Foundation.

The Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That parts of the tract of land known as "Poor Tom's Last Shift" described as follows: Beginning for the same at the intersection of the westerly line of Oregon Avenue, formerly Daniels Road, and southerly line of Tennyson Street, both as dedicated and shown on plat

recorded in liber 103, folio 157, of the records of the Office of the Surveyor of the District of Columbia and running thence southwesterly along said westerly line of Oregon Avenue as shown on said plat, and as shown on plat record in liber 88, folio 34, of said surveyor's office records to a point of curve; thence southwesterly still along the said westerly line of Oregon Avenue and the northwesterly line of Nebraska Avenue, both as shown on said plat recorded in liber 88, folio 34, of said surveyor's office records, on the arc of a circle deflecting to the right, the radius of which is 440 feet, an arc distance 370.23 feet to a point of tangent; thence southwesterly along said northwesterly line of Nebraska Avenue to the northerly line of Stephenson Lane, as dedicated and shown on plat recorded in liber 116, folio 175, of said surveyor's office records; thence along said northerly line of Stephenson Lane, north 65 degrees 55 minutes 50 seconds west 176.66 feet to a point of curve; thence northwesterly on the arc of a circle deflecting to the left, the radius of which is 460 feet, an arc distance of 144.87 feet to a point of tangent; thence north 83 degrees 58 minutes 30 seconds west 159.38 feet to a point of a curve; thence westerly on the arc of a circle deflecting to the right, an arc distance of 237.18 feet to the most southerly corner of the land conveyed to George L. Quinn and wife by deed dated May 28, 1941, and recorded June 3, 1941, in liber 7622, folio 349, among the land records of the District of Columbia; thence northeasterly and parallel with Twenty-ninth Street 400 feet to the most easterly corner of the land conveyed to Edwin S. Hoffman and wife by deed dated June 9, 1937, and recorded July 22, 1937, in liber 7133, folio 233, among the land records of the District of Columbia; thence northwesterly along the northeasterly line of said conveyance to Hoffman, 125 feet to the southeasterly line of Twenty-ninth Street as dedicated and shown on plat recorded in liber 102, folio 59, of said surveyor's office records; thence along the said line of Twenty-ninth Street north 44 degrees 58 minutes 30 seconds east 373.83 feet to the said southerly line of Tennyson Street, and thence east along said southerly line of Tennyson Street 726.83 feet to the place of beginning, situated at 6200 Nebraska Avenue Northwest, in the city of Washington, District of Columbia, owned by the Army Distaff Foundation, is hereby exempt from all taxation so long as the same is owned and occupied by the Army Distaff Foundation, and is not used for commercial purposes, subject to the provisions of sections 2, 3, and 5 of the Act entitled "An Act to define the real property exempt from taxation in the District of Columbia", approved December 24, 1942 (56 Stat. 1091; D.C. Code secs. 47-801b, 47-801c, 47-801e).

Mr. McMILLAN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. McMILLAN. Mr. Speaker, this bill would exempt that property known for assessment and real property tax purposes as parcels 62/41, 62/64, 62/98, and 62/99, located at 6200 Nebraska Avenue NW., so long as the same is owned by the Army Distaff Foundation and is not used for commercial purposes. The exemption so conferred would be subject to the provisions of sections 2, 3, and 5 of the act entitled "An act to define the real property exempt from taxation in the District of Columbia," approved December 24, 1942 (56 Stat. 1091; secs. 47-801b, 47-801c, and 47-801e, District of Columbia Code, 1951).

The Army Distaff Foundation was incorporated on February 13, 1959, under the provisions of title 29, section 601, District of Columbia Code, 1951. Paragraph 3, subsection (a) of the certificate of incorporation of the foundation, states that the foundation was incorporated:

(a) To provide elderly persons on a nonprofit and charitable basis with housing facilities and services specially designed to meet the physical, social, and psychological needs of the aged, and contribute to their health, security, happiness, and usefulness in longer living. The corporation shall be operated exclusively for charitable purposes and no part of its net earnings shall inure to the benefit of any officer, member, or employee of the corporation, or to the benefit of any individual; and no officer, member, or employee of the corporation, and no individual shall receive or be entitled to receive any pecuniary profit from the operation of the corporation except reasonable compensation for services.

The Army Distaff Foundation on July 27, 1959, in order to accomplish the objects set out in its certificate of incorporation acquired the property described, supra. The Foundation proposes to erect on this property a three-story apartment building containing 300 units, consisting of 30 two-room units, 111 bed-alcove units, 105 single-room units, all with pullman-kitchen and bath, and 36 rooms without kitchen facilities. The main building will also include a dining room with a seating capacity of 300, a chapel for private meditation and public services, as well as an infirmary wing with resident nurses, doctors' offices, and treatment and examining rooms. Walter Reed Hospital will treat any serious cases of illness should they develop. There is a residence on the grounds which will be retained to serve as an administrative center for the proposed residence hall.

The present assessed value of parcels 62/41, 62/64, 62/98, and 62/99, which includes both lands and improvements, is $189,403. The total tax on this property at the current rate is $4,356.26. The enactment of H.R. 2838 will, therefore, considerably increase the present loss of real estate taxes to the District as a consequence of special tax-exemption statutes.

This legislation was considered at a meeting of the House District Committee on September 7, 1961, and reported by a unanimous vote of the committee.

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.

AUTHORIZING THE PHILADELPHIA, BALTIMORE & WASHINGTON RAILROAD CO. TO CONSTRUCT, MAINTAIN, AND OPERATE BRANCH SIDINGS OVER FIRST STREET SW., IN THE DISTRICT OF COLUMBIA

Mr. McMILLAN. Mr. Speaker, I call up the bill (H.R. 9080) to authorize the Philadelphia, Baltimore & Washington Railroad Co. to construct, maintain, and operate branch sidings over First Street SW., in the District of Columbia.

The Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Philadelphia, Baltimore, and Washington Railroad Company is hereby authorized to construct, maintain, and operate at grade two branch sidings from its present tracks in square 607 over First Street to square 663 between S and T Streets Southwest, Washington, District of Columbia. Such sidings shall be constructed in accordance with plans approved by the Commissioners of the District of Columbia.

SEC. 2. Congress reserves the right to alter, amend, or repeal this Act.

Mr. McMILLAN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. McMILLAN. Mr. Speaker, the purpose of the bill is to authorize the Philadelphia, Baltimore, & Washington Railroad Co. to construct in the District of Columbia two railroad sidings to provide access to square No. 663, bounded by First and One-half Streets and S and T Streets SW. Previously the railroad was provided access to the adjoining square, No. 607, immediately to the west across First Street SW., by a siding entering from tracks already in the bed of Second Street SW.

This legislation is necessary because the Commissioners of the District of Columbia, absent congressional authorization, do not have the authority to permit a railroad siding to cross a public street. Further, the use of square No. 663 is urgently needed by the railroad for ground storage of construction materials for the House of Representatives Office Building No. 3, and to replace and supplement such storage facilities lost by the railroad in acquisition of land by the Redevelopment Land Agency for the Southwest urban renewal program.

Under the terms of the bill, the sidings will be constructed in accordance with plans to be approved by the Commissioners and subject to the terms and conditions of a permit issued by them.

The committee is advised that the District of Columbia has no objection to the enactment of this legislation.

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.

TO AMEND THE LAW RELATING TO GAMBLING IN THE DISTRICT OF COLUMBIA

Mr. McMILLAN. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 4669), with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 2, line 25, strike out all after "auction." over to and including line 6 on

page 3 and insert: "The proceeds of the sale of such property shall be available, first for the payment of all expenses incident to such sale; and, second, for the payment of such liens; and the remainder shall be deposited in the Treasury of the United States to the credit of the District of Columbia. To the extent necessary, liens against said property so forfeited shall, on good cause shown by the lienor, be transferred from the property to the proceeds of the sale of the property."

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Carolina?

Mr. GROSS. Mr. Speaker, reserving the right to object, just what does this bill do, if the gentleman will explain it?

Mr. McMILLAN. Mr. Speaker, I yield to the gentleman from Texas [Mr. DOWDY] the chairman of the subcommittee which handled this bill. The gentleman from Texas will explain the Senate amendment.

Mr. DOWDY. Mr. Speaker, this bill provides for the disposition of equipment that is seized in gambling raids.

Mr. GROSS. Are you going to give it to charity, or what happens to it?

Mr. DOWDY. It provides for the destruction of such parts of equipment that are illegal. The other is sold. I believe it goes into the Treasury.

Mr. GROSS. Mr. Speaker, I withdraw my reservation.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

TO AMEND THE LAW RELATING TO INDECENT PUBLICATIONS IN THE DISTRICT OF COLUMBIA

Mr. McMILLAN. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 4670) to amend the law relating to indecent publications in the District of Columbia, with a Senate amendment thereto, disagree to the Senate amendment, and request a conference with the Senate.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Carolina?

The Chair hears none, and appoints the following conferees: Messrs. DOWDY, HARSHA, and ST. GERMAIN.

WORKWEEK OF THE FIRE DEPARTMENT OF THE DISTRICT OF COLUMBIA

Mr. JAMES C. DAVIS. Mr. Speaker, I call up the bill (S. 1292) to amend the act of June 19, 1948, relating to the workweek of the Fire Department of the District of Columbia, and for other purposes, and ask unanimous consent that the bill be considered in the House as in the Committee of the Whole.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

Mr. HOFFMAN of Michigan. Mr. Speaker, reserving the right to object, does the gentleman say this is a good bill?

Mr. JAMES C. DAVIS. It has the approval of the District Committee of the House; and a similar bill has already passed the Senate.

Mr. HOFFMAN of Michigan. Does the gentleman say it is a good bill?

Mr. JAMES C. DAVIS. Yes, indeed, I do.

Mr. HOFFMAN of Michigan. I thank the gentleman.

Mr. KEARNS. Mr. Speaker, further reserving the right to object, I want to concur in what the gentleman from Georgia, [Mr. DAVIS] says, that it is an excellent bill. I think we will be very wise to pass it.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsection (a) of section 2 of the Act entitled "An Act to amend the Act entitled 'An Act to classify the officers and members of the Fire Department of the District of Columbia, and for other purposes', approved June 20, 1906, and for other purposes", approved June 19, 1948, as amended (sec. 4–404a(a), D.C. Code, 1951 ed.), is amended to read as follows:

"(a) The Commissioners of the District of Columbia are authorized and directed to establish a workweek for officers and members of the firefighting division of the Fire Department of the District of Columbia which will result in an average workweek of fifty-six hours in any complete work cycle: *Provided,* That no workweek shall exceed seventy hours.

"(b) The firefighting division shall operate under a two-shift system and all hours of duty of any shift shall be consecutive.

"(c) The Commissioners of the District of Columbia are further authorized and directed to establish a workweek for officers and members of the Fire Department, other than those in the firefighting division, of forty hours, and the hours of work in such workweek shall be performed on consecutive days in such workweek.

"(d) The days off duty to which each officer or member of the Fire Department is entitled shall be in addition to his annual leave and sick leave allowed by law. In the case of any shift of the Fire Department beginning on one day and extending without a break in continuity into the next day, or in the case of two shifts beginning on the same day, the Commissioners are authorized to designate the shift which shall be the workday, and the entire shift so designated shall be considered the workday for all pay and leave purposes.

"(e) If a holiday shall fall on any day off of any officer or member of the Fire Department, he shall be excused from duty on such other day as is designated by the Commissioners of the District of Columbia, and if he is required to be on duty in lieu of such day off, he shall receive compensation for such duty at the rate provided by law for duty performed on a holiday. When any shift of the Fire Department begins on the day before a holiday and extends without a break in continuity into the holiday, or begins on a holiday and extends without a break in continuity into the next day, the Commissioners of the District of Columbia are authorized to designate either of such shifts as the holiday workday, and the entire shift so designated shall be considered as the holiday workday for all pay and leave purposes. As used in this subsection the word "holiday" shall have the same meaning as such word has in the Act of October 24, 1951 (65 Stat. 607), as amended (sec. 4–808, D.C. Code, 1951 ed.), and as supplemented by the Act of January 11, 1957 (71 Stat. 3; Public Law 85–1)."

SEC. 2. Section 2 of such Act approved June 19, 1948 (62 Stat. 499; sec. 4–404a(b), D.C. Code 1951 ed.), is further amended by redesignating subsection (b) as subsection (f) and by amending the first sentence of subsection (f) as so redesignated to read as follows: "Notwithstanding the provisions of the preceding subsection, whenever the Commissioners declare that an emergency exists of such a character as to necessitate the continuous service of all or some of the officers and members of the Fire Department, the granting of days off shall be suspended during the continuation of such emergency."

SEC. 3. Subsection (e) of the first section of the Act entitled "An Act to provide a five-day week for officers and members of the Metropolitan Police force, the United States Park Police force, and the White House Police force", approved August 15, 1950 (64 Stat. 447), as amended (sec. 4–904, D.C. Code, 1951 ed.), is amended (a) by inserting "the Fire Department of the District of Columbia," after "Metropolitan Police force,"; (b) by striking "Major and Superintendent of Police," and inserting in lieu thereof "Chief of Police, the Fire Chief,"; and (c) by striking therefrom "section 5 of the Act entitled 'An Act to fix the salaries of officers and members of the Metropolitan Police force and the Fire Department of the District of Columbia', approved July 1, 1930, as amended", and inserting in lieu thereof "such section".

SEC. 4. The first section of the Act entitled "An Act to provide for granting to officers and members of the Metropolitan Police force, the Fire Department of the District of Columbia, and the White House and United States Park Police forces additional compensation for working on holidays", approved October 24, 1951 (65 Stat. 607), as amended (sec. 4–807, D.C. Code, 1951 ed.), is amended to read as follows:

"That under regulations promulgated by the Commissioners of the District of Columbia each officer and member of the Metropolitan Police force and of the Fire Department of the District of Columbia when he may be required to work on any holiday, shall be compensated for such duty, excluding periods when he is in a leave status, in lieu of his regular rate of basic compensation for such work, at the rate of twice such regular rate of basic compensation: *Provided,* That for the purpose of this Act, each such officer or member who works eight hours or less on any holiday shall be compensated for such duty in addition to his regular rate of basic compensation for such work, at the rate of one-eighth of his daily rate of basic compensation for each hour so worked, computed to the nearest hour, counting thirty minutes or more as a full hour: *Provided further,* That the total compensation to be paid any such officer or member for duty performed on a holiday shall not exceed an amount equal to twice the daily rate of pay to which such officer or member shall be entitled for performing one regular tour of duty on a day other than a holiday: *And provided further,* That no such officer or member shall be entitled to additional compensation for such holiday work for any day for which he is entitled to receive additional compensation under the provisions of subsection (e) of the first section of the Act approved August 15, 1950 (64 Stat. 447), as amended (sec. 4–904, D.C. Code, 1951 ed.). So much of the compensation for such holiday work as is in excess

of the regular pay for such day shall not be considered as salary for the purpose of computing deductions for life insurance or for computing annuity payments under the provisions of the Policemen and Firemen's Retirement and Disability Act (39 Stat. 718, 71 Stat. 391; sec. 4-521, et seq., D.C. Code, 1951 ed.), nor shall such excess compensation be subject to deduction as provided in such Act. Appropriations for personal services for the Metropolitan Police force, the Fire Department of the District of Columbia, the White House Police force, and the United States Park Police force shall be available for payment of the additional compensation authorized by this Act."

SEC. 5. Clause (D) of subsection (b) of section 405 of the District of Columbia Police and Firemen's Salary Act of 1953, as amended (67 Stat. 76; D.C. Code, sec. 4-821), is amended to read as follows:

"(D) In the case of the Metropolitan Police force, except with respect to computation of holiday pay, a biweekly rate shall be divided by the number of hours constituting the biweekly tour of duty in order to derive an hourly rate.

"(E) In the case of the firefighting division of the Fire Department of the District of Columbia, except with respect to computation of holiday pay, the weekly or biweekly rate shall be divided by 56 or 112, as the case may be, to derive an hourly rate.

"(F) In the case of officers and members of divisions of the Fire Department of the District of Columbia other than the firefighting division, except with respect to computation of holiday pay, a biweekly rate shall be divided by the number of hours constituting the biweekly tour of duty in order to derive an hourly rate."

SEC. 6. (a) For the purpose of recording annual and sick leave on an hourly basis for officers and members of the firefighting division of the Fire Department of the District of Columbia, the workday of any workweek shall be considered to be twelve hours.

(b) For the purposes of recording on an hourly basis annual and sick leave taken by officers and members of the firefighting division, the following formula shall be used:

(1) During the day shift of ten hours, one and two-tenths hours of leave shall be charged for each hour taken.

(2) During the night shift of fourteen hours, twelve-fourteenths of an hour of leave shall be charged for each hour taken, calculated to the nearest fractional tenth.

SEC. 7. This Act shall take effect on the first day of the first full pay period which begins at least sixty days after the date of approval of this Act.

Mr. JAMES C. DAVIS. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. JAMES C. DAVIS: On page 2, line 5, strike out the word "seventy" and insert "seventy-two".

The amendment was agreed to.

Mr. JAMES C. DAVIS. Mr. Speaker, the purpose of this bill, as amended and reported by the committee, is to reduce the present 60-hour workweek of officers and members of the firefighting division of the Fire Department of the District of Columbia to a 56-hour average workweek.

In recent years there has been an established national trend toward reducing the working hours of the Nation's firefighters. A survey conducted in the year 1950 of the Nation's 20 largest cities reveals that the average workweek for the firefighters was 60.5 hours. As of now, the average workweek for these same cities has been reduced to 54 hours. In the tabulation set forth below, these 20 cities are listed along with the average workweek that has been implemented for the firefighting personnel of their fire departments:

	Workweek hours
St. Louis, Mo	60
Milwaukee, Wis.[1]	63
Los Angeles, Calif	62
Houston, Tex	60
Minneapolis, Minn	60
New Orleans, La	60
Washington, D.C	60
Cleveland, Ohio[1]	56
Baltimore, Md	56
Detroit, Mich	56
Kansas City, Mo	56
San Francisco, Calif	56
Chicago, Ill.[1]	56
Cincinnati, Ohio[1]	56
Pittsburgh, Pa.[1]	52
Boston, Mass	48
Philadelphia, Pa	48
Seattle, Wash	48
Buffalo, N.Y.[1]	44
Newark, N.J	42
New York, N.Y	40

[1] Cities (6) which have reduced firefighters' workweek hours since Apr. 1, 1959.

From the foregoing it is apparent that the proposed 56-hour work for the officers and members of the District of Columbia Fire Department will bring the Nation's Capital more favorably in balance with the cities that have already reduced the workweek of their firefighting forces.

The District's Fire Department at the present time has a total strength of 1,133 uniformed officers and privates. Of this total figure, 1,062 members are assigned to the firefighting division, and this is the class of personnel that will have their workweek reduced by the provisions of this bill. Their salaries will not be affected by the shortening of the workweek. The remaining 71 officers and privates, assigned to the nonfirefighting division of the Department, will not be affected inasmuch as they are already working a 5-day, 40-hour week. The activities of the nonfirefighting members of the force relate to communications, training, fire prevention, and maintenance.

Enactment of this bill will cost the District government $377,234—8 months—in fiscal year 1962 and $550,586 for fiscal year 1963. The major portion of the money will be needed to obtain an additional 84 men to augment the existing 1,062 officers and privates of the firefighting force as the existing 60-hour workweek is cut back to the 56-hour workweek.

The committee is of the firm opinion that the reduction of the firefighters' workweek as proposed in the bill, is highly desirable. Of particular import is the fact that the bill will remove in part an inequity that now exists in the matter of total hours worked per week by the officers and members of the District Fire Department, compared to the 40-hour week worked by the other District employees, including members of the Metropolitan Police Department.

During the hearing on the bill, which was held on April 28, 1961, the committee was made fully cognizant that firefighting entails much risk and is one of the most dangerous, hazardous, and arduous occupations. A representative of the Firemen's Association, District of Columbia Local No. 36, International Association of Firefighters, testified at the hearing in favor of this legislation, and in his testimony, attention was directed to a survey of 1,200 cities that revealed the rate of on-the-job injury of firefighters to be six times as great as that of the average American worker. A report was also presented from the Monthly Labor Review of June 1947, that disclosed firefighters led all industrial workers in deaths attributed to cardiovascular diseases. Similarly, other testimony was presented that indicated organic heart disease and cerebral hemorrhage to be a major cause of death of firefighters.

Reducing the workweek for officers and members of the District of Columbia Fire Department to 56 hours will in some measure lessen the exposure time of individual firefighters to inhalation of smoke and gases and also prolonged periods of sudden and violent exertion. In the opinion of the committee, this fact in and of itself may have a beneficial effect on both the mental and physical well-being of the firefighters.

The committee recognizes that the reduced workweek will improve the overall efficiency of firefighters while on duty, as has been the case in industry. It is a commendation of the officers and members of the District of Columbia Fire Department that while working long hours, they have always maintained a highly efficient firefighting operation. The National Board of Fire Underwriters, among major cities, has rated the District of Columbia Fire Department in class I for the past 21 years. This is, indeed, a cherished honor for at the present, only two other cities are included in this category, and one of these has just recently attained the recognition.

The committee, during the hearing on the bill, received supporting testimony for enactment of legislation to reduce the workweek of the District Fire Department, from the International Association of Fire Fighters, the District of Columbia Firemen's Association, Local No. 36, and the Greater Washington Central Labor Council, AFL-CIO. No witnesses appeared in opposition to a shorter workweek.

The committee fully recognizes the importance of a continued effort to reduce the workweek for the officers and members of the District Fire Department. The committee after careful consideration concluded that the 56-hour workweek should be enacted as of now, and that in the next session of Congress careful study should be given to a further reduction of the workweek to 48 hours. The committee thought it unwise to further burden the District government with meeting the expenses incident to any large reduction in the existing workweek of the firemen when the District is at this very time having considerable difficulty in meeting the financial requirements that are already budgeted for fiscal year 1962.

SECTION-BY-SECTION ANALYSIS

The first section reduces the workweek for the firefighting division from 60

hours to 56 hours; it reduces the maximum workweek for other divisions of the Fire Department; and it authorizes the Commissioners to designate the workday shift, and the holiday workday shift when such shifts begin on one day and end on another.

Section 2 authorizes the suspension of granting of days off when an emergency exists necessitating continuous service of all or some of the officers and members of the Fire Department.

Section 3 authorizes members of the Fire Department to volunteer to work on their days off when there are vacancies in the Department.

Section 4 deletes wording in present law so as to conform present law with provisions in the first section of the bill.

Section 5 establishes the formula for computing the hourly rate for the firefighting division of the Fire Department and a formula for the remaining divisions of the Fire Department.

Section 6 establishes a leave formula for the day and night shifts of the firefighting division so as to facilitate the administration of the leave provisions of present law.

Section 7 establishes the effective date of the act to be the first day of the first full pay period beginning at least 60 days after its approval.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H.R. 4892) was laid on the table.

JOHN PHILIP SOUSA MEMORIAL

Mr. KEARNS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. KEARNS. Mr. Speaker, I should like to address these remarks to the chairman of the House District Committee, the gentleman from South Carolina [Mr. McMILLAN]. I am wondering if I will be able to get my bill up for the John Philip Sousa Memorial. It was on the calendar 2 weeks ago and was passed over. I would certainly like to have consideration of this bill either on the Consent Calendar or otherwise before adjournment of this body.

Mr. McMILLAN. Mr. Speaker, if the gentleman will yield to me, I can assure the gentleman that nothing would give me more pleasure than to call up his bill and I shall do that as soon as I can get clearance from the Speaker. I hope that will be before adjournment.

Mr. KEARNS. Mr. Speaker, I thank the gentleman.

TO INCREASE RELIEF OR RETIREMENT COMPENSATION OF MEMBERS OF METROPOLITAN POLICE FORCE, FIRE DEPARTMENT OF DISTRICT OF COLUMBIA, ETC.

Mr. JAMES C. DAVIS. Mr. Speaker, I ask unanimous consent for the immediate consideration in the House as in Committee of the Whole of the bill (S. 1528) to increase the relief or retirement compensation of certain former members of the Metropolitan Police force, the Fire Department of the District of Columbia, the U.S. Park Police force, the White House Police force, and the U.S. Secret Service; and of widows and children of certain deceased former officers and members of such forces, department, or service.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

Mr. HOFFMAN of Michigan. Mr. Speaker, reserving the right to object, do these bills that the gentleman is calling up have his personal approval?

Mr. JAMES C. DAVIS. Yes, sir; they do. I would be glad to explain the bill, if the gentleman wishes.

Mr. HOFFMAN of Michigan. No; if they suit the gentleman, it is all right with me.

Mr. JAMES C. DAVIS. Mr. Speaker, I thank the gentleman.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the amount of relief or retirement compensation payable to each officer or member of the Metropolitan Police force, the Fire Department of the District of Columbia, the United States Park Police force, the White House Police force, or the United States Secret Service Division who retired under section 12 of the Act approved September 1, 1916 (39 Stat. 718), as amended, prior to the effective date of the Policemen and Firemen's Retirement and Disability Act Amendments of 1957, approved August 21, 1957, shall be increased 10 per centum beginning on the effective date of this Act.

SEC. 2. Each widow or child who, on or after the effective date of this Act, was receiving or is now receiving or shall hereafter be entitled to receive relief or annuity by reason of service in the Metropolitan Police force, the Fire Department of the District of Columbia, the United States Park Police force, the White House Police force, or the United States Secret Service Division, of a deceased former officer or member who died in the service of any such organization prior to the effective date of the Policemen and Firemen's Retirement and Disability Act Amendments of 1957, approved August 21, 1957 (71 Stat. 391), or who retired prior to such effective date, shall be entitled to benefits computed in accordance with the provisions of subsection (k) of section 12 of the Act approved September 1, 1916 (39 Stat. 718), as amended (sec. 4-531, District of Columbia Code, 1951 ed., supp. VIII).

SEC. 3. Nothing in this Act shall be deemed to reduce the relief or retirement compensation any person receives, or is entitled to receive, on the date of approval of this Act.

SEC. 4. The effective date of this Act shall be the first day of the first month following the date of its approval.

Mr. JAMES C. DAVIS. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. JAMES C. DAVIS. Mr. Speaker, the purpose of this bill is twofold; it will—

First. Provide a 10-percent increase of present annuity to those former members of the Metropolitan Police force, the Fire Department of the District of Columbia, the U.S. Park Police force, the White House Police force, and the Secret Service, who retired prior to October 1, 1956; and

Second. Extend the benefits of the the Policemen and Firemen's Retirement and Disability Act Amendments of 1957 to the widows and surviving minor children of deceased firemen and policemen, of the various forces, who died prior to the effective date of the 1957 amendments.

Since the present monthly rates for widows and children are $125 for widows and $25 for each child, and since these rates have remained unchanged in a decade, an adjustment for these dependents is overdue. The cost of this section of the bill is estimated to be $4,696,000 for the remainder of the potential life expectancy of widow beneficiaries. At the present time there are 643 widows and 69 dependent children. These benefits will become effective the first day of the month following the date of enactment of this act.

The increased benefits for a widow and one child would rise from the present $150 a month to $200 per month. The formula for computing the increased benefits to such widows and children, follows the civil service formula for similar situations when an employee dies in active duty status. This section of the bill would place on a complete parity the protection accorded the surviving dependents of men who died prior to the effective date of the 1957 amendments and the survivors of men who died after the effective date of the amendments.

Careful consideration was given to the proposition that the retirees who do not have the benefits of the 1957 amendments should be accorded the same benefits as those former members who retired subsequent to the effective date of the 1957 amendments. To do this, however, based on a prospective application, would involve expenditures of a magnitude of over $16 million over the life expectancy of the retirees. It was pointed out that under the equalization clause of the present retirement system, which has been in operation since 1923, automatic increases in retirement annuities occur whenever a pay raise for active members of the force is granted.

The cost of the 10-percent increase is $4,944,000. There are 960 men with 33⅓ years of service or less, 15 men with 34 years of service, 30 men with 35 years or more, who have retired on disability, who will be affected by the passage of this act. There are 64 men with less than 30 years of service, 66 men with 30 or more years of service, who retired voluntarily, who are affected by this bill, making a grand total of 1,135.

The bill was ordered to be read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

WORK OF HOUSE DISTRICT COMMITTEE, 1ST SESSION OF THE 87TH CONGRESS

Mr. McMILLAN. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes, and revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. McMILLAN. Mr. Speaker, I want to take this opportunity to thank the Members of the House and especially the members of the House District Committee, for the cooperation and assistance they have given me as chairman of the House District Committee during the 1st session of the 87th Congress. The chairman of the House District Committee, as you probably know, is under pressure at all times from the local press to pass legislation that suits them regardless of whether it suits the people of the United States and the residents of the District of Columbia.

During the present session of Congress, my committee has held more hearings and worked longer hours on District legislation than in any previous session that I can remember during the 23 years I have been a member of the House District Committee.

We have spent more than 100 hours in subcommittee and in full committee hearings during the past 8 months. The House, in my opinion, has passed some important legislation vitally affecting the District of Columbia—these include the bills to amend the Mallory ruling and the Durham rule, the voting bill and a number of other pieces of legislation now pending before the other body, including the sales tax bill which the House passed June 27, 1960 and on which no action was taken by the other body before we adjourned September 3, 1960. We again passed the sales tax bill adding 1 cent to the present 2-cent sales tax in March 1961, and during the past 3 weeks the other body passed the sales tax bill and added the following 10 new tax items:

First. Increase present 2-cent sales tax to 3 cents.

Second. Increase cigarette tax from 2 cents to 5 cents per pack.

Third. Increase tax on spirits and alcohol from $1.25 per wine gallon to $2.

Fourth. Make incorporated and unincorporated business income and franchise taxes due and payable in full at time return is filed.

Fifth. New tax on deeds submitted to the Commissioners for recordation, of five-tenths of 1 percent of the consideration for the deed, with a minimum of $1. In absence of a consideration for the deed, tax shall be based upon fair market value. Exempt from this are deeds to properties acquired by District of Columbia or U.S. Government, and properties acquired by certain parties for tax-exempt usages.

Sixth. Authority to Commissioners to increase water rates by not more than 25 percent of rates in effect on January 1, 1961, in increments as required.

Seventh. Authority to Commissioners to increase sanitary sewer service charge from present maximum of 60 percent of the water rate to a maximum of 75 percent, in increments as needed.

Eighth. Increase authorized Federal payments to the District of Columbia general fund from $32 million per year to $36 million.

Ninth. Establish in the highway fund a "Parking fee account," consisting of all parking meter revenues and money now accumulated by the Motor Vehicle Parking Agency. This money to be used to maintain District of Columbia highways, including snow and ice removal—as supplement to, not replacement of, present method of financing highway maintenance—and for acquisition of additional public parking facilities.

Tenth. Include District of Columbia in the program for aid to impacted school areas. This would bring about $5 million annually from an HEW grant.

We, of course, do not have time before adjournment to hold hearings on all 10 of the items added by the other body and the people affected by these new proposed taxes should be given an opportunity to be heard before they are required to pay an additional tax.

If the District government is so much in need of additional revenue, it seems to me that they would urge the passage of the sales tax bill which we passed here in the House in June 1960 which has been almost 14 months, and which by this time would have collected approximately $12 million. This new 1-cent sales tax increase does not cover food and I cannot see why there should be any objections on the part of the people who pay no other type of taxes in the District of Columbia and yet fill our schools and enjoy the protection of the Police and Fire Departments. I should think they would be glad to pay this 3-cent sales tax.

The press has mentioned only slightly two of the additional taxes and they are the cigarette and alcoholic beverage tax, and no liquor wholesaler or retailer has written me objecting to the additional proposed tax on alcoholic beverages. However, the press has intentionally refrained from mentioning the proposed four additional million dollars Federal payment, the $5 million impacted school area item, the additional corporation tax, and real estate sales tax as they know that these taxes would not be popular among the residents of the District of Columbia or the Members of Congress.

I have never refused to go to conference on the sales tax; however, I am of the opinion that the House does not have time to go thoroughly into the additional taxes added by the other body during the past 3 weeks. I am certain that if action had been taken on the additional taxes included by the other body during the month of March when we passed the sales tax bill, my committee would have had time to take action on the 10 additional items included in the sales tax bill.

My committee has been successful in having the House pass more than 30 important bills this year, and these have been pending before the other body for several months. You have heard no objections expressed by the press on this subject; however, when we hold up one bill in the House committee, my name is spread all over the headlines. I will give you the numbers of the bills the House has passed, for the RECORD, some time before the Congress adjourns.

Again, I want to thank every Member of the House for the wonderful cooperation they have given my committee during the 1st session of the 87th Congress.

I am amused at three news items which appeared in the Washington press Sunday, September 10, 1961. One item, written by a Washington Post reporter stated that I was holding up the voting bill. This is absolutely a false statement, as no news reporter has talked to me concerning a national voting bill. I was responsible for having the subcommittee and the full committee report this bill to the floor of the House and was successful in having the House pass this bill on August 14, 1961, and it was immediately referred to the other body for consideration.

I, of course, will immediately appoint conferees if the other body passes a different version of the bill which passed the House. This is the type of reporting we are getting here in the city of Washington, and if I could read once the truth in the Washington press concerning any legislation which comes out of the House District Committee, I think I would have heart failure.

I also noticed another item in the press written by an Evening Star reporter bearing headlines concerning a Capital transit bill which passed the Senate last week. I note that the newspaper gave only about 2 inches space on this bill when it passed the Senate, and did not even give it a title as it was mixed up in a writeup concerning other legislation which has passed the Senate.

I can see nothing unusual about the polling of the committee, as that has always been done since I have been a member of the House District Committee. The committee has always used this method of contacting members to get their views on legislation which has passed the Senate after the House District Committee's last full meeting of the session. I expect to contact the members of my committee concerning all bills which passed the other body since our last full committee meeting in an effort to find out if they desire me to call these Senate-passed bills up on the floor of the House for consideration before we adjourn.

Mr. JAMES C. DAVIS. Mr. Speaker, will the gentleman yield?

Mr. McMILLAN. I yield to the gentleman from Georgia.

Mr. JAMES C. DAVIS. With reference to the statement the gentleman just made, that one of the local papers had attacked him for holding up the voting bill, I would just like to say this: The gentleman has not held up the voting bill. It was referred by him to a subcommittee of which I had the privilege of serving as chairman. That subcommittee held detailed hearings on the bill.

We invited every interested person and every interested organization to appear before the subcommittee to state their views, and many of them did. We held open hearings for days. After that we held executive sessions, wrote up the bill, recommended it to the full committee, the full committee reported it favorably, and it passed this House promptly.

Mr. KEARNS. Mr. Speaker, I ask unanimous consent to extend my remarks at this point.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. KEARNS. Mr. Speaker, under unanimous consent from the House, I extend my remarks following the remarks of the chairman of the full Committee on the District of Columbia, the gentleman from South Carolina, the Honorable JOHN L. MCMILLAN, and those made by the chairman of Subcommittee No. 3, the gentleman from Georgia, the Honorable JAMES C. DAVIS, on which subcommittee I have the honor of serving.

Mr. Speaker, it is my privilege as second ranking member on the full Committee on the District of Columbia, to support the firm statement made by my chairman, the gentleman from South Carolina, the Honorable JOHN L. MCMILLAN, as to our position on legislation affecting the District of Columbia.

Also, I would like in behalf of the gentleman from New Jersey, the Honorable JAMES C. AUCHINCLOSS, the senior member on the committee, to express sincere faith in our chairman, the gentleman from South Carolina, JOHN L. MCMILLAN, and his untiring effort to report to the floor of the House legislation that was essential to the everyday life of our Capital City.

Then, too, I would like to pay tribute to the Members on both sides of the aisle in our committee for their respect and attention to the call of the Chair on the 26 or more bills that we reported, and especially to the gentleman from Georgia, Judge DAVIS, chairman of Subcommittee No. 3, of which I happen to be ranking member. All of these Members put forth every effort to report legislation that was most essential and to the best interests of the citizens of the Nation's Capital.

Chairman MCMILLAN pointed out that it was often a thankless job serving on the District Committee. I agree and I would like to say, as ranking member of the House Committee on Education and Labor, that had before it 54 percent of the administration's entire program, there were many times when it was a problem for me to find time to answer the call of the chairman of the District Committee or of the chairman of Subcommittee No. 3, and to be present when we had important legislation in hearings pertaining to the District of Columbia.

To me, and I am sure Chairman MCMILLAN agrees with me, the way the Congress of the United States works—if you are to be a good Congressman, find time for your assignments—report and do your job most diligently.

Therefore, in behalf of Mr. AUCHINCLOSS and all the Members of the majority and minority, I wish to state that I am personally satisfied that we have served well and have accomplished much under the able leadership of Chairman JOHN L. MCMILLAN.

INDIAN REVOLVING LOAN FUND

Mr. HALEY submitted a conference report and statement on the bill (S. 1540) to amend the law establishing the Indian revolving loan fund.

COL. JOHN R. DEANE

Mr. CAREY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, and revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. CAREY. Mr. Speaker, I have no desire to prolong or revive discussion of a most regrettable incident which took place in West Berlin involving a controversial comedian. However, I notice that the Department of the Army has seen fit in the exercise of what it must consider the best dictates of military discipline to admonish the officer of a Berlin task force, Col. John R. Deane. Lest it be possible that Colonel Deane for the moment be better known for this admonition than his outstanding record of military performance I take this time to cite facts from my own personal knowledge which in my opinion mark this fine officer as one of the outstanding combat officers in any sector of our Defense Establishment. Colonel Deane was admonished for the exercise of poor judgment in a most limited instance. I have known Jack Deane since the date of his first assignment as a second lieutenant, graduate of the U.S. Military Academy. I came out of OCS and together we joined the 104th Infantry Division then forming in Oregon, soldiered together, trained together, and I had the opportunity to watch his advance from lieutenant to captain to major to lieutenant colonel, the last two ranks gained in European combat. My deep regard and respect for this officer is based upon personal observation of his exercise of judgment, devotion to duty, and valorous conduct under the most trying conditions. I do not hesitate to state that I would not be here today, nor would many of my comrades of the Timberwolf Division, were it not for the conduct of Colonel Deane. We fought side by side from Normandy to Belgium to Holland to Germany. I was with him when he received the Purple Heart and watched the removal of his unconscious body from a mine field along with that of another who did not survive. Because of these two this field mine was located and saved hundreds of lives and innumerable casualties.

I was with him and saw his performance which earned him the Bronze Star, the Silver Star, and Croix de Guerre. He has since received other decorations by reason of his outstanding command and staff performance in many echelons. I know the commanding general of our division, the great Terry Allen of Texas, shared my pride and satisfaction in the work of John Deane in combat. He is one of the best schooled officers in the Army. Although I am not a graduate of the Military Academy I know his classmates look upon him as one of their outstanding members. With him I attended service schools at Fort Benning, Ga., and elsewhere. His record at the Command and General Staff School at Leavenworth, in airborne training, in the research and development branch of the Army, as an aide to the Secretary of the Army, and on other assignments is most commendable. Those of my colleagues who have had the responsibility of acting as combat commanders in sectors of extreme tension will recognize that the visits of celebrities and VIP's directed from the rear are often an irritation and distraction for any officer whose preoccupation must be with his troops and the enemy situation. I hope the Defense Department will, in the exercise of its judgment, prevent any future occurrences by barring visits of any such persons to military officers who are often defenseless from the rear. I assure my colleagues that on his record and my personal association with John Deane as a friend and comrade of 19 years that our interests in Berlin could be no better served than by having this valorous, dedicated, and capable officer in command of this task force. I hope that when the next occasion for recognition of this fine officer arises that this admonition will be expunged and forgotten by the momentous record which he has to his credit and that his ability to serve his country in higher rank with increased responsibility will not be impaired by this unfortunate incident which was so little of his doing and by reason of which he now suffers this most deplorable, but I hope momentary, notoriety.

WE MUST MEET OUR OBLIGATION

Mr. GEORGE P. MILLER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point and include an editorial.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. GEORGE P. MILLER. Mr. Speaker, I would like to call the attention of the House to an editorial that appeared today in the New York Times. It is an editorial that shows the inherent sense of American fairness that as an American I am proud to hail in a newspaper representing an important sector of American public opinion.

Because I am convinced of the justice of the Philippine war damage claims, I have in years past sponsored bills to fulfill an obligation that we owe the Filipino people. This year I was hoping that we could wipe out that debt. The Filipinos showed their sense of honor when several months ago they paid in full their debt to us of more than $23 million, money that they borrowed from us to use in their fight against communism. We have faith in the wise leadership of President Carlos P. Garcia, who signed the law outlawing the Communist Party from the Philippines and who invited

our Government to establish our missile bases in the Philippines at a time when our NATO allies were against allowing us to have our bases in their respective territories. He has succeeded in placing his country on a sound economic basis.

The Philippine spokesman in this country, Gen. Carlos P. Romulo, has been pleading for the passage of this bill all these years. We all know him and we know what a courageous fighter he has been for freedom. He has repeatedly said—and justly—that "justice delayed is justice denied." We must not disappoint our friends. And the Filipinos should not be made to feel that we are taking them for granted. This impression must not be allowed to gain currency in the Philippines.

That is why an editorial such as that of the New York Times should reassure them that we mean to be fair to them.

AN INJUSTICE TO THE PHILIPPINES

For more than a decade the United States has failed to make good on an obligation to the Philippines for unpaid damages arising out of fighting on Philippine territory during the Japanese war.

An appropriation by Congress in 1946 fell short by $73 million of meeting the total amount of damages. Since 1950 efforts have been made to get congressional authorization for the unpaid portion; but year after year, for one reason or another, Congress has failed to complete the necessary action. This year, as a result of obstruction in Representative HOWARD W. SMITH's Rules Committee, the same old story has been repeated once again.

There is a majority in both the Senate and House for a measure sponsored by Representative ZABLOCKI, of Wisconsin, authorizing the $73 million; the White House and the State Department are emphatically for it, but Representative ZABLOCKI has been unable to get the bill out of Rules. In the recess fever now affecting Congress, the bill has once more been prevented from getting to the floor of the House by an adverse Rules Committee vote.

Philippine patience is justifiably wearing thin. What seems a small matter in this country is a serious cause of national irritation in the Philippines. An aid appropriation is not involved. The most committed and friendly ally of the United States in Asia is simply asking for a sum that we have promised and which is long overdue. Congressional negligence on this matter contrasts sharply with the prompt payment recently by the Philippines of the final $20 million installment on funds advanced by the United States to the Philippine defense forces during and after World War II.

SMALL BUSINESS ADMINISTRATION

Mr. VANIK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. VANIK. Mr. Speaker, it has just come to my attention that a former resident of Cleveland and promoter of a small business investment company known as the Cosmopolitan Small Business Investment Co., Inc., absconded with all of the assets of the small business investment company including $150,000 in Federal funds which this particular small business investment company obtained from the Federal Government through the Small Business Administration.

The Cosmopolitan Small Business Investment Co. was capitalized at $300,000 of which $150,000 was provided by the Small Business Administration. Through astounding circumstances all of the assets were placed in the custody of the promoter who departed the country and took the assets along with him.

I am shocked that this incident was possible. It seems to me that the Small Business Administration must exercise tighter controls with respect to the custody provisions for the assets of small business investment companies, particularly those which include Federal funds. Steps must be taken to insure against repetition of this unfortunate incident.

PROHIBITING ECONOMIC STRIKES

Mr. LANGEN. Mr. Speaker, I ask unanimous consent that the gentleman from Pennsylvania [Mr. KEARNS] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. KEARNS. Mr. Speaker, in 1953 and again in 1955, I introduced bills which would, in effect, prohibit economic strikes unless a majority of the affected employees voted for the strike. Today I am again introducing such a bill.

At this critical time our country can no longer afford the luxury of economic strikes which are unnecessary or against the wishes and better judgment of the employees directly involved. All too often at our missile bases and in our key industries we have seen strikes of this nature called by a union or precipitated by an employer because the will of the majority could not make itself known. The time has come to put an end to such wasteful practices.

Under the provisions of this bill, a union would be prohibited from calling an economic strike unless a majority of the affected employees vote in a secret ballot for such a strike. In the event a strike is called prior to such balloting, or in case a majority of the employees did not vote for such a strike, the employees who go on strike would lose the protection provided by the Taft-Hartley Act. In addition, the union that called such a strike would be committing an unfair labor practice. The National Labor Relations Board would have the authority to order the union to cease and desist and, if necessary, enjoin such a strike by obtaining a 10(j) injunction from the U.S. district court.

At the present time, strikes which are in violation of section 8(d) of the Taft-Hartley Act are processed in this manner by the NLRB. This bill, while providing similar penalties to those set forth in section 8(d), would be coordinated with the provisions of that section. Thus, where there is a collective bargaining agreement the employees would be prohibited from striking until after the 60-day notification period has elapsed and a secret ballot authorizing such strike has been taken.

On the other hand, if the economic demands are supported by a majority of the employees, there will be nothing to prohibit their striking. Moreover, the balloting which conclusively demonstrates such support will also strengthen the union's hand in its negotiations and will help to avoid many strikes that are now caused by an employer's miscalculation.

I believe that the enactment of this bill will signal the return of an essential democratic concept to an area where it is now all too often missing. Moreover, it should dramatically reduce the number of economic strikes that now plague and handicap us.

UNFAIR ATTACK ON LAW-ENFORCEMENT OFFICERS

Mr. LANGEN. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. BECKER] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. BECKER. Mr. Speaker, I am inserting in the RECORD today a letter I have just written to the general manager and editor of United Features Syndicate, Inc., protesting the recent installments in the "Li'l Abner" comic strip. My reason for this protest is due to the offensive, demoralizing, and grossly unfair smear of the Nation's law-enforcement officers.

This comic strip which has depicted police officers taking bribes from criminals and other corrupt practices is one of the most unfair attacks on a great group of dedicated law-enforcement officers throughout our country. Certainly there have been exceptions, but this is true in any walk of life and I do not think a responsible press, and particularly in comic strips, would inject in the minds of children a disrespect for constituted authority.

I am appalled to think that the syndicate or the numerous newspaper publishers would permit this series of scurrilous attacks on our Nation's devoted police officers, Federal, State, and local.

In New York City just this year, several police officers have died in the line of duty and over 1,500 have been attacked, brutally beaten and injured in the line of duty. I believe that more attention should be given to this aspect and the creation in comic strips of respect for law and order and I feel our society would be much bettered thereby.

It is offensive and grossly unfair and I sincerely hope that the letter I have sent protesting this present series will have the desired effect.

The letter follows:

SEPTEMBER 6, 1961.

Mr. LAURENCE RUTMAN,
General Manager and Editor,
United Features Syndicate, Inc.,
New York, N.Y.

DEAR MR. RUTMAN: I am appalled by the recent installments in the "Li'l Abner" comic strip, and I am astounded that any responsible publisher would expose them to the American public.

The conscientious, devoted men who comprise our law-enforcement agencies through-

out the country have earned fairer treatment than you and Mr. Al Capp have afforded them. It must be discouraging, indeed, for those police officers who patrol in front of your home and Mr. Capp's every night to know what little gratitude you have for their vigilance.

The experts tell us that one of the primary causes of juvenile delinquency is that the young offenders lose respect and confidence in constituted authority. I am sure you will agree that the current offerings of Mr. Capp are not doing much to preserve their respect for the integrity of authority.

Very truly yours,

FRANK J. BECKER,
Member of Congress.

THE FEDERAL ROLE IN EDUCATION: A POLICY

Mr. LANGEN. Mr. Speaker, I ask unanimous consent that the gentleman from Michigan [Mr. GRIFFIN] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. GRIFFIN. Mr. Speaker, for the good of education and the Nation, I hope that a recent vote in the House of Representatives has demonstrated to the doubtful that a significant majority in the House of Representatives—who reflect the views of the people—do not believe that the centralized Federal Government should assume a primary or major role in the financing—and control—of elementary and secondary education.

Last week the House voted to extend for 2 years the National Defense Education Act as well as Public Laws 815 and 874, which apply to federally impacted areas. However, a week earlier, the House refused, by an overwhelming vote of 242 to 169, to consider a comprehensive legislative "package" which would have put the Federal Government well on the road toward an all-out, across-the-board program of general Federal aid to elementary and secondary education.

To be sure, the resounding defeat administered to the "foot in the door" general Federal aid package can be attributed in large measure to highhanded procedural tactics which were employed by some Democratic leaders. There are those who believe that the primary purpose of the maneuver was to shift political blame. However, even though the vote may have served that purpose for some, I am convinced that the significance of the vote went beyond a slap at procedural tactics.

In my opinion, the vote in the House registered an underlying, often unexpressed—but deep-seated—conviction on the part of most Members of Congress, and most Americans, that the long-range interests of our Nation will best be served by keeping the primary responsibility for financing—and controlling—elementary and secondary education close to the people, at the State and local levels of government.

This Congress is overwhelmingly controlled by the Democratic Party. The House vote was a reaffirmation, I believe, of a view held by Thomas Jefferson and the Founding Fathers that there are at least some functions of government which are best handled by the people themselves—and should not be delegated to the centralized Federal Government.

If my analysis of the temper of Congress—and of the people—is correct, then education and the Nation as a whole would be greatly benefited by a clear and definitive statement now as to the Federal role in the field of education. Such an enunciation of fundamental policy would be most meaningful and effective if it were to come from the President, as well as from the Congress. Such a declaration should sweep away the cobwebs of confusion and uncertainty by clearly defining and delineating responsibilities in the field of education.

I believe it is time for a clear declaration of policy that in this field the Federal Government will confine its participation primarily to the level of higher education, and that the responsibility for financing and controlling elementary and secondary education does, and should continue to, rest squarely on the State and local levels of government.

Such an enunciation of policy concerning the Federal role in education could serve several important purposes: First, it would spur into action some States and school districts which have been holding back and delaying their efforts because of political promises of Federal aid; second, it would mean that the Federal Government could concentrate its assistance in the area of education where there is now the greatest need; and third, in some measure, significant Federal assistance at the level of higher education should increase the level of funds available at the State and local levels for elementary and secondary education.

As a nation, we desperately need a definitive statement of basic policy delineating the legitimate and proper role of the Federal Government in education. It is apparent that many of those who call themselves liberals do not recognize any limits or bounds concerning the ultimate Federal role in this field. On the other hand, many ultraconservatives are completely unrealistic in their demand and contention that the Federal Government should have no interest and play no part whatsoever in education.

I believe that this somewhat hazy, fuzzy philosophical impasse, which has retarded progress, could best be resolved—and the Nation could get off "dead center" on the Federal aid to education issue—if it were made clear, as matter of national policy, that the major thrust and effort of the Federal Government is to be concentrated in the area of higher education.

There are a number of good reasons why such a national policy would be sound and sensible:

First. Even if it were otherwise appropriate, the Federal Government should not, and could not, assume the gigantic burden of financing education across the board in all its phases and at all levels. The experiences of the recent past have pointed up, it seems to me, that when the Federal Government tries to be the patron of all, it can end up being the benefactor of none.

The cost of education at all levels, and in all its phases, is so great and so burdensome that it should not be shifted, gradually or otherwise, to the Federal Government which already is overburdened with costly functions, many of which cannot be handled at any other level of Government.

Second. The Federal Government may have an indirect interest in education generally, but it has a direct and immediate interest in the products of our colleges and universities. This is obvious when one considers the Federal responsibility in such fields as defense, foreign affairs, and space. From the pool of college-trained people must be recruited the men and women who undertake the tasks which have the highest national priorities.

Third. If the Federal Government does not provide some support in the area of higher education, there is grave risk that such support will not be adequately provided otherwise. In large measure, the task of providing education beyond the high school is performed by institutions which are interstate or national in character. A large percentage of college and university students come from States other than the State in which the institution happens to be located. It is not altogether logical or reasonable to expect local and State governments to provide all of the support needed by such institutions.

I believe it is significant to recognize also that the average local taxpayer feels a sense of direct responsibility to provide adequately for the local elementary school down the block which is attended by his children and his neighbors' children. But he is not so likely to feel the same sense of responsibility with respect to a college or university located in another part of the State.

It is not reasonable, I submit, to expect the States to support completely the vast research programs needed in medicine, science, and other fields, the benefits of which know no State boundaries.

Last year the U.S. Office of Education prepared a study, at the request of the then Secretary of Health, Education, and Welfare Arthur S. Flemming, setting forth the needs and goals in the field of higher education during the next 10 years.

That study documents in sharp detail an impending crisis in higher education. The inevitable consequences of the high birth rate of the midforties, producing a tidal wave of young people, may have strained our elementary and secondary schools but it threatens to inundate our colleges and universities in the next few years.

Here are a few of the facts: College enrollments are expected to increase by more than 1 million during the next 5 years. Colleges will have to recruit more new professional staff in the next 10 years than we now have in the total higher education force of teachers, researchers and administrators. Salary budgets of colleges and universities will have to increase from about $2.8 billion in 1961 to $5.8 billion by 1967. Colleges will have to spend $8.6 billion in the next

5 years on physical plant expansion, renovation and replacement alone.

Significantly, the practical political obstacles to enactment of Federal legislation in this field are not as formidable in the area of higher education. The proponents of all-out, general Federal aid, who have been "beating the drums" for many years, cannot lay their failures at the doorstep of any one political party. It is rather a reflection of the sincere doubt on the part of a majority of our citizens, represented by Members of Congress in both major political parties, concerning the wisdom of transferring to the Federal Government the responsibility of providing general support for our public elementary and secondary schools. The potential dangers—whether real or imagined—of centralized Federal control of education deeply concern many people especially when Federal programs are aimed at our youth in their formative years. The parents of the Nation—with good reason I believe—instinctively insist that control of the education of our young children should be kept close to the home.

It might be noted that the problem of racial segregation is not so much an obstacle to legislation in the field of higher education. There are now only two States in which no progress has been made in the racial desegregation of public institutions of higher education, and every State numbers at least one desegregated private college.

In addition, there is good reason to believe that the constitutional doctrine requiring separation of church and state does not loom so great as an obstacle in the path of Federal assistance at the level of higher education.

The administration's "Memorandum on the Impact of the First Amendment to the Constitution Upon Federal Aid to Education," dated March 28, 1961, contains this interesting analysis:

There are * * * important differences between school and college, not only in terms of history and tradition but also in terms of the compulsory nature of attendance. There are differences, too, from the standpoint of the national interest involved. At the college and graduate levels the public institutions alone could not begin to cope with the number of young men and women already in pursuit of higher education, and expansion of these institutions or the creation of new ones sufficient to meet the expected increase of enrollment is out of the question. The effort which it is agreed must now be made in the field of higher education would, if confined to public institutions, force an ever more intensive selection of students and ever more concentrated effort to guide them into fields of study deemed important to the national defense and welfare. It would likely induce these institutions to overemphasize particular fields of study to the detriment of a balanced curriculum. Such warping of our educational policies is not to be contemplated lightly, and, to the extent that Congress finds it appropriate to encourage expansion of our university and college facilities, Congress must be free to build upon what we have, the private as well as the public institutions.

Against this background, I should like to suggest some specific legislative programs in the field of higher education which I believe the Congress should undertake or continue—

First. Extension of the college housing loan program.

Second. Enactment of a program of matching grants and loans for the construction of academic facilities needed to accommodate increased enrollments in colleges and universities, with special emphasis upon the establishment and development of community colleges.

Third. Continuation and revision of the National Defense Education Act, with particular emphasis upon the titles which provide for: first, student loans, a program which I helped to initiate in the Congress, and the effectiveness of which has already been demonstrated; and second, graduate fellowships, designed to increase the Nation's supply of highly trained college teachers and other manpower.

Fourth. Allowance of a reasonable tax deduction or credit for the parent who pays tuition to send his son or daughter to college.

Fifth. Allowance of a tax deduction for teachers and nurses—and perhaps some others—for reasonable expenses incurred in taking advanced or graduate work—even though such advanced study is not required in order for them to hold their positions of employment.

In a sense, it can be said that over a long period of years, the Congress by its actions—and inaction—has already carved out and indicated the role to be played by the Federal Government in the field of education. With some minor exceptions, the Federal role in education throughout our history has been largely confined to the area of higher education. Milestone examples are the Land-Grant College Act, the GI bill of rights, and the National Defense Education Act.

I do not believe that the Congress has expressed itself in this manner by accident. I suggest that it would now be helpful if there were general recognition that the principal Federal interest and responsibilities in this field lie in the area of higher education. If this were acknowledged and clearly declared, as matter of national policy, the States and local governments could then get on with the challenging task of providing adequately for elementary and secondary education without the interference and delays which accompany the repeated promises and expectation of Federal aid.

SIMPLE FAIRNESS

Mr. ROOSEVELT. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD, and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. ROOSEVELT. Mr. Speaker, last week on Wednesday, September 5, the Committee on House Administration reported favorably House Resolution 397 and House Concurrent Resolution 384, which provide as follows:

H. RES. 397

Resolved, That there be printed for the use of the Committee on Un-American Activities, thirty-six thousand additional copies of a report numbered 2228, Eighty-sixth Congress, second session, prepared and released by said committee entitled "The Communist-Led Riots Against the House Committee on Un-American Activities in San Francisco, California, May 12–14, 1960."

H. CON. RES. 384

Resolved by the House of Representatives (the Senate concurring) That there be printed for the use of the Committee on Un-American Activities one hundred thousand additional copies of the report "Communist Target—Youth—Communist Infiltration and Agitation Tactics," Eighty-sixth Congress, second session.

Both of these were brought before the House on September 7 for immediate consideration and were passed.

The first report, entirely, and the second report, in great measure, are devoted to the student riot in the San Francisco city hall, May 13, 1960, during hearings of the House Committee on Un-American Activities. One of them, House Report No. 2228, contains the entire narration of the film "Operation Abolition" which, as you are all aware, has been the subject of much controversy throughout the country concerning its accuracy and some of the conclusions and opinions expressed in the film.

I rise today, not to raise a question concerning these reports in their entirety, but with regard to a specific statement of facts which is contained in both reports, and which purports to be an account of how the incident occurred which resulted in firehoses being used against the students in the San Francisco city hall on Friday, May 13, 1960. Since these reports were issued, there has been a trial by a jury in which the facts about this incident have been adjudicated. The jury determined that the incident, as contained in both these reports, did not, in fact, occur.

I am referring specifically to the following paragraph on page 11 in House Report No. 2228 which is also in the narration of the film, "Operation Abolition":

One student provides the spark that touches off the violence when he leaps over a barricade, grabs a police officer's night stick, and begins beating the officer over the head. As the mob surges forward to storm the doors, a police inspector orders that the firehoses be turned on.

Similar language is contained in the J. Edgar Hoover report entitled "Communist Target—Youth":

One of the demonstrators provided the spark that touched off the flame of violence. Leaping a barricade that had been erected, he grabbed an officer's night stick and began beating the officer over the head. The mob surged forward as if to storm the doors, and a police inspector ordered the firehose turned on. The water forced the crowd to the head of the balustrade, and the cold water had a sobering effect on the emotions of the demonstrators.

It is of interest to note that this particular incident is not shown in the film. Both of these reports were based on a police report made by Assistant Police Inspector Cecil Pharris, of the San Francisco Police Department. Officer Pharris testified at the trial and admitted that he did not see this alleged incident, and as a matter of fact, was not present at the time the officer was

alleged to have suffered the attack at the hands of the student, Robert Meisenbach, who was supposed to have hurdled the barricade. The officer who was the alleged victim, Patrolman Ralph E. Schaumleffel, also testified and admitted that the Hoover report and the Un-American Activities Committee reports were both wrong in their accounts.

As a matter of fact, no prosecution witness, much less any defense witness, backs up the account set forth in the two reports. At the trial both the prosecution and the defense testimony established that neither Meisenbach nor any student leaped over a barricade and attacked a policeman, that the encounter between Meisenbach and Officer Ralph Schaumleffel did not take place until after the fire hoses had been turned on the demonstrators. The jury obviously believed Meisenbach's testimony that he never hit the officer with a night stick which was the specific charge against him.

In the light of this, is it not proper, in the interests of truth and justice to the student who was tried and acquitted as well as to the other students, that these reports be changed to accurately reflect the true facts before they are released?

Chairman FRANCIS WALTER of the House Committee on Un-American Activities also admits that the following statement is incorrect:

Among the Communist leaders who had an active part in the San Francisco "abolition" campaign and the protest demonstrations was Harry Bridges, whom you see here being escorted out of the city hall by police officials moments before the rioting broke out.

In fact, Harry Bridges did not appear until after the rioting occurred and order was restored. This is acknowledged in the other report on page 8.

I am not, at this time, suggesting that these reports be changed entirely although there are a great many other statements in these reports that I challenge and have challenged as being inaccurate, distorted, and untrue. A number of newspapers throughout the country have also called upon the committee to revise the film and these reports to reflect the true facts as brought out in the Meisenbach trial. For example, the Washington Post on May 5, 1961, contained the following editorial:

FABRICATION

Another major distortion in the film "Operation Abolition" has now been firmly nailed down. The movie was put together by the House Committee on Un-American Activities by selecting and rearranging film clips taken at the time of the student riot in San Francisco just a year ago. It purports to show that the riot was instigated, organized, and led by Communists—a favorite theme of the committee which seems to feel that all criticism of its own activities is necessarily communistic. In the course of the film, the committee announcer, or narrator, says:

"One student provides the spark that touches off the violence when he leaps over a barricade, grabs a police officer's nightstick, and begins beating the officer over the head."

A great many people have wondered why none of the newsreel cameras recorded this interesting incident and why it was not shown in the movie. The answer appears to be that the incident never occurred. The student accused of assaulting the officer was tried before a jury of 12 in San Francisco; and after hearing all the evidence the jury came in on Wednesday with a verdict of acquittal. In point of fact the committee version of what happened was not supported even by the testimony of prosecution witnesses.

In addition to "Operation Abolition," the Un-American Activities Committee published a report on the student riot by J. Edgar Hoover, Director of the Federal Bureau of Investigation. The same canard is contained in this report. Mr. Hoover's account is in almost identical language:

"One of the demonstrators provided the spark that touched off the flame of violence. Leaping a barricade that had been erected, he grabbed an officer's nightstick and began beating the officer over the head."

Whether Mr. Hoover got the story from the committee or the committee got the story from Mr. Hoover makes little difference: It appears nonetheless to have been in error. Such errors of fact—exaggeration of student misbehavior or exaggeration of the participation of Communists—can lead, as we believe they did in this case, to grossly erroneous conclusions.

Let us try once more to set the record straight. Students in and around San Francisco engaged in an entirely legitimate political demonstration against the Un-American Activities Committee. The demonstration got out of hand—in some degree because of the committee's own conduct—and the students became noisy and unruly. The police, reacting with more force than patience, turned fire hoses on them.

The result was a riot. But though some Communists may have been among them and though the behavior of the students may have been reprehensible, communism had no more to do with the origin of this case than with a springtime panty raid on a girls' dormitory or the uprooting of a pair of goalposts at a football game.

The San Francisco Chronicle of May 5, 1961:

MEISENBACH TRIAL CLEARS ERRORS

Because Judge Neubarth's ground rules wisely limited the Meisenbach trial to the narrow issue of whether the University of California student did or did not beat a policeman with his own club, the public has today—almost a year afterward—a clearer idea of what happened at the city hall riot.

The jury found Meisenbach did not club the policeman. Its foreman explained that the jurors thought there was too much conflict in the prosecution's evidence to warrant any other conclusion.

In this way the jury system gives the benefit of presumption of innocence until proof of guilt removes all reasonable doubt. It is the American way—far more American than some of the past performances of the House Un-American Activities Committee—and it is very reassuring to see.

The trial served to expose two important errors in the riot report of the police, which related that Meisenbach jumped a barricade to seize Officer Schaumleffel's baton and set off the riot. It was conceded at the trial that no one jumped the barricade, and it developed that, far from having started the riot, the scuffle of Meisenbach and Schaumleffel took place after the firehose used to quell the riot had been turned off.

These errors have not remained embalmed in the police file; they have been carried from one end of the country to the other in the film, "Operation Abolition," which is said to have been seen by 10 million persons. The filmmakers perhaps cannot be blamed for having relied on an official police report, nor can Director J. Edgar Hoover of the FBI, who also hung his hat on it. But now that the errors are known, it seems the duty of the House Un-American Activities Committee to put out a new, amended version of the film, possibly to be called "Son of Operation Abolition."

The San Jose Mercury of May 5, 1961:

SO ENDS "THE RIOT"

Robert J. Meisenbach, a 23-year-old University of California senior, has placed the House Committee on Un-American Activities in a somewhat embarrassing position.

A San Francisco jury Wednesday found Meisenbach not guilty of clubbing a San Francisco police officer with the policeman's own night stick during last May's riot in San Francisco city hall.

Police and firemen turned water hoses on a group of students and others demonstrating against hearings the committee was holding at the time in city hall. Subsequently, the committee charged the demonstrations were Communist inspired and Communist led.

To bolster its position, the committee sponsored a film version of the disturbances, the now controversial "Operation Abolition." The film's narration charges that the riot was touched off when a demonstrator jumped police lines and started beating an officer over his head with his own night stick.

Some 63 demonstrators were arrested. All but Meisenbach were turned loose. He was tried on a charge of assaulting a police officer.

At his trial, both prosecution and defense testimony established that the encounter between Meisenbach and Officer Ralph E. Schaumleffel did not take place until the firehoses had been turned on the demonstrators. And the jury, obviously, believed Meisenbach's contention that he never hit the officer with the night stick, that he tossed it away as soon as it came to him in the process of being passed from hand to hand among the demonstrators.

Unless the House committee wishes to attack the integrity of the court or the jury that heard the Meisenbach case, it stands convicted of a grievous misstatement of fact regarding the manner in which the riot got underway. Such lack of regard for accuracy can only result in a further diminution of public confidence in the committee.

The House Committee on Un-American Activities will better serve the American people in their struggle against Communist subversion when it drops some of its own un-American activities—as for instance, writing history to suit its own convenience.

Americans like to think of this as a Communist rather than an American pastime.

Do we not as the House of Representatives have a responsibility to insure that any document printed with the imprimatur of this House is free of error? I think the answer must be "Yes." Simple fairness would seem to dictate that both reports should be amended to delete these statements which have now been conclusively shown to be in error.

INADEQUATE AWARD FOR DISTINGUISHED SERVICE

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Michigan [Mr. HOFFMAN] is recognized for 10 minutes.

Mr. HOFFMAN of Michigan. To our colleague, the gentleman from Michigan [Mr. FORD], the American Political Science Association at its 57th annual convention at St. Louis, Mo., awarded its citation for outstanding work in the national interest. The award was the only one given to a Republican in the House. It was a deserved citation won by our colleague for his overall service to the

party as well as a deserved tribute to his fine and helpful service on the House Committee on Appropriations.

STOP HELPING THE ARAB BOYCOTT

Mr. ROOSEVELT. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD, and to include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. ROOSEVELT. Mr. Speaker, last Friday I sent letters to the Secretaries of State and Commerce expressing grave concern over the submissive reaction of the United States to the continuation of the Arab League nations' discriminatory boycott against Americans of the Jewish faith.

I have vehemently protested the actions of certain governmental agencies which aid and abet the Arab boycott. Through a policy of accommodation the U.S. Government has acquiesced in an invasion of American rights. Compliance with demands to separate our Jewish military personnel from our base in Dhahran, acquiescence in orders to send American surplus commodities to Arab countries in ships which do not trade with Israel, and advertising at public expense Arab calls for commercial bids which will only be accepted from U.S. business firms which are not "Jewish owned" or do not "employ a percentage of Jewish personnel," are particularly unfortunate instances of this policy.

I firmly believe that a boycott against an American business concern on the ground that it is owned or operated by persons of any particular race, religion, or ethnic origin, is contrary to American principles and traditions, and should definitely not be countenanced by governmental assistance.

We are suffering a loss which no self-respecting nation can afford—the loss of integrity and prestige incurred by submissiveness to affronts.

In concluding my letters to the Secretaries, I have urged a complete reexamination and reformulation of American policies and practices related to the Arab League nations' boycott and full implementation of the congressional mandate to utilize foreign assistance funds in a manner which will most satisfactorily give practical effect to American principles of fairness and equality.

The text of the letters to the Secretaries of State and Commerce follows:

SEPTEMBER 8, 1961.

Hon. DEAN RUSK,
Secretary of State,
Hon. LUTHER H. HODGES,
Secretary of Commerce,
Washington, D.C.

DEAR MR. SECRETARY: I am taking this occasion to express to you my profound concern and deep regret with reference to the policy and practice of the U.S. Government regarding the Arab League nations' boycott and the consequent invasion of American rights.

I vehemently protest the actions of our Government which aid and abet the discriminatory actions of the Arab League nations in their perpetration of a boycott against U.S. business firms which are "Jewish owned" or "employs a percentage of Jewish personnel." I firmly believe that a boycott against an American business concern on the ground that it is owned or operated by persons of any particular race, religion, or ethnic origin, is contrary to American principles and traditions, and should definitely not be countenanced by governmental assistance.

Regardless of the general overall intent of the Arab League's boycott, it is in effect a boycott against Americans. As a consequence of the boycott, and our policy with respect to it, we are suffering a loss which no self-respecting nation can afford—the loss of integrity and prestige incurred by submissiveness to affronts.

Through a policy of accommodation, the U.S. Government has aided and abetted practices of discrimination against our citizens and has acquiesced in the invasion of American rights. The acts against our citizens to which I refer are: The blacklisting of American companies having Americans of the Jewish faith among their officers, owners, directors, or even personnel; the denying of visas to Americans of the Jewish faith and the subjecting of such persons to indignities and affronts while passing through Arab League countries; preventing American military and civilian personnel of the Jewish faith from serving at an Air Force base built in an Arab country with American funds and maintained by the United States; and the rejecting of U.S. diplomatic personnel and aids of the Jewish faith qualified to perform duties in the league countries.

It is true that in several instances the Government has issued statements with reference to the boycott. Thus, in 1956, when the boycott was extended to companies having Jewish ownership or participation, the New York office of the U.S. Department of Commerce announced: "The United States does not recognize the boycott." But the appalling truth is that the United States has taken no effective action. Mr. Secretary, what I found intolerable under a Republican administration is even more detestable under the present administration. It is imperative that we do more than utter pious statements.

Until recent years, the resistance of the U.S. Government to practices of a foreign government discriminating against a class of Americans had been forthright, consistent, and unequivocal. For example:

When a foreign government protested the appointment of an envoy extraordinary and minister plenipotentiary of the United States, on the ground that he was married to a Jewish woman, Secretary of State Bayard, replying on behalf of our Government, declared:

"It is not within the power of the President nor of the Congress, nor of any judicial tribunal in the United States, to take or even hear testimony, or in any mode to inquire into or decide upon the religious belief of any official, and the proposition to allow this to be done by any foreign government is necessarily and a fortiori inadmissible.

"To suffer an infraction of this essential principle would lead to a disenfranchisement of our citizens because of their religious belief, and thus impair or destroy the most important end which our constitution of government was intended to secure."

Although this official resigned his commission, the U.S. Government declined to make another appointment. For several years thereafter the United States was represented in that country by a chargé d'affaires.

Citizens of the United States have justifiably come to expect that their Government would take an honorable and implacable stand against invidious discrimination against American citizens and the infringement of American rights by foreign countries. But these expectations have not been borne out in recent years. Not only have Government agencies acquiesced passively to the boycott, they have served actively, in many instances, as its instruments.

The Department of Defense has deferred to Saudi Arabia's exclusion of American Jews from the Air Force base maintained in Dhahran by the United States.

The Department of Agriculture and the Commodity Credit Corporation have assented to contracts which prohibit vessels carrying surplus commodities to Arab countries from calling at Israel water or ports. The existing law requires that half of the deliveries sent abroad must go in American bottoms. The effect of the Department's assent is that we have permitted Arab governments, by constructing a blacklist, to render certain American vessels and owners ineligible for carrying these shipments.

The situation in the Department of Commerce is equally appalling. Through the medium of publicity releases, the Department advertises calls for bids in the United States by the Arab League nations presently engaging in discriminatory purchasing practices. Such cooperation is shocking and unpardonable.

When Mr. Al S. Waxman, of Waxman Publications, Inc., Los Angeles, Calif., wrote to the Secretary of Commerce protesting these publicity releases and presenting incontrovertible evidence of discriminatory practices in the calls for bids, his communication was sent to the State Department. Mr. Waxman received a reply from Mr. Nicholas G. Thacher, Deputy Director, Office of Near Eastern Affairs, which stated, among other things, that "the U.S. Government, as a matter of settled policy, neither recognizes nor condones discriminatory procedures of foreign business firms or governments." I cannot believe that the Department of State is unaware of the boycott activities of the Arab League nations. In light of this, I cannot understand why we continue to publicize these discriminatory calls for bids. This is not only recognizing discriminatory procedures, it is condoning them with support and assistance. This is intolerable, and I vigorously protest the continuation of such practices.

On September 5, the House adopted an amendment to the foreign assistance appropriation bill which provides that "it is the sense of Congress that any attempt by foreign nations to create distinctions because of their race or religion among American citizens in the granting of personal or commercial access or any other rights otherwise available to U.S. citizens generally is repugnant to our principles; and in all negotiations between the United States and any foreign state arising as a result of funds appropriated under this title these principles shall be applied as the President may determine."

Mr. ROONEY stated that the objective of this amendment, which he introduced, was to protect American citizens against distinctions because of their race or religion by foreign nations. Mr. HALPERN, in a spirit of bipartisanship, declared that "nothing short of this amendment is satisfactory to carry out the sense of Congress as expressed heretofore in previous appropriations bills and it fulfills the principle espoused by the President linking social justice and morality to our foreign aid program. It is a clear declaration of principle and a concomitant of American aid."

Mr. Secretary, I respectfully urge a complete reexamination of U.S. policy and practice relative to our reactions to the Arab League nations' discriminatory boycott. I further urge that the United States totally abstain from any form of cooperation with

the Arab League's boycott activities, fully implement the policy established by the Congress, and, in addition, seek to use the influence of our Government to eliminate such distressing practices.

Very truly yours,

JAMES ROOSEVELT,
Member of Congress.

THE COMMON MARKET AND THE FREE WORLD: IF YOU CAN'T LICK 'EM, JOIN 'EM

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Wisconsin [Mr. REUSS] is recognized for 30 minutes.

Mr. REUSS. Mr. Speaker, the figures just reported by the Department of Commerce on the U.S. balance of payments for the second quarter of 1961 remind us that our international trade and payments problem has by no means been solved. Our second quarter figures show that our exports have declined, and our imports have risen. This makes it all the more imperative that we redouble our efforts to eliminate our basic deficit.

Methods of eliminating the basic deficit were the subject of recommendations of the Subcommittee on International Exchange and Payments, Joint Economic Committee, of which I have the honor to be chairman, in its August 23, 1961, report.

THE JOINT ECONOMIC COMMITTEE RECOMMENDATION

In accordance with policies announced by the President's balance of payments message of February 6, 1961, the United States has adopted a number of temporary measures to help reduce a basic deficit which was estimated to have been about $2 billion in 1960. While this deficit was completely eliminated in the first quarter of 1961, the balance was in part achieved by an unusually depressed level of imports, which is expected to go up as the momentum of U.S. recovery increases. Therefore, to assure long-term equilibrium in the U.S. balance of payments, a number of unilateral and multilateral programs are now underway. The most important are removing all obstacles to a continuing expansion of U.S. exports and travel to the United States, reallocating mutual defense costs, and sharing the burden of aid and future commodity stabilization arrangements for developing countries.

By international diplomacy and through such international organizations as NATO and OECD, the United States should make increased efforts to persuade other free world countries to bear a larger share of the costs of military security and foreign aid, both of which are substantial items in U.S. payments to other countries.

Export expansion will depend on the efforts of American business to offer attractive products, at competitive prices, to markets which have many other sources of supply. Growth of productivity through restoration of full employment and accelerated investment in industrial modernization would give growing competitive strength in export markets. The Government can assist in these efforts by providing information and by assuring adequate credit and insurance facilities. But the United States must also take the initiative in making certain that the formation of large regional trading areas does not discriminate unduly against U.S. and other exports to these areas. While boom conditions in the Common Market may help U.S. exports, it is of particular importance to secure a low European Common Market external tariff and a liberalized commercial policy on agricultural products and coal. Otherwise, a new source-of-payments imbalance will be introduced, with serious consequences not only for the United States but for the entire free world, particularly as the Common Market expands its membership to include other European countries. Consideration should in fact be given to forming a free world Common Market, rather than further to encourage the growth of regional groups which divide the free world.

As the subcommittee recommendations point out, the discriminatory effect of the Common Market, particularly when augmented by the members of the European Free Trade Association—EFTA—who are now attempting to joint it, presents a real obstacle to our increasing, or even maintaining, our exports.

COMMON MARKET TIMETABLE

As matters now stand, the Common Market's internal tariffs were reduced to 70 percent of their 1957 level on December 31, 1960, and will be reduced to 50 percent of that level by December 31, 1961, and to zero by December 31, 1965. The EFTA internal tariffs were reduced to 70 percent of their former level on July 1, 1961, on their way to the ultimate zero.

External tariffs of the members of the Common Market were adjusted 30 percent of the way toward a common external tariff on December 31, 1960, with the final arrival at a common external tariff now scheduled for December 31, 1969.

American exporters are waking up to the fact that the discriminatory arrangements inherent in the Common Market will have a considerable impact upon them. A description of that impact is contained in the recent publication of the Chase Manhattan Bank of New York, "the New European Market; a Guide for American Businessmen":

THE CHASE MANHATTAN BANK ANALYSIS

Economic integration will play an important part in changing the face of Europe over the next decade. It will also affect American exporters.

Changing tariff levels in both the EEC and EFTA will give preference to goods produced within each group over those produced elsewhere. In the Common Market, common agricultural and fuel policies also are likely to give a competitive advantage to EEC producers.

Freer internal trade will stimulate competition and advance the efficiency of European industry. In the past many European firms have served small protected markets, using inefficient methods and equipment. As trade barriers come down, other producers will enter these markets. Survival will depend on improved production and marketing techniques, better equipment, and greater specialization. Successful firms will serve larger markets and gain the advantages of mass production.

Economic integration will stimulate Europe's growth—as a customer as well as a competitor. As the European economy grows, its import requirements also are likely to grow. This growth of the market could more than make up for the trade diversion caused by tariff preferences.

U.S. exporters will be affected in different ways by these developments. To see where the impact is likely to be felt, consider the composition of U.S. exports to Western Europe.

About 25 percent of U.S. exports to Western Europe are raw materials: ores, textile fibers, nonmineral oils, and raw chemicals. Tariff changes in EEC and EFTA will not affect many products in this category, since duties on most of them will remain low. Industrial growth in Europe is likely to increase shipments from the United States.

Some 5 percent of U.S. exports to Western Europe are fuels: coal and petroleum products—most of which will also remain subject to low tariffs. But the prospects for U.S. fuel exports depend more on the degree of quota protection provided for Europe's high-cost coal industry and how much oil is developed in Europe and its associated oversea territories or countries. Total use of energy in Europe has been growing at a rate of 8 percent a year since 1950 and promises to keep growing rapidly in the future. European coal production is not expected to grow much. Although oil from north Africa undoubtedly will fill part of the demand and nuclear power will eventually become competitive, U.S. exports of fossil fuels probably will remain important for some time.

Another 30 percent of European imports from the United States consist of food and tobacco. Tariffs on these goods vary widely, but even more important to U.S. exporters are devices such as quotas, subsidies and administered pricing, which already provide a high degree of protection for European farmers. The EFTA virtually excludes agriculture from its agreement, and will have practically no effect on U.S. exports of food and tobacco. But the EEC's common agricultural policy will affect U.S. exports of farm goods in two ways: It will extend national preferences to producers throughout the entire EEC area, rather than in a single country; it will stimulate competition among EEC farmers and encourage more efficient production of foodstuffs inside the Six. Whether these effects will be offset by the expected rise in total demand for food and tobacco is debatable. The EEC probably will import less of some products, such as wheat, and more of others, such as soybeans.

About 40 percent of U.S. exports to Europe are manufactures—chiefly machinery, transportation equipment, and chemicals. Nearly all these products will have substantial tariffs against them, while tariffs inside EEC and EFTA will go to zero. This means, for example, that U.S. machine tools will compete with German machine tools in the French market at a 5-percent to 15-percent tariff disadvantage. At the same time, European producers are likely to enjoy cost advantages caused by increased efficiency. As a result, many American producers will find European competition increasingly difficult to meet, and some products now successfully exported to Europe may cease to move there.

SECRETARY FREEMAN IS CONCERNED

Secretary of Agriculture Orville L. Freeman expressed his concern over the

effect of the Common Market on exports of U.S. farm products in a speech at Brussels, Belgium on September 6, 1961, when he said:

American agriculture is concerned over the possibility of a restrictive import policy on the part of the Common Market which would reduce our sales to the area of wheat, rice, feed grains, livestock products, poultry, tobacco and certain fruits.

What this boils down to is that around 75 percent of U.S. exports to Western Europe—fuels, farm products and manufactures—are going to be adversely affected by the tariff discriminations against us and the rest of the free world now afoot in Western Europe.

OUR BEST EXPORT MARKET

We should note that discrimination against us by Western Europe is going to hurt our vital exports in a fast-growing area. U.S. exports to Western Europe rose from $2.7 billion in 1953, to $3.2 billion in 1954, to $4 billion in 1955, to $5 billion in 1956, to $5.5 billion in 1957, and—after a mild decline because of the European recession of 1958–59—to $6.2 billion in 1960.

But from here on out we will have to contend against a common external tariff, with substantial tariff increases for low-tariff countries like Benelux and Germany, as well as against a discriminatory preference granted internally by the Common Market. As the Chase Manhattan Bank study says:

U.S. machine tools will compete with German machine tools in the French market at a 5- to 15-percent tariff disadvantage.

We can lead a Spartan life in the United States, keep wages and prices successfully down, and make admirable productivity gains, yet see our export trade gobbled up by countries to which the Common Market accords a sweeping discriminatory advantage.

The details of its discrimination I have pointed out several times this year—CONGRESSIONAL RECORD, February 23, 1961, pages 2607–2609; August 7, 1961, pages 14798–14799.

HOW WE WILL BE HURT

Here are some examples of the tariff discrimination under which we will be staggering. Our tariff on automobiles is 8½ percent. The proposed Common Market tariff is 29 percent against the United States, contrasted with an internal tariff of zero against auto imports from France, Germany, Italy, and other European member countries.

The Common Market external tariffs on radio and TV sets will be 20 percent; automatic dishwashers, 18 percent; electric washing machines, 19 percent; most clothing, 20 to 22 percent; sheep leather, 10 percent; varnishes and lacquers, 19 percent; putty, 11 percent; oil burners, 14 percent; lifting, loading, and handling machinery, 14 percent; knitting machines, 13 percent; metal lathes, 10 percent; and office and calculating machine parts, 14 percent.

Once again, let me emphasize that the discrimination against us and the rest of the free world will be the difference between these percentages and zero, the tariff barrier affecting other Common Market members. Moreover, in many cases the Common Market external tariffs will be considerably higher than the preexisting tariffs of Germany and Benelux, the low-tariff countries which have been such good export customers of ours.

TAKE WISCONSIN, FOR EXAMPLE

Exporters in every State of the Union will be hurt by the Common Market. The prospect that confronts my own State of Wisconsin is instructive. Of the 456,000 persons employed in manufacturing in Wisconsin as of July 1, 1961, 134,000 were employed in the machinery industry. According to the 1958 census of manufacturers, Wisconsin produces nearly 35 percent of the papermaking machinery produced in the United States; nearly 11 percent of the construction machinery; 11 percent of tractors; 10 percent of the mechanical power transmission equipment; 9 percent of metal-cutting machinery; 8.5 percent of food processing machinery; 7 percent of mining machinery and equipment; 7 percent of woodworking machinery; 6.5 percent of electric motors and generators; and 6 percent of pumps and compressors. Companies like Allis-Chalmers, A. O. Smith, Harnischfeger Corp., International Harvester, J. I. Case, Caterpillar Tractor, Badger Meter, McGraw Edison, Bucyrus-Erie, Chain Belt, Cutler-Hammer, Allen Bradley, and Square-D, are all prominently identified with the export industry of Wisconsin. It is estimated that Wisconsin exports of machinery, electrical apparatus, transportation equipment, and metal manufactures came to $320 million in 1960 alone.

In addition, Wisconsin manufacturers of paper and paper products, scientific instruments, canned goods, outboard motors, air-conditioning equipment, and heating and plumbing equipment have important stakes in the export market. Wheat and feed grains pass through Wisconsin ports on their way to the outside world.

Every Member, I am sure, can cite examples of the shape of things to come as alarming for his own State as these are for Wisconsin.

WHAT WE MUST DO

It is late to be waking up to our problem, but it is not too late to do something about it—if we act quickly.

First, our officials must do their utmost to get a low Common Market external tariff schedule, and to prevent the establishment of discriminatory quotas against our goods. I am far from certain that, up to now, our representatives to GATT in Geneva who are negotiating with the Common Market have been as tough as they should be. Moreover, if they fail, they must not agree to a settlement disadvantageous to the United States, Canada, South America, Asia, and every other part of the free world not in the Common Market.

Second, and most important, is to get our free world partners to work with us to establish a common market which will not divide and discriminate—a common market not for a dog-in-the-manger grouping, but for the whole free world. As I said on the floor on August 7:

Specifically, we should consider proposing to our leading industrial trading partners represented in GATT the formation of a free world common market, in which each adhering member would agree to cut tariffs on industrial goods 10 percent a year for the next 10 years, down to zero. By thus generalizing to the whole free world the presently discriminatory tariff reductions of the Six and the Seven, we could at one stroke retain the good of the Common Market and get rid of the bad.

As with the present Common Market, agricultural goods are another matter, and there the goal should be painstaking and steady negotiation to move away from autarchy and toward comparative advantage in free world farm policy.

WE HAVE MORE TO GAIN THAN TO LOSE

The United States has much more to gain than to lose by greatly reducing industrial tariffs to zero in concert with other countries.

In the first place, the Common Market external tariff will undoubtedly average higher than the approximately 12 percent which is the present average U.S. tariff on the value of dutiable imports. We have cut our tariffs to almost one-fifth of what they were when we started tariff-cutting in 1934. The last 20 percent of the way is where we can get some reciprocal mileage.

In the second place, obtaining reciprocal tariff cuts from the Western European countries is doubly advantageous to us in a day when they are allowed to discriminate against us, as they are under the Common Market and EFTA. For example, if we can get France—among the others—to reduce her external Common Market tariff by 50 percent, she will by the same reduction reduce by 50 percent the German tariff advantage over us in France which comes from the elimination of internal Common Market tariffs.

To be sure, a continuing liberal trade policy will necessitate shifts in American production—shifts to be cushioned by trade adjustment legislation. But the West European countries have managed to shed their fears of a hugely expanded area of competition among countries with greatly different wage levels and habits of doing business. They have all gained as a result.

Today, when our Western European partners in the free world are engaged in taking a major economic step forward, the United States stands to lose its leading position as a world trader if we content ourselves with traditional thinking on commercial policy. The dogmas of the relatively quiet past are indeed insufficient for the stormy present in world trade.

THE FEDERAL MUTUAL SAVINGS BANK BILL

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. MULTER] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. MULTER. Mr. Speaker, on July 1, 1960, I joined with several of our distinguished colleagues in introducing a bill (H.R. 12913) to authorize Federal mutual savings banks. A companion bill (S. 3796) was introduced on the same day in the Senate. At that time I noted that introduction of the bill at the end of the session would afford interested groups opportunity for the careful study merited by the bill. Since then the bill has been studied by many groups, including several Federal agencies. Some have offered suggestions for amendments.

On January 3, 1961, I introduced a version of the bill (H.R. 825) substantially similar to H.R. 12913 of the 86th Congress. Subsequently, suggestions for additional changes in the bill have come from many sources. These have now been evaluated and have resulted in the revised version of the bill I am now introducing.

I should like to discuss briefly the need for Federal mutual savings banks, the major differences in this revised bill from H.R. 825, and the reasons for introducing this revised version at this particular time.

NEED FOR FEDERAL MUTUAL SAVINGS BANKS

Since 1816, mutual savings banking has contributed significantly to the economy of this Nation. Mutual savings banks are the oldest type of thrift institution in this country. Formed originally by public-spirited individuals who served as corporators and trustees, these savings banks met a need to supply safe depositories for savings of people of moderate means. Throughout the years mutual savings banks have encouraged thrift and have enabled accumulation of sums of capital available for community and national development. They continue to do so today.

Since World War II mutual savings banks have increased markedly the share of their assets invested in mortgages secured by real property. At present approximately two-thirds of the assets of mutual savings banks are invested in such mortgages, most of which are secured by homes. Mutual savings banks have been effectively active in urban renewal projects in the metropolitan areas of Boston, New York City, and Philadelphia. They also invest in Federal securities, municipal securities, and corporate securities. Through these media they help to promote employment, production, and purchasing power on a sustainable, noninflationary basis. Although mutual savings banks are located in only 17 States, their benefits extend to all 50 States both through their out-of-State investments and through the higher levels of employment and production which they make possible.

These benefits could be substantially magnified by authorizing the establishment of mutual savings banks in all States under Federal charters.

Through long experience in the encouragement of thrift, mutual savings banks have an enviable record of inducing higher per capita savings in those areas where they operate. The 10 leading States with respect to per capita holdings of thrift accounts are all mutual savings bank States. There is good reason to expect an increase in total savings in new areas to which mutual savings banking may extend through Federal chartering. Population and personal income are rising rapidly in many of these areas, along with need for capital.

Federal charters for mutual savings banks alongside State charters for such institutions would round out the pattern of dual chartering for financial institutions in the United States. This pattern already exists successfully for commercial banks, savings and loan associations, and credit unions.

To illustrate the need for the establishment of mutual savings banks throughout the Nation, I am pleased to refer to comments from various Federal agencies and private groups that have considered the bill.

Federal agencies reported to the Senate Committee on Banking and Currency as follows with respect to S. 3796, which was identical to H.R. 12913.

The Housing and Home Finance Agency stated:

> This Agency believes that legislation providing for the Federal chartering of mutual savings banks would be desirable because it would encourage an increased flow of funds into the mortgage market.
>
> It is probable that the encouragement which Federal chartering would give to the organization of additional mutual savings banks, now operating under State charters in only 17 States, would attract a portion of savings now being placed in commercial bank time deposits. This would tend to enlarge the supply of mortgage funds since mutual savings banks traditionally have invested more of their funds in mortgages than have commercial banks. Also, the anticipated geographically expanded operation should tend to improve the interregional flow of FHA insured and VA guaranteed mortgages. Finally, by increasing competition among different types of lending institutions, the net result would most likely be an increase in total savings placed with financial establishments, including those which customarily provide major sources of mortgage credit.

The Veterans' Administration also endorsed the bill, stating:

> Mutual savings banks have actively participated in the GI loan program. As of December 31, 1959, nearly 30 percent of the outstanding VA guaranteed loans were held in their portfolios. To the extent that the proposed legislation would encourage new mutual savings banks in areas where the system would attract new savings for mortgage loan investment, it would doubtless aid veterans in their search for home loan finacing.

The Board of Governors of the Federal Reserve System replied that it believes the bill merits careful consideration in determining whether it can make an important contribution to the economy. Only the Federal Home Loan Bank Board, which charters and supervises Federal savings and loan associations, questioned the advisability of the legislation. However, it is anticipated that the recent changes in membership of the Federal Home Loan Bank Board will provide an opportunity for a fresh review of this position, and a sympathetic consideration of the evidence rebutting the fear expressed by the Board that conversion of savings and loan associations to Federal mutual savings banks would be accompanied by a decline of funds flowing into the home mortgage market.

Recently, studies by economic and financial experts have concluded independently that expansion of mutual savings banks beyond present geographic confines would be in the national interest. The Commission on Money and Credit, in a report released June 20, recommended "that Federal charters be made available for mutual savings banks." In support of this recommendation the Commission's report included the following paragraph:

> At present commercial banks and savings and loan associations may obtain Federal charters. Since only 17 States now provide for the establishment of savings banks, it is not possible to establish savings banks in two-thirds of our States. Federal charters for savings banks would permit operation in any State, and this would stimulate competition and enterprise among financial institutions, improve the banking facilities in some communities, and perhaps encourage greater conventional mortgage-lending activity in all areas.

A second study, "Chicago Banking," prepared by the University of Chicago Graduate School of Business for the Chicago Association of Commerce and Industry, recommended that Illinois law be revised to allow the establishment of mutual savings banks. The authors of that study concluded that "there are no disadvantages and great potential advantages in having mutual savings banks." The report continued that restrictions on competition in financial markets "appear to have led to insufficient banking facilities, maintenance of high-cost unit, insufficient allocation of resources, unattractive savings facilities, and a restricted supply of credit on stringent terms and at high cost." Furthermore, according to the findings of the Chicago study, the highest ratio of long-term savings in local financial institutions relative to personal income was found in States having mutual savings banks.

A new mutual savings bank is now in the process of formation in Anchorage, Alaska, under State charter authority made possible by enactment of enabling legislation adopted in 1960. Our next to newest State, appreciating its need for attracting additional capital, will become the 18th mutual savings bank State. Thus, from Federal and State Governments and from private enterprise sources come evidence of the need for permitting the expansion of mutual savings banking to new geographical areas.

MAJOR DIFFERENCES FROM H.R. 825

There are few important differences between H.R. 825 and the revised version of the bill being introduced today.

The principal difference is that the new bill names the Federal Home Loan Bank Board as the chartering and supervising agency for Federal mutual savings banks instead of entrusting these functions to the new, independent agency that would have been created under the provisions of H.R. 825.

Other less important differences are as follows:

First. There has been deleted from this bill the grant of authority contained in H.R. 825 that would have permitted all Federal mutual savings banks to exercise powers generally possessed by State-chartered mutual savings banks. Consequently, Federal mutual savings banks will possess such powers as are granted them by the provisions of this bill unaugmented by the broad general grant of authority inherent in the above-mentioned provision in H.R. 825.

Second. Specific provisions have been added to assure that expenses of examination of Federal mutual savings banks by the Federal Home Loan Bank Board may be assessed against the institution being examined.

Third. Several changes have been made in the investment powers of Federal mutual savings banks. H.R. 825 contained a provision permitting the supervisory authority to expand the investment powers of such institutions beyond those expressly conferred in the bill. That provision has been deleted, leaving Federal mutual savings banks to look to the provisions of the bill for their investment powers. In view of this change, these powers of investment have been enlarged in the following respects. Federal mutual savings banks may invest in property improvement loans in addition to those insured by the Federal Housing Administration. They may also invest in obligations of federally or State-chartered mutual savings banks. They may invest in any obligations a Federal or State agency has guaranteed or insured, or has committed itself to do so.

Fourth. Specific authority is granted Federal mutual savings banks to issue certificates of deposit in $100 multiples for periods of 2 years or more and to agree to pay interest at the rate, for the term, and subject to the conditions prescribed in the certificate.

Fifth. Express language has been added to the bill to require a finding by the chartering authority that issuance of a charter to a Federal mutual savings bank will not unduly injure commercial banks accepting funds from savers on deposit, or any thrift institution, as that term is defined in the bill.

Sixth. The powers of the chartering authority to approve branches for Federal mutual savings banks have been expanded to permit such branches in States that allow chain or group banking.

Seventh. A specific definition has been inserted in the bill to clarify actions an out-of-State Federal mutual savings bank may take in the mortgage field without being considered to be doing business within the State where such actions are taken.

All these changes are designed to improve the operations and public service features of Federal mutual savings banks.

The basic pattern for such institutions laid down in H.R. 825 has been preserved. Federal mutual savings banks must apply to the Federal Home Loan Bank Board for charters and must maintain membership in the Federal Home Loan Bank System, and must obtain and maintain deposit insurance from the Federal Deposit Insurance Corporation. Savings and loan associations may convert to Federal mutual savings banks subject to the restrictions prescribed by the bill.

As amended, the bill combines the best features of State laws affecting mutual savings banks in order to encourage a strong Federal system of mutual savings banking to supplement the thriving State-chartered system that has enjoyed an enviable record of safety and contribution to community and national welfare.

WHY THE BILL IS BEING INTRODUCED AT THIS TIME

Much helpful progress has already been made in bringing toward legislative realization the goal of Federal charters for mutual savings banks. Interest in this goal is mounting among several groups. The time appears propitious to introduce this improved version of legislation designed to achieve that goal. The study of interested groups can crystallize around the specific provisions of this bill. It is my hope that it will be possible to schedule public hearings on the bill as close to the beginning of the second session of the 87th Congress as possible. The National Association of Mutual Savings Banks has been most helpful to me in striving to perfect the provisions of this proposed legislation. It would be most fitting if this gap in the dual banking system is filled in time to enable the mutual savings banking industry to join with other members of the financial fraternity in commemorating the centennial of the dual banking system in the United States in 1963.

Mr. Speaker, under previous consent of the House I insert in the RECORD immediately following my remarks a copy of the bill being introduced, together with a summary thereof.

A BILL TO AUTHORIZE FEDERAL MUTUAL SAVINGS BANKS

Be it enacted by the Senate and House of Representatives of the United States in Congress assembled, That this Act may be cited as the "Federal Mutual Savings Bank Act".

SEC. 2. DECLARATION OF POLICY.—The Congress declares that, to carry out more effectively its responsibility for promoting maximum employment, production, and purchasing power in the national economy, it must facilitate and encourage an increased flow of real savings to finance new housing and other capital formation on a sustainable noninflationary basis. The Congress further declares that the increased savings necessary to the security and welfare of the individual as well as to the Nation should be provided within the private institutional framework of our competitive economy and within the dual banking system. These objectives will be advanced by authorizing the establishment of privately managed federally supervised mutual savings banks. Consistent with these objectives, the Congress recognizes the continuing need for maintaining and strengthening the vitality of our State-chartered banking system under the supervision of the various State banking departments. Federal mutual savings banks, together with State-chartered mutual savings banks, will bring to individuals in all States the opportunity of having mutual banks of deposit available to them which are dedicated to encouraging the practice of thrift, thereby increasing the total flow of voluntary savings in the economy. The record of mutual savings banks over nearly a century and a half of providing safety, ready availability of deposits and reasonable returns on these deposits, indicates that new Federal mutual savings banks will stimulate additional savings in the areas in which they are located. The record further indicates that these institutions will devote the bulk of their accumulated savings to the sound, economical financing of housing and homeownership. Moreover, additional funds will become available to support local business enterprise, urban redevelopment, and governmental capital outlays. The welfare of the public will be enhanced not only because economic growth will be fostered by capital formation but also because the earnings of Federal mutual savings banks, after expenses and provision for necessary reserves for safety of deposits, will be distributed entirely to depositors.

SEC. 3. DEFINITIONS.—As used in this Act:

(1) The term "Board" means the Federal Home Loan Bank Board;

(2) The term "conventional loan" means a loan secured by a first mortgage or deed of trust on real property or a leasehold estate other than a loan guaranteed or insured by a Federal or State agency;

(3) The term "doing business" shall not be considered to include any one or more of the following activities:

(a) The acquisition of loans (including the negotiation thereof) secured by mortgages or deeds of trust on real property situated in the District of Columbia pursuant to commitment agreements or arrangements made prior to or following the origination or creation of such loans;

(b) The physical inspection and appraisal of property in the District of Columbia as security for mortgages or deeds of trust;

(c) The ownership, modification, renewal, extension, transfer, or foreclosure of such loans, or the acceptance of substitute additional obligors thereon;

(d) The making, collecting, and servicing of such loans through a District of Columbia concern engaged in the business of servicing real estate loans for investors;

(e) Maintaining or defending any action or suit or any administrative or arbitration proceeding arising as a result of such loans;

(f) The acquisition of title to property which is the security for such a loan in the event of default on such loan;

(g) Pending liquidation of its investment therein within a reasonable time, operating, maintaining, renting, or otherwise dealing with selling, or disposing of, real property acquired under foreclosure, sale, or by agreement in lieu thereof;

(4) The term "financial institution" means a thrift institution, a commercial bank, a trust company, or an insurance company;

(5) The term "mutual bank" means a Federal Mutual Savings Bank chartered under this Act;

(6) The term "State" includes the Commonwealth of Puerto Rico, the Virgin Islands, Guam, Samoa, and the District of Columbia;

(7) A "State of domicile" or "domiciliary State" means the State in which a mutual bank's principal office is located; and

(8) The term "thrift institution" means a State-chartered mutual savings bank, a cooperative bank, a homestead association, a mutual savings and loan association, a mutual building and loan association, or a mutual bank.

SEC. 4. CHARTERING OF MUTUAL BANKS.—(a) Upon written application by five signatories from among not less than twenty-one individuals acting in the capacity of a qualified corporators named in the application, the Board may issue a charter for a mutual bank.

(b) Such a charter shall be issued whenever the Board finds that a mutual bank will serve a useful purpose in the community in which it is proposed to be established, that there is reasonable expectation of its financial success and that its operation will not unduly injure existing thrift institutions or commercial banks accepting funds from savers on deposit.

(c) Any mutual bank shall include the words "Federal", "Mutual", and "Savings" in its title.

(d) Any mutual bank, upon being chartered, shall become a member of the Federal Home Loan Bank of the district in which it is located or if convenience shall require and the Board approve, shall become a member of the Federal Home Loan Bank of an adjoining district. Mutual banks shall qualify for such membership in the manner provided in the Federal Home Loan Bank Act with respect to other members.

SEC. 5. CORPORATORS.—(a) Each corporator of a mutual bank shall be an individual of financial responsibility and good character and shall never have been adjudged a bankrupt, and shall, within such time after his election, and in such form as the Board may prescribe, file proof of his compliance with these requirements with the Board. Without in any way limiting, by enactment of this subsection, the general regulatory power granted the Board by this or any other act, the Board is hereby expressly authorized to prescribe standards of conduct for corporators, provided that any such standards shall be no more (and may be less) restrictive than those set forth for trustees in section 6(e)(1).

(b) No person shall be a corporator of a mutual bank who is not a resident of the State in which the principal office of the mutual bank is located, except that one less than one-half of the whole board of corporators may be residents of other States.

(c) At their organizational meeting, the corporators shall adopt rules governing the conduct of their business and may amend them for time to time. Such rules shall set forth the number of corporators and shall prescribe that any number not less than one-quarter of those at the time in office shall constitute a quorum for the purpose of doing business. At such organization meeting, or any adjournment thereof, the corporators shall divide the total number of corporators into three classes of equal size, one class to serve for a term of four years, one class to serve for a term of seven years, and one class to serve for a term of ten years, so that at each election of corporators following the first meeting an equal number of corporators shall be elected. The requirements of this section shall be satisfied if the number of corporators in any class does not exceed by more than one the number of corporators in any other class. Thereafter, each corporator shall be elected for a term of ten years, and until his successor is elected and shall have qualified. Successor and additional corporators shall be elected, subject to the requirements of this section, by a majority vote of the corporators, including those whose terms are expiring, present at a duly constituted meeting. Any corporator may be removed from office for cause upon the affirmative vote of two-thirds of the whole number of corporators.

SEC. 6. TRUSTEES.—(a) The board of trustees of a mutual bank shall be elected by and from the corporators and shall consist of not less than seven nor more than twenty-five. No person shall be a trustee of a mutual bank who is not a resident of the State in which the principal office of the mutual bank is located, except that one less than one-half of the whole board of trustees may be residents of other States. The corporators shall, by majority vote of those present at their organization meeting, elect a board of trustees, in three classes in the following manner: One-third for a term of one year; one-third for a term of two years; and one-third for a term of three years. Thereafter trustees shall be elected to serve for a term of three years. The requirements of this section shall be satisfied if the number of trustees in any one class does not exceed by more than one the number of trustees in any other class. The office of any trustees shall become vacant if he shall cease for any reason to hold office as a corporator.

(b) The management and control of the affairs of a mutual bank shall be vested in the trusteees. The trustees may adopt, amend and repeal bylaws governing the affairs of the mutual bank.

(c) No person acting as trustee of a mutual bank shall hold office as trustees, director, or officer of another thrift institution.

(d) The office of a trustee shall become vacant whenever he shall have mailed to attend regular meeting of the trustees for a period of six months, unless excused during such period by a resolution duly adopted by the trustees.

(e)(1) It shall be unlawful for any trustee—

(A) to receive remuneration as trustee except reasonable fees for attendance at meetings of trustees or for service as a member of a committee for trustees;

(B) to borrow funds other than pursuant to section 11(10)(B) or in any manner become an obligor for funds borrowed from the mutual bank for which he is trustee; and

(C) to make a profit, directly or indirectly, from any property sold to or services performed for the mutual bank or in connection with any loan made by the mutual bank for which he is a trustee.

Nothing contained in this subsection shall be deemed to prohibit or in any way limit any right of a trustee who is also an officer of or attorney for the mutual bank from receiving compensation for service as an officer or attorney.

(2) Upon application by a mutual bank, exceptions may be granted to any prohibition contained in this subsection following a determination by the Board that the exception sought is equitable and in the best interests of the depositors of the mutual bank.

(3) The Board may from time to time grant, by regulation, exceptions of general application to the prohibitions contained in this subsection.

(f) No mutual bank shall deposit any of its funds except with a depositary approved by vote of a majority of all trustees of the mutual bank, exclusive of any trustee who is an officer, partner, director, or trustee of the depositary so designated.

SEC. 7. COMMENCEMENT OF OPERATION.—(a) No mutual bank may commence operations except upon approval by the Board, which shall not be granted prior to qualification by such mutual bank as an insured bank under the Federal Deposit Insurance Act. Any mutual bank may so qualify in the same general manner as is provided for a State nonmember bank under that Act. No mutual bank shall continue operations if it shall at any time cease to be so qualified.

(b) No mutual bank may commence operations until there shall have been advanced in cash to the credit of such mutual bank, as an expense fund, such sums as the Board may require. Any such sums so advanced shall be evidenced by transferable deferred payment certificates. Outstanding certificates may have such terms and be repaid pro rata in such installments, and shall be entitled to receive interest at such rate, as may be approved by the Board.

SEC. 8. RESERVE FUND.—(a) Prior to authorizing the issuance of a charter for a mutual bank, the Board shall require that there be advanced in cash to the credit of such mutual bank not less than $50,000, which shall constitute the initial reserve fund. All sums so advanced as the initial reserve fund shall be evidenced by transferable deferred payment certificates. Oustanding certificates may have such terms and may be repaid pro rata in such installments, and shall be entitled to receive interest at such rate, as may be approved by the Board.

(b) As soon as practicable following the close of each of its first 10 fiscal years, each mutual bank shall credit to the reserve fund an amount not less than 10 per centum of its net earnings before interest for such preceding fiscal year and at the close of each fiscal year following the first 10 fiscal years shall credit to the reserve fund such proportion of its net earnings for such preceding fiscal year, not exceeding 10 per centum, as the Board may by regulation prescribe; except that credits to the reserve fund shall be required only when the reserve fund shall not equal 12 per centum of deposit liabilities. A mutual bank may credit such further amounts to the reserve fund as it may determine.

(c) The reserve fund of an operating mutual bank shall be available only for the purpose of meeting losses.

SEC. 9. BORROWING.—A mutual bank may borrow funds subject to such regulations as the Board may prescribe.

SEC. 10. DEPOSITS.—(a) A mutual bank may accept any savings deposit and may issue a passbook or other evidence of its obligation to repay any such savings deposit.

(b) A mutual bank, subject to such regulations and restrictions as the Board finds to be necessary and proper, may accept deposits and issue its certificate of deposit therefor in units or denominations of one hundred dollars or multiples thereof for periods of not less than 2 years and agree to pay interest thereon at the rate, for the term and subject to the conditions specified on the face of such certificate.

(c) Each mutual bank may:

(1) reject any sums offered for deposit; and

(2) repay any deposit at any time.

(d) Except as otherwise provided in this Act, a mutual bank may pay interest on deposits from net earnings and undivided profits at such rates and at such intervals as shall be approved by its trustees.

(e) A mutual bank may at any time by resolution of its board of trustees require that up to ninety days' advance notice be given to it by each depositor before the withdrawal of any deposit or portion thereof; and whenever the board of trustees shall adopt such resolution, no deposit need be paid until the expiration of the notice period applicable thereto in accordance with such resolution. A mutual bank shall notify the Board in writing on the day of adoption of such resolution. Notwithstanding adoption of such resolution, a mutual bank may, in its discretion, permit withdrawal of all or any part of all deposits prior to the expiration of the notice period prescribed by such resolution. Any such resolution may be rescinded at any time.

(f) Whenever any mutual bank shall have been closed by action of its board of trustees or by the authority having supervision of such bank, as the case may be, on account of inability to meet the demands of its depositors, the Board shall appoint the Federal Deposit Insurance Corporation receiver for such closed mutual bank and the Federal Deposit Insurance Corporation shall accept appointment as receiver thereof. The Board and the Federal Deposit Insurance Corporation shall thereupon proceed to handle the affairs of the mutual bank in accordance with the provisions of the Federal Deposit Insurance Act applicable to a closed national bank.

(g) In order to prevent the closing of a mutual bank determined by the Federal Deposit Insurance Corporation to be in danger of closing, or in order to reopen a closed mutual bank, the Federal Deposit Insurance Corporation may exercise any or all of the authority conferred upon it by the provisions of Section 13(c) of the Federal Deposit Insurance Act.

(h) The Federal Deposit Insurance Corporation, in its own right as receiver of a closed mutual bank, may exercise any or all authority conferred upon it in either capacity by the provisions of Section 13(d) of the Federal Deposit Insurance Act.

(i) In order to facilitate the sale of the assets of an open or closed mutual bank to and assumption of its liabilities by another insured bank, as defined in the Federal Deposit Insurance Act, or to facilitate a merger or consolidation of a mutual bank with another insured bank, as so defined, the Federal Deposit Insurance Corporation may exercise any or all of the authority conferred upon it by the provisions of section 13(e) of the Federal Deposit Insurance Act, subject to the conditions therein expressed. Any mutual bank is authorized to contract for sales or loans and pledge any of its assets to secure loans effected pursuant to the provisions of said section 13(e).

SEC. 11. INVESTMENTS.—A mutual bank may invest in the following:

(1) Obligations of the United States and those for which the faith of the United States is pledged to provide for the payment of the interest and principal and obligations of any agency of the United States;

(2) Obligations of any State and those for which the faith of any State is pledged to provide for the payment of the interest and principal;

(3) Obligations issued by a city, village, town, or county in the United States or by a department, agency, district, authority, commission or other public body of the United States, or of any one or more States, but in so doing the mutual bank shall exercise the same degree of care and prudence that persons prompted by self-interest generally exercise in their own affairs;

(4) Any property improvement note issued pursuant to the provisions of title I of the National Housing Act; and other property improvement loans subject to such regulation as the Board may prescribe;

(5) Obligations of the Dominion of Canada or Provinces of the Dominion of Canada payable in United States funds;

(6) Bonds, notes, or other evidences of indebtedness which are secured by properly registered and recorded first mortgages or deeds of trust upon real property, including leasehold estates, provided the security for the loan is a first lien upon the real property or leasehold estate, and subject to the following:

(A) no investment in mortgages executed by any one mortgagor shall in the aggregate exceed 2 per centum of the assets of the mutual bank at the time the investment is made or $25,000, whichever is greater;

(B) no investment in any one mortgage shall exceed 2 per centum of the assets of the mutual bank at the time the investment is made, or $25,000, whichever is greater, or more than 80 per centum of the appraised value of a one- to four-family residence securing a conventional loan or more than 90 per centum of the appraised value of such a residence constructed within not more than ten years before the making of the loan, or more than 75 per centum of the appraised value of any other real property securing a conventional loan;

(C) no investment shall be made in a conventional loan secured by a mortgage on a one- to four-family residence unless the mortgaged property is located either within the State in which the mutual bank has its principal office or within a radius of one hundred miles of its principal office and unless the mortgage has a maturity of not longer than thirty years from the date the loan is made;

(D) no investment shall be made in a conventional loan if the aggregate unpaid principal of all conventional loans in which the mutual bank has invested exceeds 80 per centum of its assets at the time;

(E) a mutual bank may (i) participate with one or more financial institutions, trusts, or pension funds in any bond or note or other evidence of indebtedness secured by a mortgage or deed of trust which such mutual bank is authorized to invest in its own account: *Provided*, That the participating interest of such mutual bank is not subordinated or inferior to any other participating interest; and (ii) participate in the same securities with other than financial institutions, trusts, or pension funds: *Provided*, That the participating interest of such mutual bank is superior to the participating interests of such other participants;

(F) no investment shall be made in a mortgage upon a leasehold unless (i) the principal amount of the mortgage loan is not in excess of 70 per centum of the appraised value of the leasehold. and (ii) provision is made for complete amortization of the loan prior to the expiration of 80 per centum of the remainder of the term by periodic payments as the Board may prescribe; and

(G) nothing contained in this paragraph shall be deemed to prevent investment by a mutual bank in any bond, note, or other evidence of indebtedness which is guaranteed or insured by a Federal or State agency or for which a commitment to guarantee or insure has been issued by a Federal or State agency;

(7) Bankers' acceptances eligible for purchase by Federal Reserve banks;

(8) Corporate securities, but in so doing the mutual bank shall exercise the same degree of care and prudence that persons prompted by self-interest generally exercise in their own affairs, and subject to the following further conditions:

(A) no mutual bank shall invest in any corporate obligation, other than pursuant to paragraph (10), that (i) will mature by its terms within one year from the date of issuance, or (ii) if issued or made in series, or repayable in installments, will have an average maturity as of the date of issuance of less than one year; and

(B) no mutual bank shall invest in stocks an amount greater than 5 per centum of its assets or 100 per centum of its reserve fund and undivided profits, whichever is the greater; and

(9) Obligations of a mutual bank or of a State-chartered mutual savings bank;

(10) Promissory notes of the following types:

(A) any promissory note payable to the order of the mutual bank which is (i) secured by one or more mortgages in which a mutual bank may invest, if the amount so invested in any such note shall not exceed 90 per centum of the principal sum secured by such mortgage or mortgages. The assignment of every mortgage taken as security for any such note shall be recorded or registered in the office of the proper recording officer of the county in which the real property described in such mortgage is located, unless such mortgage or mortgages have been so assigned by a mutual bank; (ii) secured by any of the stocks and bonds in which a mutual bank may invest; or (iii) secured by a life insurance policy, to the extent of such policy's cash surrender value; and

(B) any promissory note payable to the order of the mutual bank which is secured by the assignmcnt of a deposit or share account in any thrift institution, if the amount of the investment in any such note is not in excess of the amount of such deposit or share account.

SEC. 12. BRANCHES.—(a) A mutual bank may, with the approval of the Board, establish and operate one or more branches in the State in which its principal office is located, but only if and to the extent that any financial institution accepting funds from savers on deposit or share accounts and chartered by such State is authorized to establish and operate branches: *Provided*, That in any State where the law expressly prohibits branches or, in the absence of any such law, the establishment and operation of branches are not in conformity with the practice within the State, if the Board determines that chain, group, or affiliated financial institutions operate within the State, a mutual bank may with the approval of the Board establish and operate one or more branches in the State.

(b) Before approving the establishment and operation of a branch office by a mutual bank, the Board shall make with respect thereto the findings required prior to the granting of a charter to a mutual bank.

(c) Notwithstanding any provision of this Act, a mutual bank resulting from conversion, consolidation, or merger may retain and operate any one or more offices in operation on the date of such conversion, consolidation, or merger, and, in addition, may retain any and all unexercised branch rights or privileges enjoyed prior to such date, but only if such office is situated, or such branch right or privilege was exercisable, within the State in which the principal office is located.

SEC. 13. CONVERSION.—(a) With the approval of the Board, and subject to all other provisions of this Act applicable to the chartering of a newly organized mutual bank, unless specifically excepted herein, any thrift institution other than a mutual bank may convert itself into a mutual bank upon the affirmative vote of not less than a majority of the votes cast by those entitled to vote upon the affairs of such thrift institution at a meeting duly called and held for that purpose, and shall thereupon possess the powers of and be subject to the duties imposed upon mutual banks under the provisions of this Act, provided that any such conversion shall not be in contravention of the laws under which the converting thrift institution is organized.

(b) The minimum requirements of twenty-one corporators and seven trustees prescribed by section 4(a) and section 6(a) shall not apply in the case of a thrift institution making application to convert to a mutual bank

(c) Before approving any such conversion, the Board shall find that the thrift institution seeking conversion has the ability to discharge the duties and conform to the restrictions upon mutual banks and has previously so conformed to the extent required by the Board. However, such institution may retain and service all accounts lawfully held by it on the date of its conversion.

(d) Any mutual bank upon affirmative vote of a majority of its corporators may convert itself into any type of thrift institution organized pursuant to Federal law or the laws of the State in which its principal office is located, but any such conversion of a mutual bank shall be subject to requisite approval of any regulatory authority having jurisdiction over the creation of the thrift institution into which the mutual bank seeks to convert and no such conversion of a mutual bank shall take place unless under the law of the State in which such mutual bank is located the type of thrift institution into which the mutual bank is seeking to convert may, without approval by any State authority, convert into a mutual bank under limitations or conditions no more restrictive than those contained in this section with respect to the conversion of a mutual bank into such a thrift institution.

(e) Any conversion pursuant to this Act shall be subject to section 18(c) of the Federal Deposit Insurance Act.

SEC. 14. MERGER AND CONSOLIDATION.—(a) (1) Subject to the provisions of section 18(c) of the Federal Deposit Insurance Act, any two or more mutual banks having their principal offices in the same State, or any one or more mutual banks and one or more State-chartered mutual savings banks having their principal offices in the same State, may, with the approval of the Board where the surviving or consolidated institution is a mutual bank or with the approval of the appropriate State authority where the surviving or consolidated institution is a State-chartered mutual savings bank and upon the affirmative vote of not less than two-thirds of the corporators of each such mutual bank, and, where applicable, upon compliance with the procedure prescribed by the State, enter into an agreement of merger or consolidation. Thereafter the merger or consolidation shall be effective in accordance with the terms of such agreement. (2) No mutual bank may participate in a merger or consolidation when the surviving or consolidated institution is to be a State-chartered mutual savings bank unless under the law of the State in which the mutual bank is located State-chartered mutual savings banks may participate, without approval by any State authority, and under limitations or conditions no more restrictive than those contained in this section, in a merger or consolidation in which the surviving or consolidated institution is to be a mutual bank.

(b) Before approving a merger or consolidation the Board shall give consideration to the purposes of this Act and the prospects of the surviving or consolidated mutual bank for financial success and its ability to discharge the duties and conform to the restrictions imposed upon a mutual bank.

(c) Upon such a consolidation or merger, the corporate existence of each of the constituent institutions shall be merged into and continued in the surviving or consolidated institution, which shall be deemed to be the same corporation as each of the constituent institutions.

(d) All rights, franchises, and property interests of the merged or consolidating mutual bank or banks or State-chartered mutual savings bank or banks shall be transferred to and vested in the surviving or consolidated institution by virtue of the merger or consolidation without the requirement under this Act of any deed or other instrument of transfer; and the surviving or consolidated institution shall be entitled to exercise all rights and privileges of the merged or consolidating mutual bank or banks or State-chartered mutual savings bank or banks in accordance with the terms of the merger or consolidation agreement.

(e) The surviving or consolidated institution shall be responsible for all debts and obligations of the merged or consolidating mutual bank or banks or State-chartered mutual savings bank or banks, in accordance with the terms of the merger or consolidation agreement.

SEC. 15. GENERAL POWERS.—(a) For the purpose of carrying out its functions under this Act, a mutual bank—

(1) shall have indefinite succession;

(2) may adopt and use a seal;

(3) may sue and be sued;

(4) may adopt, amend, and repeal rules and regulations governing the manner in which its business may be conducted and the powers vested in it may be exercised;

(5) may make and carry out such contracts and agreements, provide such benefits to its personnel, and take such other action as it may deem necessary or desirable in the conduct of its business:

(6) may service mortgages for others;

(7) may appoint and fix the compensation of such officers, attorneys, and employees as may be desirable for the conduct of its business, define their authority and duties, require bonds of such of them as the trustees may designate and fix the penalties and pay the premiums on such bonds;

(8) may acquire by purchase or lease such real property or interest therein as the trustees may deem necessary or desirable for the conduct of its business, and sell, lease, or otherwise dispose of such real property or interest therein;

(9) shall have authority, notwithstanding any provision of this or any other Act or regulation, to exercise all the powers possessed now or hereafter by any mutual savings bank chartered by the State in which the mutual bank is located.

(b) In addition to powers expressly enumerated or defined herein, a mutual bank shall have power to do all things reasonably incident to the exercise of such powers.

SEC. 16. ANNUAL REPORT.—The Board shall submit to the President for transmission to the Congress an annual report of its operation under this Act.

SEC. 17. EXAMINATION.—The Board shall conduct an examination twice in each calendar year into the affairs and management of each mutual bank for the purpose of determining whether such bank is being operated in conformity with the provisions of this Act, any rules and regulations promulgated hereunder, and sound banking practice, but the Board, in the exercise of its discretion, may waive one such examination or cause such examinations to be made more frequently if considered necessary. The waiver of one such examination as above provided shall not be exercised more frequently than once during any two-year period. The Board may accept, for any year, in lieu of such examination of any mutual bank, an examination of the mutual bank in such year by the Federal Deposit Insurance Corporation. The expenses of the Board examination herein provided for shall be assessed by the Board upon mutual banks in proportion to their assets. The assessments may be made more frequently than annually at the discretion of the Board. The annual rate of assessment shall be the same for all mutual banks except that mutual banks examined more frequently than twice in one calendar year, shall, in addition, be assessed the expenses of these additional examinations.

SEC. 18. TAXATION.—(a) No State shall impose or permit to be imposed any tax on such mutual banks or their franchise, deposits, assets, reserve funds, loans, or income greater than that imposed or permitted by such State on other similar local mutual or cooperative thrift or home financing institutions.

(b) No State other than the State of domicile shall impose or permit to be imposed any tax on franchises, deposits, assets, reserve funds, loans, or income of institutions chartered hereunder whose transactions within such State do not constitute doing business.

SEC. 19. AUTHORITY TO APPOINT CONSERVATORS AND RECEIVERS.—(a) The Board may, in its discretion, forthwith take possession of the business and property of any mutual bank, and appoint a conservator or receiver for such mutual bank whenever it shall appear that such mutual bank;

(1) has violated any provision of this Act;

(2) is conducting its business in an unauthorized, unsound, or unsafe manner;

(3) is in an unsound or unsafe condition to transact its business;

(4) has neglected or refused upon proper demand to comply with the terms of any order, rule, or regulation of the Board; or

(5) has refused to submit its records and affairs for inspection by the Board or the Federal Deposit Insurance Corporation.

(b) The Board shall appoint only the Federal Deposit Insurance Corporation as receiver for any mutual bank.

(c) At any time within ten days after the Board has taken possession of the property and business of any mutual bank, any officer of such mutual bank may apply to the United States district court for the district in which the mutual bank has its principal office for an order requiring the Board to show cause why it should not be enjoined from continuing such possession and, if a conservator or receiver has been appointed, why such appointment should not be vacated, and the district court is hereby granted jurisdiction to hear such cause, to grant such injunction, to direct the Board to surrender such possession, to vacate such appointment, and to take such other action as is necessary or appropriate to carry out the purposes of this section. Any such proceeding in the district court shall be given precedence over other cases pending therein, and shall be in every way expedited.

SEC. 20. SEPARABILITY.—If any provision of this Act or the application of such provision to any person or circumstances shall be held invalid, the remainder of this Act and the application of such provision to any other person or circumstance shall not be affected thereby.

SEC. 21. RIGHT TO AMEND.—The right to alter, amend, or repeal this Act is hereby expressly reserved.

SECTION-BY-SECTION ANALYSIS OF THE PROPOSED FEDERAL MUTUAL SAVINGS BANK ACT

Section 1, Title: Federal Mutual Savings Bank Act.

Section 2, Declaration of policy: The purpose of establishing a system of Federal mutual savings banks is to promote thrift and use the accumulated savings for home financing and other investments.

Section 3, Definitions: The following terms are defined: Board, conventional loan, doing business, financial institution, mutual bank, State, State of domicile, and thrift institution. "Thrift institution" includes mutual savings banks and mutual savings and loan associations. "Financial institution" includes thrift institutions as so defined, commercial banks, trust companies, and insurance companies.

Section 4, Chartering of Mutual Banks: Five signatories from 21 or more individual corporators may apply for a charter from the Federal Home Loan Bank Board. To issue a charter, the board must find the mutual bank will serve a useful purpose in the community, have reasonable expectation of financial success, and not unduly injure thrift institutions or commercial banks accepting savings deposits. Mutual banks must have the words Federal, mutual and savings in their titles. Each must join the Federal Home Loan Bank System.

Section 5, Corporators: Qualifications for corporators, who select trustees for their mutual bank, and their method of procedure, are prescribed. They are chosen for staggered terms of 10 years.

Section 6, Trustees: Qualifications for trustees of a mutual bank, who manage and control affairs of the mutual bank, are prescribed. The board numbers from 7 to 25. Restrictions against self-dealing are imposed. Trustees are elected by corporators for staggered terms of 3 years.

Section 7, Commencement of operation: Mutual banks must qualify for and maintain Federal Deposit Insurance Corporation insurance of deposits to commence or continue operations. Before opening, a mutual bank must have a cash expense fund in the amount required by the Board. Contributions to the fund will be evidenced by transferable deferred payment certificates.

Section 8, Reserve fund: Before obtaining a charter, a mutual bank must also have a cash initial reserve fund of $50,000 or more as fixed by the Board. Contributions to this fund will also be evidenced by transferable deferred payment certificates. For the first

10 years each mutual bank must place in its reserve fund at least 10 percent of net earnings before interest. Thereafter the percentage shall be fixed by the Board, not over 10 percent. The reserve fund need not be built higher than 12 percent of deposits. The reserve fund is usable only to meet losses.

Section 9, Borrowing: A mutual bank may borrow subject to Board regulations.

Section 10, Deposits: A mutual bank may accept or reject deposits and repay them any time. It may use a passbook or other evidence of its obligation to the depositor. It may issue certificates of deposit for 2 or more years in hundred dollar multiples and agree to pay interest at the rate specified in the certificate. It may pay interest on deposits from net earnings and undivided profits as approved by the trustee. It may invoke a 90-day advance notice of withdrawal. Any closed or weak mutual bank may be treated as specified in the Federal Deposit Insurance Act.

Section 11, Investments: A mutual bank may invest in Federal obligations, municipal securities, property improvement loans insured by FHA under its title I or subject to Board regulation, Canadian Dominion or Provincial obligations payable in U.S. dollars, bankers' acceptances, corporate securities under the prudent man rule plus stated restrictions, mutual savings bank obligations, certain promissory notes, and first mortgage loans on real property under specified restrictions on class of loan, maturity, geographical limits and loan-to-value ratio. A mutual bank may participate in mortgage loans subject to requirements as to equality or priority of lien.

Section 12, Branches: With Board approval, a mutual bank may establish branches in the State of its principal office only to the extent any State-chartered financial institution can, or in chain or group banking States that otherwise permit no branch banking. The Board must first make the findings required for issuing a mutual bank charter. A mutual bank resulting from conversion or consolidation may retain all existing offices and unexercised branch rights within the State of its principal office.

Section 13, Conversion: With Board approval and subject to new charter provisions, any thrift institution may convert into a mutual bank, under the specified procedure. Such conversion cannot contravene laws of the State under which the converting institution is organized. Minimum requirements for corporators and trustees need not apply to converted institutions. To approve conversion the Board must find the converting institution can perform the duties of and meet the restrictions on, mutual banks. A converted mutual bank may retain all accounts lawful on the date of conversion.

A mutual bank may convert into any thrift institution, with approval of the authority regulating the resulting institution. Before a mutual bank can convert to a State-chartered thrift institution, the State must allow conversion in the opposite direction on no more restrictive terms. Conversion is subject to FDIC controls under section 18(c) of the Federal Deposit Insurance Act.

Section 14, merger and consolidation: Mutual banks may merge or consolidate with each other or with State-chartered mutual savings banks in the same State (with State approval if the resulting mutual savings bank is State-chartered). The law of the State must allow State-chartered mutual savings banks to merge or consolidate with a mutual bank without State approval, before a mutual bank can merge or consolidate with a resulting State-chartered mutual savings bank. Before approving, the Board must consider the purposes of this act, the prospects of financial success and ability to perform duties and meet restrictions of a mutual bank. The corporate existence of all institutions taking part in a consolidation or merger is continued in the survivor, and all rights and obligations are automatically transferred.

Section 15, general powers: A mutual bank is expressly given general operational powers by this section. It also may exercise all powers possessed now or hereafter by mutual savings banks chartered by the State in which the mutual bank is located. A mutual bank is also given powers reasonably incident to the exercise of express powers.

Section 16, annual report: The Board must submit an annual report to the President for transmission to the Congress.

Section 17, examination: The Board must examine each mutual bank at least 3 times every 2 years, but may accept FDIC examinations instead. Expenses of examinations are to be assessed upon mutual banks in proportion to assets under a uniform annual rate, but additional examinations over two a year may be assessed against the mutual bank so examined.

Section 18, taxation: No State shall tax mutual banks higher than they do similar local mutual or cooperative thrift or home financing institutions. No State other than the State of domicile shall tax mutual banks for transactions within the State that do not constitute doing business.

Section 19, authority to appoint conservators and receivers: The Board may take over a mutual bank and name a conservator or receiver for any of the reasons listed in this section. It shall name only the FDIC as receiver. Within 10 days after takeover, any mutual bank officer may apply to the proper U.S. district court for an order to the Board to show cause why it should not be enjoined from continuing in possession. The court is empowered to vacate the appointment of a conservator or receiver if warranted. The court proceedings are entitled to precedence over other pending cases.

Section 20, separability: If any provision of the act or its application to any person or circumstance is held invalid, the rest of the act and its application to other persons or circumstances is not affected by that fact.

Section 21, right to amend: The right to alter, amend, or repeal the act is expressly reserved.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. MULTER (at the request of Mr. ALBERT) for Monday, September 11 and Tuesday, September 12, on account of Jewish holidays.

Mr. THOMPSON of New Jersey (at the request of Mr. ROGERS of Colorado) for today on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders hertofore entered, was granted:

Mr. REUSS for 30 minutes today, and to revise and extend his remarks.

Mr. BAILEY, for Thursday next for 45 minutes.

Mr. PATMAN, for 30 minutes, on Tuesday and Wednesday, to revise and extend his remarks, and to include extraneous matter.

Mr. HOFFMAN of Michigan, for 10 minutes today, and to revise and extend his remarks.

Mr. BRUCE (at the request of Mr. LANGEN) for 1 hour, on September 12.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. MACK.

Mr. DENTON and include an article on rural area development by the Department of Agriculture.

Mr. CANNON and to include certain tabulations on appropriation bills for this session of Congress.

(The following Members (at the request of Mr. LANGEN) and to include extraneous matter:)

Mr. ALGER.

Mr. MCINTIRE.

(The following Members (at the request of Mr. ALBERT) and to include extraneous matter:)

Mr. COOLEY.

Mr. CORMAN.

Mr. PUCINSKI.

Mr. HECHLER.

SENATE BILLS AND JOINT RESOLUTION REFERRED

Bills and a joint resolution of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 476. An act to establish the Point Reyes National Seashore in the State of California, and for other purposes; to the Committee on Interior and Insular Affairs.

S. 502. An act to authorize the employment of retired personnel of the Federal Government by the Board of Education of the District of Columbia, and to authorize the employment of retired personnel of the Board of Education of the District of Columbia by the Federal Government; to the Committee on the District of Columbia.

S. 653. An act to provide for the presentation by the United States to the people of Mexico of a monument commemorating the independence of Mexico, and for other purposes; to the Committee on Foreign Affairs.

S. 914. An act to provide for more effective administration of public assistance in the District of Columbia; to make certain relatives responsible for the support of needy persons, and for other purposes; to the Committee on the District of Columbia.

S. 1563. An act to authorize the conveyance of certain lands within the Clark Hill Reservoir, Savannah River, Ga.-S. C., to the Georgia-Carolina Council, Inc., Boy Scouts of America, for recreation and camping purposes; to the Committee on Public Works.

S. 1918. An act to extend benefits of the Policemen and Firemen's Retirement and Disability Act Amendments of 1957 to widows and surviving children of former members of the Metropolitan Police force, the Fire Department of the District of Columbia, the U.S. Park Police force, the White House Police force, or the U.S. Secret Service Division, who were retired or who died in the service of any such organization prior to the effective date of such amendments; to the committee on the District of Columbia.

S. 2180. An act to establish a U.S. Arms Control and Disarmament Agency for World Peace and Security; to the Committee on Foreign Affairs.

S. 2299. An act to provide for the establishment of a juvenile division within or in connection with the District of Columbia Youth Correctional Center, and to authorize the judge of the juvenile court of the District of Columbia to commit to such juvenile division, subject to the provisions of the Juvenile Court Act, children 15 years of age,

or older; to the Committee on the District of Columbia.

S. 2397. An act authorizing the National Capital Transportation Agency to carry out part 1 of its transit development program and to further the objectives of the act approved July 14, 1960 (74 Stat. 537); to the Committee on the District of Columbia.

S.J. Res. 51. Joint resolution authorizing the creation of a commission to consider and formulate plans for the construction in the District of Columbia of an appropriate permanent memorial to the memory of Woodrow Wilson; to the Committee on House Administration.

ENROLLED BILLS SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker pro tempore:

H.R. 1021. An act to extend for 2 years the definition of "peanuts" which is now in effect under the Agricultural Adjustment Act of 1938;

H.R. 2877. An act to authorize the Director, Office of Civil and Defense Mobilization, to approve a financial contribution for civil defense purposes to the State of Oklahoma;

H.R. 6302. An act to establish a teaching hospital for Howard University, to transfer Freedmen's Hospital to the university, and for other purposes;

H.R. 6309. An act to amend title VI of the Merchant Marine Act, 1936, as amended, in order to increase certain limitations in payments on account of operating differential subsidy under such title;

H.R. 6732. An act to amend the Merchant Marine Act, 1936, as amended, to encourage the construction and maintenance of American-flag vessels built in American shipyards;

H.R. 6969. An act to amend title 38, United States Code, to increase dependency and indemnity compensation in certain cases;

H.R. 6974. An act to amend section 607(b) of the Merchant Marine Act, 1936, as amended;

H.R. 7043. An act to extend to employees subject to the Classification Act of 1949 the benefits of salary increases in connection with the protection of basic compensation rates from the effects of downgrading actions, to provide salary protection for postal field service employees in certain cases of reduction in salary standing, and for other purposes;

H.R. 7622. An act to repeal sections 1176 and 1177 of the Revised Statutes of the United States relating to the District of Columbia;

H.R. 8406. An act to further amend Reorganization Plan No. 1 of 1958, as amended, in order to change the name of the office established under such plan; and for other purposes;

H.R. 8466. An act to authorize the construction of a railroad siding in the vicinity of Taylor Street NE., District of Columbia; and

H.R. 8719. An act to amend the act of July 23, 1947, chapter 301, as amended, to extend for 2 years the authority to make temporary appointments and promotions in the U.S. Coast Guard.

SENATE ENROLLED BILLS AND JOINT RESOLUTION SIGNED

The SPEAKER pro tempore announced his signature to enrolled bills and a joint resolution of the Senate of the following titles:

S. 48. An act to authorize the Secretary of the Army to modify certain leases entered into for the provision of recreation facilities in reservoir areas;

S. 203. An act to declare that the United States holds trust for the pueblos of Santa Ana, Zia, Jemez, San Felipe, Santo Domingo, Cochiti, Isleta, and San Ildefonso;

S. 322. An act to make certain funds available to the Nez Perce Tribe of Idaho;

S. 344. An act to amend the Seneca Leasing Act of August 14, 1950 (64 Stat. 442);

S. 541. An act to amend the Act of June 1, 1948 (62 Stat. 281), to empower the Administrator of General Services to appoint nonuniformed special policemen;

S. 685. An act to amend the Coast and Geodetic Survey Commissioned Officers Act of 1948, as amended, and for other purposes;

S. 931. An act to repeal that part of the Act of March 2, 1889, which requires that grantors furnish, free of all expenses to the Government, all requisite abstracts, official certifications and evidence of title;

S. 935. An act for the relief of certain members of the Army National Guard of the United States and the Air National Guard of the United States;

S. 1368. An act to amend the Shipping Act, 1916, to provide for licensing independent ocean freight forwarders, and for other purposes;

S. 1501. An act to authorize the Secretary of the Interior to contract for the sale, operation, maintenance, repair, or relocation of Government-owned electric and telephone lines and other utility facilities used for the administration of the Bureau of Indian Affairs;

S. 1518. An act providing for the disposition of judgment funds of the Omaha Tribe of Indians;

S. 2016. An act to give the Walker River Paiute Tribe the reserved minerals underlying its reservation;

S. 2216. An act to authorize the transfer of three units of the Fort Belknap Indian irrigation project to the landowners within the project;

S. 2224. An act to grant minerals, including oil, gas, and other natural deposits, on certain lands in the Northern Cheyenne Indian Reservation, Mont., to certain Indians, and for other purposes;

S. 2395. An act to amend the Railroad Retirement Act of 1937 to provide reduced annuities to male employees who have attained age 62, and for other purposes;

S. 2422. An act concerning the White House and providing for the care and preservation of its historic and artistic contents; and

S.J. Res. 98. Joint resolution to provide for the observance of the centennial of the enactment of the Homestead Act.

ADJOURNMENT

Mr. ALBERT. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 21 minutes p.m.), the House adjourned until tomorrow, Tuesday, September 12, 1961, 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:

1301. A letter from the Administrator, General Services Administration, transmitting the report of the Archivist of the United States on records proposed for disposal under the law; to the Committee on House Administration.

1302. A letter from the Assistant Comptroller General of the United States, transmitting our report on the audit of the helium operations of the Bureau of Mines, Department of the Interior, March 31, 1960; to the Committee on Government Operations.

1303. A letter from the Chairman, U.S. Civil Service Commission, transmitting a draft of a proposed bill entitled "A bill to provide for the payment of compensation and restoration of employment benefits to certain Federal officers and employees improperly deprived thereof, and for other purposes"; to the Committee on Post Office and Civil Service.

1304. A letter from the Attorney General, transmitting a draft of a proposed bill entitled "A bill to amend the Immigration and Nationality Act so as to remove limitations on the authority of the Attorney General to prescribe the fees to be charged for services rendered to individuals and to authorize the Attorney General to prescribe such fees administratively on a basis commensurate with the services rendered"; to the Committee on the Judiciary.

1305. A letter from the Commissioner, Immigration and Naturalization Service, U.S. Department of Justice, transmitting copies of orders entered in cases of the following aliens who have been found admissible to the United States, pursuant to the Immigration and Nationality Act; to the Committee on the Judiciary.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, pursuant to the order of the House of September 7, 1961, the following conference report was filed on September 8, 1961:

Mr. SHEPPARD: Committee of conference. H.R. 8302. A bill making appropriations for military construction for the Department of Defense for the fiscal year ending June 30, 1962, and for other purposes (Rept. No. 1156). Ordered to be printed.

Under clause 2 of rule XIII, pursuant to the order of the House of September 7, 1961, the following bill was reported on September 9, 1961:

Mr. BOGGS: Committee on Ways and Means. H.R. 8847. A bill to amend the Internal Revenue Code of 1954 so as to provide that certain distributions of stock made pursuant to orders enforcing the antitrust laws shall not be treated as dividend distributions but shall be treated as a return of basis and result in gain only to the extent basis of the underlying stock is exceeded; with amendment (Rept. No. 1157). Referred to the Committee of the Whole House on the State of the Union.

[*Submitted September 11, 1961*]

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. ASPINALL: Committee of conference. H.R. 7916. A bill to expand and extend the saline water conversion program being conducted by the Secretary of the Interior (Rept. No. 1158). Ordered to be printed.

Mr. SELDEN: Committee on Foreign Affairs. H.R. 8895. A bill to amend the joint resolution providing for membership and participation by the United States in the Inter-American Children's Institute; without amendment (Rept. No. 1159). Referred to the Committee of the Whole House on the State of the Union.

Mr. MORRIS K. UDALL: Committee on Post Office and Civil Service. H.R. 7791. A bill to amend title 13 of the United States

Code to provide for the collection and publication of foreign commerce and trade statistics, and for other purposes; without amendment (Rept. No. 1160). Referred to the Committee of the Whole House on the State of the Union.

Mr. CELLER: Committee of conference. S. 1653. A bill to amend title 18, United States Code, to prohibit travel in aid of racketeering enterprises (Rept. No. 1161). Ordered to be printed.

Mr. HALEY: Committee of conference. S. 1540. A bill to amend the law establishing the Indian revolving loan fund. (Rept. No. 1162). Ordered to be printed.

Mr. ROONEY: Committee of conference. H.R. 7371. A bill making appropriations for the Departments of State and Justice, the judiciary, and related agencies for the fiscal year ending June 30, 1962, and for other purposes (Rept. No. 1163). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ASPINALL (by request):

H.R. 9115. A bill to provide for the satisfaction of claims arising out of scrip, lieu selection, and similar rights; to the Committee on Interior and Insular Affairs.

By Mr. DOLE:

H.R. 9116. A bill to amend the Agricultural Act of 1961 to establish a uniform base period for the 1962 wheat program; to the Committee on Agriculture.

By Mr. KEARNS:

H.R. 9117. A bill to strengthen democratic processes respecting the calling of strikes, to protect employees against unjustifiable pay losses from strikes, to protect employers from needless production interruptions arising out of strikes contrary to the wishes of employees, and to minimize industrial strife interfering with the flow of commerce and the national security by amending the National Labor Relations Act to require economic strikes to be authorized by a secret ballot; to the Committee on Education and Labor.

By Mr. MORGAN:

H.R. 9118. A bill to establish a U.S. Arms Control Agency; to the Committee on Foreign Affairs.

By Mr. VINSON:

H.R. 9119. A bill to authorize the disposition from the national stockpile of approximately 10,000 long tons of pig tin; to the Committee on Armed Services.

By Mr. WALTER:

H.R. 9120. A bill to amend the Subversive Activities Control Act of 1950 so as to require the Postmaster General in certain cases to give notice of the use of the mails for the dissemination of Communist propaganda; to the Committee on Un-American Activities.

By Mr. WEAVER:

H.R. 9121. A bill to help maintain the financial solvency of the Federal Government by reducing nonessential expenditures through reduction in personnel in various agencies of the Federal Government by attrition, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. MULTER:

H.R. 9122. A bill to authorize Federal mutual savings banks; to the Committee on Banking and Currency.

By Mr. ADDONIZIO:

H.R. 9123. A bill to authorize Federal mutual savings banks; to the Committee on Banking and Currency.

By Mr. BARRETT:

H.R. 9124. A bill to authorize Federal mutual savings banks; to the Committee on Banking and Currency.

By Mr. FINO:

H.R. 9125. A bill to authorize Federal mutual savings banks; to the Committee on Banking and Currency.

By Mr. WEAVER:

H.J. Res. 568. Joint resolution expressing a declaration of war against the 98 Communist Parties constituting the international Communist conspiracy; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BALDWIN:

H.R. 9126. A bill for the relief of Mrs. Trinidad A. Calvo; to the Committee on the Judiciary.

By Mr BELL:

H.R. 9127. A bill for the relief of Mrs. Llona Hanto; to the Committee on the Judiciary.

By Mr. GUBSER:

H.R. 9128. A bill for the relief of Sgt. Ernest I. Aguilar; to the Committee on the Judiciary.

By Mr. SCHERER:

H.R. 9129. A bill for the relief of Caroline G. Junghans; to the Committee on the Judiciary.

By Mr. MORRIS K. UDALL:

H.R. 9130. A bill to provide for the acquisition of a patented mining claim on the south rim of Grand Canyon National Park, and for other purposes; to the Committee on Interior and Insular Affairs.

SENATE

MONDAY, SEPTEMBER 11, 1961

The Senate met at 9 o'clock a.m., and was called to order by the Vice President.

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

Father of all men, standing in the midst of swift social currents and of evil forces whose hideous cruelty stabs our anguished hearts, we confess that the world in which our lot is cast is too much for us. Because there is no solution of the world's ills, save as it springs from Thy sovereignty and from the hearts of men, we pray for ourselves—create within us clean hearts, O God, and renew right spirits within us.

Give us to see that the pride of nations, their covetousness, their greed, their assaults against the rights of others, are the very evils that seek to corrode our own souls:

Breathe on us breath of God,
Fill us with life anew,
That we may love what Thou dost love,
And do what Thou wouldst do.

In the dear Redeemer's name we ask it. Amen.

THE JOURNAL

On request of Mr. MANSFIELD, and by unanimous consent, the reading of the Journal of the proceedings of Friday, September 8, 1961, 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. Ratchford, one of his secretaries, and he announced that on September 8, 1961, the President had approved and signed the act (S. 2239) to amend the act entitled "An act to incorporate the National Society of the Sons of the American Revolution," approved June 9, 1906 (34 Stat. 227), in order to remove the statutory limitation on the amount of property such society may receive, purchase, hold, sell, and convey at any one time.

LIMITATION OF DEBATE DURING MORNING HOUR

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

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

CALL OF THE CALENDAR DISPENSED WITH

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

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

COMMITTEE MEETINGS DURING SENATE SESSION

On request of Mr. MANSFIELD, and by unanimous consent, the Committee on Interior and Insular Affairs was authorized to meet during the session of the Senate today.

Upon request of Mr. MANSFIELD, and by unanimous consent, the Subcommittee on Juvenile Delinquency of the Committee on the Judiciary was authorized to meet during the session of the Senate today.

EXECUTIVE COMMUNICATIONS, ETC.

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

DISPOSITION OF CERTAIN PIG TIN

A letter from the Acting Administrator, General Services Administration, Washington, D.C., transmitting a draft of proposed legislation to authorize the disposition from the national stockpile of approximately 10,000 long tons of pig tin (with an accompanying paper); to the Committee on Armed Services.

AMENDMENT OF IMMIGRATION AND NATIONALITY ACT, RELATING TO FEES FOR CERTAIN SERVICES

A letter from the Attorney General, transmitting a draft of proposed legislation to amend the Immigration and Nationality Act so as to remove limitations on the authority of the Attorney General to prescribe the

fees to be charged for services rendered to individuals and to authorize the Attorney General to prescribe such fees administratively on a basis commensurate with the services rendered (with an accompanying paper); to the Committee on the Judiciary.

ADMISSION INTO THE UNITED STATES OF CERTAIN DEFECTOR ALIENS

A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, copies of orders entered granting admission into the United States of certain defector aliens (with accompanying papers); to the Committee on the Judiciary.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. JORDAN, from the Committee on Rules and Administration, without amendment:

H.J. Res. 558. Joint resolution providing for printing copies of "Cannon's Procedure in the House of Representatives" (Rept. No. 960);

H. Con. Res. 12. Concurrent resolution authorizing the printing of additional copies of House Document 412, 85th Congress (Rept. No. 961);

H. Con. Res. 364. Concurrent resolution to print as a House document the publication "World Communist Movement—Selective Chronology, 1818–1957, Volume 1," and to provide for the printing of additional copies (Rept. No. 962);

H. Con. Res. 384. Concurrent resolution authorizing the printing of additional copies of the report "Communist Target—Youth—Communist Infiltration and Agitation Tactics" (Rept. No. 963); and

H. Con. Res. 385. Concurrent resolution authorizing the printing of a manuscript entitled "History of the House of Representatives" (Rept. No. 964).

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

H.R. 2280. An act to provide for the withdrawal of certain public lands 40 miles east of Fairbanks, Alaska, for use by the Department of the Army as a Nike range (Rept. No. 965);

H.R. 2281. An act to reserve for use by the Department of the Army at Fort Richardson, Alaska, certain public lands in the Campbell Creek area, and for other purposes (Rept. No. 966);

H.R. 2282. An act to provide for the withdrawal from the public domain of certain lands in the Ladd-Eielson area, Alaska, for use by the Department of the Army as the Yukon Command training site, Alaska, and for other purposes (Rept. No. 968); and

H.R. 2283. An act to provide for the withdrawal from the public domain of certain lands in the Big Delta area, Alaska, for continued use by the Department of the Army at Fort Greely, and for other purposes (Rept. No. 969).

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

H.R. 2279. An act to provide for the withdrawal from the public domain of certain lands in the Granite Creek area, Alaska, for use by the Department of the Army at Fort Greely, Alaska, and for other purposes (Rept. No. 967).

BILLS AND JOINT RESOLUTION INTRODUCED

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

By Mr. HUMPHREY (for himself, Mr. METCALF, Mr. MCGEE, Mr. MOSS, Mr. BURDICK, Mr. CHAVEZ, Mr. MCCARTHY, Mr. MCNAMARA, Mrs. NEUBERGER, and Mr. YARBOROUGH):

S. 2526. A bill to amend and extend the provisions of the Sugar Act of 1948, as amended; to the Committee on Finance.

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

By Mr. RANDOLPH:

S. 2527. A bill for the relief and benefit of Gianpietro Vittorio Monetti; to the Committee on the Judiciary.

By Mr. SPARKMAN (for himself and Mr. BUSH):

S. 2528. A bill to authorize the establishment of Federal mutual savings banks; to the Committee on Banking and Currency.

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

By Mr. GORE:

S.J. Res. 135. Joint resolution to waive certain provisions of the Atomic Energy Act of 1954 so as to permit the agreement for cooperation between the United States and France to be made immediately effective; to the Joint Committee on Atomic Energy.

CONCURRENT RESOLUTION

COMMEMORATION OF 100TH ANNIVERSARY OF THE EMANCIPATION PROCLAMATION

Mr. KEATING submitted a concurrent resolution (S. Con. Res. 45) requesting the President to issue a Declaration of Freedom on January 1, 1963, in commemoration of the 100th anniversary of the Emancipation Proclamation, which was referred to the Committee on the Judiciary.

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

RESOLUTIONS

STUDIES AND REPORT ON LEAD, ZINC, AND CERTAIN OTHER MINERALS BY TARIFF COMMISSION

Mr. DIRKSEN (for himself, Mr. MANSFIELD, Mr. COOPER, Mr. MORTON, Mr. ALLOTT, and Mr. DWORSHAK) submitted the following resolution (S. Res. 206); which was referred to the Committee on Finance:

Whereas pursuant to a resolution of the Senate Committee on Finance, dated August 14, 1954, the United States Tariff Commission made an investigation under Section 332 of the Tariff Act of 1930, of the domestic fluorspar industry and submitted a report of the results thereof to the said committee on June 6, 1955 and the Senate of the United States subsequently on August 21, 1959, by S. Res. 163, directed the United States Tariff Commission to bring up to date said report and to submit its findings not later than February 21, 1960; and

Whereas pursuant to a resolution of the United States Senate adopted August 21, 1959, the United States Tariff Commission was directed to make a supplemental investigation of conditions in the lead and zinc industry and to bring up to date its report on lead and zinc which had previously been made on April 19, 1954; and

Whereas the industries producing manganese, cobalt, mercury, and beryllium are becoming more and more distressed and such distress could have an effect on our national security: Now, therefore, be it

Resolved, That the United States Tariff Commission is hereby directed, pursuant to section 332 of the Tariff Act of 1930, to make further studies and bring up to date the reports on lead, zinc, and fluorspar and to report to the Congress on or before January 31, 1962, and to conduct investigations of conditions in the industries producing manganese, cobalt, mercury, and beryllium and report to Congress not later than March 15, 1962.

The supplemental reports and new reports shall include a summary of the facts obtained in the investigation, including a description of the domestic industry, domestic production, foreign production, comparative costs of domestic and foreign production, including labor costs, imports, consumption, channels and methods of distribution, United States exports, and other factors affecting the competition between domestic and imported products. In the course of the investigations, the Commission shall hold hearings, giving adequate opportunity to interested parties to appear and be heard, except that in the case of lead, zinc, and fluorspar where reports are being brought up to date, the matter of further hearings shall be left to the discretion of the Tariff Commission.

THE PRESENT SITUATION IN THE CONGO

Mr. DODD submitted a resolution (S. Res. 207) establishing the Select Committee on the Congo, which was referred to the Committee on Foreign Relations.

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

REVISED SUGAR ACT

Mr. HUMPHREY. Mr. President, I introduce, for appropriate references, a bill to amend and extend the provisions of the Sugar Act of 1948, as amended. Other Senators joining with me in the introduction of this bill are Senators METCALF, MCGEE, MOSS, BURDICK, CHAVEZ, MCCARTHY, MCNAMARA, NEUBERGER, and YARBOROUGH.

Mr. President, the purpose of this bill is to give consideration to our domestic sugar beet producers in the United States in light of what has taken place concerning Cuban sugar. As you know, Mr. President, we used to purchase over 3 million tons a year of our domestic requirements from Cuba. The reallocation of this Cuban allotment is now taking place, and I think it is only fair and equitable that our own sugar producers, especially our beet producers, come in for some consideration. The bill I am introducing today is designed for that purpose. I intend it to be a point of departure for legislation to assist our domestic sugar beet producers.

This bill calls for an increase of 20 percent in domestic beet tonnage, from 1,800,000 to 2,600,000 tons per year.

Mr. President, each December the Secretary of Agriculture make a decision as to what our national sugar requirements will be for the coming year.

This past December it was determined that our requirements for calendar 1961 would be 10 million tons. In view of such extensive requirements, I think it is fair and proper that our domestic sugarbeet producers should be able to share to a greater extent in the reallocation of sugar quotas occasioned by the cessation of our imports from Cuba.

We extended the present Sugar Act in this session of Congress. However, it expires at the end of this fiscal year and new legislation is going to be required. This bill, in which I am being joined by a number of other Senators, represents our interest in the welfare of our domestic sugarbeet producer. He should not become the forgotten man under any new sugar legislation, and the purpose of the bill is to see that he does not.

I wish to call your attention, Mr. President, to the fact that the bill does not make any mention of sugarbeet acreage or where the acreage under this increase tonnage allocation is to be planted. This is a decision which I think should properly be arrived at by the beet producers themselves through their regional and national organizations. I feel that it is the duty of the Congress to provide for the increased tonnage, but it would be a grave error for the Congress to attempt to dictate any determination of the geographic area in the United States where these beets are to be grown.

I invite the attention of all my colleagues to this proposed legislation, and request unanimous consent that it be laid on the table for a period of 1 week so that any other interested Senators may join as cosponsors.

Mr. President, I further request unanimous consent that the text of the bill be printed at this point in the RECORD.

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

The bill (S. 2526) to amend and extend the provisions of the Sugar Act of 1948, as amended, introduced by Mr. HUMPHREY, was received, read twice by its title, referred to the Committee on Finance, and ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 202 of the Sugar Act of 1948 is amended by striking out of the table in subsection (a)

"Domestic beet area..... 1,800,000"

and inserting in lieu thereof

"Domestic beet area..... 2,160,000";

by striking out of subsections (a) and (c) thereof "four million four hundred forty-four thousand" in each place it appears therein and inserting in lieu thereof "four million eight hundred four thousand"; and by amending subparagraph (D) of subsection (a)(2) thereof to read as follows: "(D) any additional amount shall be apportioned on the basis of 1,800,000 short tons raw value for the Domestic beet sugar area and the quotas for the other areas established in paragraph (1) of this subsection as adjusted by subparagraphs (A), (B), and (C) of this paragraph (2)".

SEC. 2. Section 408(b) of such Act is amended by striking out "June 30, 1962" in each place it appears therein and inserting in lieu thereof "June 30, 1967".

SEC. 3. Section 412 of such Act is amended by striking out "June 30, 1962" and inserting in lieu thereof "June 30, 1967" and by striking out "1962" where it appears the second time and inserting in lieu thereof "1967".

SEC. 4. (a) Section 4501(c) of the Internal Revenue Code of 1954 is amended by striking out "1962" in each place it appears therein and inserting in lieu thereof "1967".

(b) Section 6412(d) of the Internal Revenue Code of 1954 is amended by striking out "December 31, 1962" and inserting in lieu thereof "December 31, 1967" and by striking out "March 31, 1963" and inserting in lieu thereof "March 31, 1968".

SEC. 5. The amendments herein shall become effective July 1, 1962 except that sections 1 and 2 hereof shall be effective upon enactment for purposes of issuing proclamations, determinations, and regulations required for the calendar year 1962.

A NEW DECLARATION OF FREEDOM

Mr. KEATING. Mr. President, January 1, 1963, will mark the 100th anniversary of the Emancipation Proclamation. In the midst of Civil War centennial ceremonies this date should inspire the most worthy and important observance of all. All too many of the celebrations to date have emphasized the bloody and divisive aspects of the Civil War struggle. A particularly ironic feature of some of these celebrations has been that the facilities themselves have been segregated, a fact which illustrates the contemporary aspects of the continuing struggle for human freedom.

We should not continue to pay elaborate attention to the bloody battles of the war and ignore its proudest and most constructive moment. Sacrifices of life and limb in battle and the bitterness that caused and resulted from the struggle were justified, if at all, only by the triumph of principle over prejudice that gained expression Lincoln's proclamation. The battles which pitted American against American were tragic. The Presidential Proclamation that ended slavery was a glorious triumph.

Let us begin to remember and build on the constructive results of the Civil War. In this vein I am today introducing a concurrent resolution calling on the President to issue a declaration for freedom on the 100th anniversary of the Emancipation Proclamation. Such a declaration by the President would be a fitting reminder to the world that America is totally committed to the cause of human freedom and justice at home as well as abroad.

Of course the struggle for equal justice will not be won simply by issuing declarations of righteous goals. But such declarations can help pave the way for more concrete achievements. I hope that in this spirit, all Members of Congress will see fit to support this resolution.

I therefore submit, for appropriate reference, a concurrent resolution requesting the President to issue a declaration of freedom on January 1, 1963, in commemoration of the 100th anniversary of the Emancipation Proclamation.

The VICE PRESIDENT. The concurrent resolution will be received and appropriately referred.

The concurrent resolution (S. Con. Res. 45) requesting the President to issue a declaration of freedom on January 1, 1963, in commemoration of the 100th anniversary of the Emancipation Proclamation, submitted by Mr. Keating, was referred to the Committee on the Judiciary, as follows:

Whereas the founders of this Nation declared their belief that "all men are endowed by their Creator with certain inalienable rights, and among these are life, liberty, and the pursuit of happiness * * * and to secure these rights Governments are instituted among men * * *"; and

Whereas these principles were reaffirmed during the Civil War by many brave men and especially by Abraham Lincoln, whose Emancipation Proclamation remains a great milestone on our Nation's road toward equal justice for all citizens; and

Whereas this Nation has since its founding been in the vanguard of nations striving to carry the torch of liberty and justice to all people throughout the world; and

Whereas significant strides in the field of civil rights have been made during recent years, particularly in the fields of public education, the Armed Forces, and Government service; and

Whereas much remains to be done, particularly in the fields of voting, housing, and employment practices; and

Whereas freedom is indivisible, and no American citizen can rest until every citizen is treated with equal dignity; and

Whereas Americans from minority groups have achieved prominence and made noteworthy contributions in all walks of life—in medicine, sports, diplomacy, and law, among others; and

Whereas members of the generation currently entrusted with the treasure that is America are striving to pass on to their children an enriched and ennobled way of life, in a country where the rights and duties of citizenship fall on the shoulders of everyone without reference to race, religion, or national origin; and

Whereas, there are many advances toward the goal of liberty and justice that cannot be made by law, but require constant moral leadership and a responsive good will on the part of everyone who lives in America; and

Whereas, in the struggle against communism which does not recognize individual rights, it is essential that our faith in human dignity and freedom be reaffirmed; and

Whereas, on January 1, 1963, this Nation commemorates the 100th anniversary of the Emancipation Proclamation; and

Whereas, while the pressing claim in 1863 was for the emancipation of the slaves, the immediate and urgent imperative in 1963 is to protect every American's enjoyment of freedom in justice and in equality which is our birthright and heritage: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress that the President, on January 1, 1963, issue a declaration of freedom, reaffirming the sacred and historic principles of liberty, justice, and equality upon which this Nation was founded, and rededicating our people and our Government to the solemn responsibility of honoring and practicing those principles and of perpetuating them as our God-given heritage.

THE PRESENT SITUATION IN THE CONGO

Mr. DODD. Mr. President, I submit for appropriate reference, a resolution providing for the establishment of a select committee of the Senate for the

purpose of investigating the present situation in the Congo.

On Friday I spoke in the Senate pointing out that there is a serious danger that the Communists will take over in the Congo and thus secure for themselves a base for operations that will affect the whole of central Africa. I said that the United Nations has been preparing the way, step-by-step, for a Communist takeover in the Congo and that, in forcibly removing the officer corps of the Katanga Army and preparing the downfall of President Tshombe, the United Nations would create a vacuum that only the Communists could fill.

I said that I had reason to believe that we had only months or weeks in which to salvage this situation.

It has been suggested to me that it is not within the competence of the Senate to investigate the United Nations or United Nations policy. This may be true. But the United States has a large voice within the United Nations, and it plays a key role in determining United Nations policy. Moreover, of the hundred million dollars or more that the United Nations has already spent or budgeted in the Congo, the United States will foot the bill for more than half.

I certainly believe that it is within the competence of the Senate to investigate the general situation in the Congo as it affects the interest of the United States; to investigate the role that the United States has played in determining and participating in United Nations policy in the Congo, and to investigate what is being done with the American taxpayers' money.

Mr. President, I have made the composition of the proposed select committee as broad as possible because I feel that the Senate as a whole, as well as several standing committees of the Senate, are vitally interested in what transpires there. In the resolution as I now submit it, two members of the select committee will be chosen from the membership of the Committee on Foreign Relations; two members from the Committee on Appropriations; two members from the Committee on Government Operations; two members from the Committee on Armed Services; four members from the Senate at large without regard to committee assignments. There will, in addition, be a chairman. The bill further specifies that the said committees, to which I have referred, will be represented on the select committee in each case by a member of the majority party and a member of the minority party.

Mr. President, time is running out in the Congo. I earnestly hope that this measure can be acted on in the brief time remaining before this session of Congress adjourns.

Meanwhile, I have this morning sent telegrams to Ambassador Stevenson and to the Department of State urging them to insist within the U.N. that, until there has been an opportunity for a reappraisal of the entire situation, the U.N. Command in the Congo take no further action against white officers or white advisers in Katanga Province; that it release those officers and advisers now in custody and permit them to resume their positions; and that it take no further measures to force the submission of President Tshombe to the coalition government in Leopoldville, in which both the Vice Premier and the Minister of the Interior are both Prague-trained Communists.

Mr. President, I ask unanimous consent that the text of my resolution be printed at this point in the RECORD, together with my telegram to Ambassador Stevenson.

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

The resolution (S. Res. 207) was referred to the Committee on Foreign Relations, as follows:

Resolved, That (a) there is hereby established a select committee of the Senate to be known as the Select Committee on the Congo (referred to hereinafter as the "committee"). The committee shall be composed of a chairman selected from members of the Senate who are members of the majority party, and twelve other members of the Senate selected as follows:

(1) two members chosen from the membership of the Committee on Foreign Relations, of whom one shall be a member of the majority party and one shall be a member of the minority party;

(2) two members chosen from the membership of the Committee on Appropriations, of whom one shall be a member of the majority party and one shall be a member of the minority party;

(3) two members chosen from the membership of the Committee on Government Operations, of whom one shall be a member of the majority party and one shall be a member of the minority party;

(4) two members chosen from the membership of the Committee on Armed Services, of whom one shall be a member of the majority party and one shall be a member of the minority party; and

(5) four members chosen from members of the Senate without regard to their committee assignments, of whom two shall be members of the majority party and two shall be members of the minority party.

(b) Vacancies in the membership of the committee shall not affect the authority of the remaining members to execute the functions of the committee, and shall be filled in the same manner as original appointments thereto are made.

(c) The committee shall adopt rules of procedure not inconsistent with the rules of the Senate governing standing committees of the Senate. A majority of the members of the committee shall constitute a quorum thereof for the transaction of business, except that the committee may fix a lesser number as a quorum for the purpose of taking sworn testimony.

(d) No legislative measure shall be referred to the committee, and it shall have no authority to report any such measure to the Senate.

(e) The committee shall cease to exist on February 28, 1962.

SEC. 2. (a) It shall be the duty of the committee to conduct a comprehensive study and investigation concerning the situation existing in the Congo.

(b) On or before January 1, 1962, the committee shall report to the Senate the results of its studies and investigations, together with its recommendations for any additional legislative or other measures which it may determine to be necessary or desirable for the solution of problems incident to that situation.

SEC. 3. (a) For the purposes of this resolution, the committee is authorized to (1) make such expenditures; (2) hold such hearings; (3) sit and act at such times and places during the sessions, recesses, and adjournment periods of the Senate; (4) require by subpoena or otherwise the attendance of such witnesses and the production of such correspondence, books, papers, and documents; (5) administer such oaths; (6) take such testimony orally or by deposition; and (7) employ and fix the compensation of such technical, clerical, and other assistants and consultants as it deems advisable, except that the compensation so fixed shall not exceed the compensation prescribed under the Classification Act of 1949, as amended, for comparable duties.

(b) Upon request made by the members of the committee selected from the minority party, the committee shall appoint one assistant or consultant designated by such members. No assistant or consultant appointed by the committee may receive compensation at an annual gross rate which exceeds by more than $1,200 the annual gross rate of compensation of any individual so designated by the minority members of the committee.

(c) With the prior consent of the executive department or agency concerned and the Committee on Rules and Administration, the committee may (1) utilize the services, information, and facilities of any such department or agency, and (2) employ on a reimbursable basis the services of such personnel of any such department or agency as it deems advisable. With the consent of any other committee of the Senate, or any subcommittee thereof, the committee may utilize the facilities and the services of the staff of such other committee or subcommittee whenever the chairman of the committee determines that such action is necessary and appropriate.

(d) Subpoenas may be issued by the committee over the signature of the chairman or any other member designated by him, and may be served by any person designated by such chairman or member. The chairman of the committee or any member thereof may administer oaths to witnesses.

SEC. 4. The expenses of the committee under this resolution, which shall not exceed $75,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

The telegram presented by Mr. DODD is as follows:

TEXT OF WIRE FROM SENATOR THOMAS J. DODD TO AMBASSADOR ADLAI E. STEVENSON

I am gravely concerned over reports of recent action taken by the United Nations in the Congo.

On the one hand, I am alarmed by the role of the United Nations in fostering the creation of a coalition government in Leopoldville with Antoine Gizenga as Vice Premier and Christophe Gbenye as Minister of Interior. Both of these men are Prague-trained Communists.

On the other hand, I am alarmed by the massive concentration of U.N. forces in Katanga, by the forcible arrest and deportation last week of all white officers and noncommissioned officers serving with the Katanga Army, and by the increasing number of white civilian advisers who have been ordered deported.

By thus decapitating the anti-Communist army of President Tshombe, by leaving the large pro-Communist army of Antoine Gizenga intact, and by forcing the submission of President Tshombe to the highly questionable coalition government in Leopoldville, the U.N. command, in my opinion, is preparing the way for a Communist takeover in the Congo.

I have this morning submitted a resolution calling for the creation of a select committee of the Senate to investigate the situation in the Congo.

It is the duty of the Senate to investigate and to be fully informed about the situation in the Congo as it affects American interests; the role played by the United States in determining or opposing U.N. policy; and the use being made in the Congo of the money of American taxpayers.

There have been reports in the past indicating that the Department of State was not satisfied with the U.N.'s handling of the Congo situation. I earnestly hope that the Department has not approved the recent measures to which this telegram refers. I urge you to insist within the U.N. that, until there has been an opportunity for a reappraisal of the entire situation, the U.N. command in the Congo take no further action against white officers or white advisers in Katanga Province; that it release those officers and advisers now in custody and permit them to resume their positions; and that it take no further measures to force the submission of President Tshombe to the coalition government in Leopoldville, in which the Vice Premier and the Minister of the Interior are both Prague-trained Communists.

AMENDMENT OF CIVIL SERVICE RETIREMENT ACT, RELATING TO METHOD OF COMPUTING CERTAIN INTEREST EARNINGS

The VICE PRESIDENT laid before the Senate the amendments of the House of Representatives to the bill (S. 739) to amend the Civil Service Retirement Act, as amended, with respect to the method of computing interest earnings of special Treasury issues held by the civil service retirement and disability fund, which were, on page 1, line 3, after "That" insert "(a)"; on page 1, lines 4 and 5, strike out "70 Stat. 759 (5 U.S.C. 2267)" and insert "(70 Stat. 759; 5 U.S.C. 2267(d))"; on page 2, after line 18, insert:

(b) All special issues in which the civil service retirement and disability fund is invested in accordance with section 17(d) of the Civil Service Retirement Act as in effect prior to the enactment of this Act shall be redeemed and the moneys reinvested by the Secretary of the Treasury on or before January 1, 1962, in accordance with such section 17(d), as amended by subsection (a) of this section.

SEC. 2. (a) Paragraphs (2) and (3) of section 2(h) of the Civil Service Retirement Act, as amended (74 Stat. 302; 5 U.S.C. 2252(h)(2) and (3)), are amended to read as follows:

"(2) The Commission is authorized and directed to accept the certification of the Secretary of Agriculture or his designee with respect to service, for purposes of this Act, of the type rendered by employees described in paragraph (3) of this subsection.

"(3) Subject to the provisions of sections 4(c) and 9(f) of this Act, service rendered prior to July 10, 1960, as an employee of a county committee established pursuant to section 8(b) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590h(b)) or of a committee or an association of producers described in section 10(b) of the Agricultural Adjustment Act of May 12, 1933 (48 Stat. 37), shall be included in computing length of creditable service for the purposes of this Act."

(b) The amendment made by subsection (a) of this section shall become effective as of July 1, 1961.

SEC. 3. Section 11(h) of the Civil Service Retirement Act, as amended (74 Stat. 409; 5 U.S.C. 2261(h)), is amended—

(1) by inserting "(1)" immediately following "(h)"; and

(2) by adding at the end thereof the following:

"(2) Any employee—

"(A) who is separated from the service prior to July 12, 1960; and

"(B) who continues in the service after July 12, 1960, without break in service of one workday or more,

shall be granted the benefits of paragraph (1) of this subsection as if he were separated after July 12, 1960.".

SEC. 4. (a) Sections 7(d) and 7(e) of the Civil Service Retirement Act, as amended (70 Stat. 750, 751; 5 U.S.C. 2257(d) and (e)), are amended to read as follows:

"(d) If such annuitant, before reaching age sixty, recovers from his disability, payment of the annuity shall cease upon reemployment by the Government or one year from the date of the medical examination showing such recovery, whichever is earlier. If such annuitant, before reaching age sixty, is restored to an earning capacity fairly comparable to the current rate of compensation of the position occupied at the time of retirement, payment of the annuity shall cease upon reemployment by the Government or one year from the end of the calendar year in which earning capacity is so restored, whichever is earlier. Earning capacity shall be deemed restored if, in each of two succeeding calendar years, the income of the annuitant from wages or self-employment, or both, shall equal at least 80 per centum of the current rate of compensation of the position occupied immediately prior to retirement.

"(e) If such annuitant whose annuity is discontinued under subsection (d) is not reemployed in any position included in the provisions of this Act, he shall be considered except for service credit, as having been involuntarily separated from the service for the purposes of this Act as of the date of discontinuance of the disability annuity and shall, after such discontinuance, be entitled to annuity in accordance with the applicable provision of this Act. In the case of an annuitant whose annuity is heretofore or hereafter discontinued because of an earning capacity provision of this or any prior law and such annuitant is not reemployed in any position included in the provisions of this Act, annuity at the same rate shall be restored effective the first of the year following any calendar year in which his income from wages or self-employment, or both, is less than 80 per centum of the current rate of compensation of the position occupied immediately prior to retirement, if he has not recovered from the disability for which he was retired. In the case of an annuitant whose annuity is heretofore or hereafter discontinued because of a medical finding that the annuitant has recovered from disability and such annuitant is not reemployed in any position included in the provisions of this Act, annuity at the same rate shall be restored effective from the date of medical examination showing a recurrence of such disability. Neither the second nor third sentence of this subsection shall be applicable in the case of any person receiving or eligible to receive annuity under the first sentence hereof and who has reached the age of 62 years.".

(b) No annuity payment shall be made, as a result of the amendment made by subsection (a) of this section, for any period prior to January 1 of the year following the year in which this Act is enacted.

SEC. 5. Section 13(b) of the Civil Service Retirement Act, as amended (5 U.S.C. 2263(b)), is amended by adding at the end thereof the following new sentence: "A similar right to redetermination after deposit shall be applicable to an annuitant (1) whose annuity is based on an involuntary separation from the service, and (2) who is separated, on or after the date of enactment of this sentence, after a period of reemployment on a full-time basis which began before October 1, 1956.".

SEC. 6. The third sentence of section 6(f) of the Civil Service Retirement Act, as amended (5 U.S.C. 2256(f)), is amended to read as follows: "Any Member who completes twenty years of service, or who attains the age of fifty years and shall have served in nine Congresses, or who attains the age of fifty-five years and completes fifteen years of service (at least ten years of which is service as a Member), shall, upon separation from the service (other than by resignation or expulsion), be paid a reduced annuity computed as provided in section 9.".

SEC. 7. Section 6(d) of the Civil Service Retirement Act, as amended (5 U.S.C. 2256(d)), is amended—

(1) by inserting "(1)" immediately following "(d)"; and

(2) by adding at the end thereof the following new paragraph:

"(2) Any congressional employee who completes twenty years of service shall, upon involuntary separation from service as a congressional employee not by removal for cause on charges of misconduct or delinquency, be paid a reduced annuity computed as provided in section 9.".

SEC. 8. (a) The first sentence of section 9(b) of the Civil Service Retirement Act, as amended (5 U.S.C. 2259(b)), is amended by inserting ", or former congressional employee," immediately following the words "congressional employee" where first appearing in such sentence.

(b) The second sentence of such section 9(b) is amended—

(1) by inserting ", or former congressional employee," immediately following the words "congressional employee" where first appearing in such sentence;

(2) by inserting the word "and" immediately following "service," at the end of clause (1) thereof; and

(3) by striking out ", and (3) has served as a congressional employee during the last eleven months of his civilian service".

SEC. 9. Notwithstanding any other provision of law, annuity benefits under the Civil Service Retirement Act, as amended, resulting from the operation of this Act shall be paid from the civil service retirement and disability fund.

And to amend the title so as to read: "An act to amend the Civil Service Retirement Act with respect to interest earnings on special Treasury issues held by the civil service retirement and disability fund, with respect to employees of agricultural stabilization and conservation county committees, and with respect to certain other categories of persons subject to such act, and for other purposes."

Mr. JOHNSTON. Mr. President, I move that the Senate disagree to the amendments of the House, ask a conference with the House on the disagreeing votes of the two Houses thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to, and the Vice President appointed Mr. JOHNSTON, Mr. MONRONEY, Mr. CLARK, Mr. FONG, and Mr. BOGGS conferees on the part of the Senate.

CONSERVATION OF MIGRATORY WATERFOWL BY THE ACQUISITION OF WET LANDS

Mr. MAGNUSON. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives in regard to House bill 7391.

The PRESIDING OFFICER laid before the Senate a message from the House of Representatives announcing its disagreement to the amendments of the Senate to the bill (H.R. 7391) to promote the conservation of migratory waterfowl by the acquisition of wet lands and other essential waterfowl habitat, and for other purposes, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. MAGNUSON. I move that the Senate insist upon its amendments, agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. MAGNUSON, Mr. ENGLE, Mr. BARTLETT, Mr. MCGEE, Mr. SCHOEPPEL and Mr. BUTLER the conferees on the part of the Senate.

AID TO FEDERALLY IMPACTED SCHOOLS—AMENDMENTS

Mr. MORSE submitted amendments, intended to be proposed by him, to the bill (S. 2393) to extend for 1 year the temporary provisions of Public Laws 815 and 874 relating to Federal assistance in the construction and operation of schools in federally impacted areas, and to provide for the application of such laws to American Samoa, which were ordered to lie on the table and to be printed.

Mr. HARTKE submitted amendments, intended to be proposed by him, to Senate bill 2393, supra, which were ordered to lie on the table and to be printed.

AMENDMENT OF EMPLOYMENT ACT OF 1946—ADDITIONAL COSPONSOR OF BILL

Under authority of the order of the Senate of September 7, 1961, the name of Mr. Moss was added as an additional cosponsor of the bill (S. 2517) to amend the Employment Act of 1946 to provide more effective means for bringing to bear an informed public opinion upon price and wage increases which threaten economic stability, introduced by Mr. CLARK (for himself and other Senators) on September 7, 1961.

PROPOSED COINAGE OF GOLD MEDAL IN HONOR OF SPEAKER RAYBURN — ADDITIONAL COSPONSORS OF JOINT RESOLUTION

Under authority of the order of the Senate of September 7, 1961, the names of Senators ANDERSON, BARTLETT, BIBLE, BOGGS, BRIDGES, BURDICK, BUTLER, BYRD of West Virginia, CAPEHART, CARLSON, CARROLL, CASE of New Jersey, CASE of South Dakota, CHAVEZ, CHURCH, CURTIS, DODD, ENGLE, FULBRIGHT, HART, HICKEY, HOLLAND, JACKSON, JAVITS, JOHNSTON, JORDAN, KEATING, KEFAUVER, LONG of Missouri, LONG of Hawaii, LONG of Louisiana, MAGNUSON, MCCARTHY, MCGEE, MONRONEY, MORTON, MOSS, MUSKIE, PELL, PROUTY, RANDOLPH, SALTONSTALL, SCOTT, SMATHERS, SPARKMAN, SYMINGTON, WILLIAMS of New Jersey, and YOUNG of Ohio were added as additional cosponsors of the joint resolution (S.J. Res. 133) to provide for the coinage of a medal in recognition of the distinguished services of SAM RAYBURN, Speaker of the House of Representatives, introduced by Mr. YARBOROUGH (for himself and Mr. KERR) on September 7, 1961.

CONGRESSIONAL DISTINGUISHED SERVICE AWARDS OF 1961

Mr. MANSFIELD. Mr. President, last Friday, four distinguished Members of Congress—the Senator from Illinois, Mr. DOUGLAS; the Senator from Vermont, Mr. AIKEN; the Representative from Michigan, Mr. FORD; and the Representative from Missouri, Mr. BOLLING—received the 1961 Congressional Distinguished Service Awards from the American Political Science Association. The awards were presented at the annual meeting of that association, which was held in St. Louis, Mo.

Mr. President, I do not think four more outstanding Members of Congress could be selected to receive the awards. All of them are distinguished in their fields. All of them represent exceedingly well their States and their districts. All of them are a credit to the Congress and to those whom they have the honor and the privilege to represent.

I ask unanimous consent that the citations presented to these four outstanding Members of Congress be printed at this point in the RECORD.

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

FOUR LEGISLATORS CITED BY APSA AT CONGRESSIONAL DISTINGUISHED SERVICE AWARDS LUNCHEON

(Release by the American Political Science Association)

ST. LOUIS, MO.—Two Senators and two Representatives were honored with the 1961 Congressional Distinguished Service Awards this afternoon by the American Political Science Association. Senator PAUL H. DOUGLAS, Democrat, of Illinois; Senator GEORGE D. AIKEN, Republican, of Vermont; Representative GERALD R. FORD, JR., Republican, of Michigan; and Representative RICHARD BOLLING, Democrat, of Missouri; received the awards during a luncheon meeting at the Sheraton-Jefferson Hotel in St. Louis where the association is holding its 57th annual meeting.

John D. Millett, president of Miami University at Oxford, Ohio, and chairman of the 1961 awards' committee, presented bronze plaques to the four legislators for their contributions to the 86th Congress. In making the awards, Millett read the following citations:

SENATOR PAUL H. DOUGLAS, DEMOCRAT, OF ILLINOIS

"Viewing his senatorial role in the progressive tradition of Norris and La Follette, PAUL H. DOUGLAS has kept on the Nation's current agenda many of those enduring problems which otherwise might be accidentally overlooked or deliberately ignored.

"Having established himself as one of this Nation's most respected economists, he brought to the Senate a breadth of understanding regarding the Federal Government's role in combating domestic economic and social problems combined with unsparing criticism of governmental waste and inefficiency.

"Reflecting the courage tempered by his distinguished military service, he has viewed the right to advocate unpopular but crucial causes as a personal duty and he has prophetically raised the eternal problems of human freedom and dignity in terms of our contemporary democratic society.

"The American Political Science Association is privileged to present this Congressional Distinguished Service Award to PAUL H. DOUGLAS, Democrat, of Illinois—rigorous intellect, responsible independent, defender of human rights, and consistent advocate of social progress."

SENATOR GEORGE D. AIKEN, REPUBLICAN, OF VERMONT

"Pursuing a highly independent course, GEORGE D. AIKEN has performed his senatorial duties with a responsibility that has resisted the extremism of both the right and the left. Making full use of his New England prerogative of not speaking unless he has something to say, he specializes in stripping away partisan pretension from the vital issues before Congress, substituting the oft-maligned but ultimately indispensable notion of the public interest. Particularly in the areas of foreign policy and agriculture, his facility for searching criticism tempered by commonsense provides one of the essential ingredients in the successful functioning of a representative democracy.

"The American Political Science Association takes great pleasure in presenting this Congressional Distinguished Service Award to GEORGE D. AIKEN, Republican, of Vermont—respected conciliator, effective legislator, rugged Yankee individualist, and symbol of bipartisan responsibility for this Nation's welfare."

CONGRESSMAN RICHARD BOLLING, DEMOCRAT, OF MISSOURI

"A master strategist who serves as crucial link between the House leadership and the Democratic liberal block and enjoys the complete confidence of both, RICHARD BOLLING is a political realist who, while recognizing the necessity for compromise, refuses to desert basic principles. A careful student of politics who clearly enjoys his active role within it, he has been able to build a unique role for himself as a bridge between the northern and southern wings of the Democratic Party and has become a trusted aid of Speaker RAYBURN. He has dedicated his career to building that vital area of consensus on which rests the fate of so much legislation.

"The American Political Science Association takes great pleasure in presenting this Congressional Distinguished Service Award to RICHARD BOLLING, Democrat, of Missouri—thorough technician, brilliant strategist, articulate congressional spokesman for liberal thought, and responsible custodian of power and influence."

CONGRESSMAN GERALD R. FORD, JR., REPUBLICAN, OF MICHIGAN

"With the continuing growth of executive power, the always important legislative function of control over the purse strings has assumed an even greater role in our democratic system.

"Occupying one of the most difficult, time-consuming, and important positions in the House as a ranking member of the Defense Appropriations Subcommittee, GERALD FORD has, through diligent application to committee work and mastery of highly complex defense matters, indeed earned the appellation of "Congressman's Congressman." A moderate conservative who is highly respected by his colleagues of both parties, he symbolizes the hardworking, competent legislator who eschews the more colorful, publicity-seeking roles in favor of a solid record of achievement in the real work of the House—committee work. Nonpartisan where the defense posture of the Nation is

concerned, he nonetheless occupies an important position in the national councils of his party and is a recognized leader of the Republicans in the House.

"The American Political Science Association is privileged to present this Congressional Distinguished Service Award to GERALD R. FORD, JR., Republican, of Michigan—party leader, responsible critic, respected participant in debate, conscientious, dedicated, and judicious committee member."

REQUEST FOR CONSIDERATION OF UNOBJECTED-TO CALENDAR MEASURES FOLLOWING MORNING HOUR DURING REMAINDER OF SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that it may be in order at any time during the rest of the session, at the conclusion of morning business, to call up the items on the calendar to which there is no objection.

Mr. LAUSCHE. Mr. President, at this time I object.

Mr. MANSFIELD. I wish the Senator from Ohio would give us a chance to explain. The calendar could be called right now. All I am trying to do is make it possible to bring up private bills and other measures on the calendar to which there is no objection, inasmuch as such measures can be quickly disposed of. My request relates only to the measures on the calendar to which there is no objection.

Mr. LAUSCHE. Mr. President, my purpose in objecting is as follows: I can already see the purpose of grinding out bills, and I would wish to know the contents of the bills to be considered and passed.

Mr. MANSFIELD. Mr. President, I withdraw my request.

Mr. LAUSCHE. It may be that later, after I talk with the Senator from Montana, I shall withdraw this blanket objection.

Mr. LAUSCHE subsequently said: Mr. President, if a request is made for permission for the Foreign Relations Committee to meet today during the session of the Senate, I shall object.

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

Mr. LAUSCHE. I yield.

Mr. MANSFIELD. I should like to call attention to the fact that we shall not object to the unanimous-consent request on that basis; and I should like the Senate to be on notice that from now on, no requests of that nature—that is, to interpose an indefinite objection to committee meetings—will be granted unless the Senator who is doing the protesting is here on the floor to object. I think that is a responsibility of every Senator, and I think the Senate is entitled to that courtesy.

Mr. LAUSCHE. Yes. I object reluctantly. However, it is on the following basis that I will raise the objection: 2 years ago there was debate concerning an international fair. The debate revolved about the issue of whether the fair should be held in Washington, D.C., or in New York. During the debate it was pointed out that New York has a very large population, and that if the fair were held in New York, the income would be adequate to finance it, and that the U.S. Government would not be asked to expend any funds in the development of the exhibition.

President Eisenhower appointed a Commission to study the subject; and the Commission recommended that the fair be held in New York.

When that subject was brought before the Foreign Relations Committee, I asked questions as to whether the Federal Government would be called upon to expend any money to further the program. The answer was repeatedly and firmly that no moneys would be expected of the Federal Government.

Today, there is pending before the Foreign Relations Committee a resolution calling for authority to expend $300,000 to make a study of what would be the participation of the Federal Government. Connected with that resolution, there already is a declaration by the promoters of the fair that the U.S. Government build a $30 million building as its participation in the fair—the $30 million reflecting $20 million for the building and $10 million for the equipment which would be exhibited.

Last week this subject was brought before the committee. It was pointed out that 2 years ago the proponents of the study assured that there would be no expenditure on the part of the Federal Government. In the meeting last week, because of those commitments made 2 years ago, the resolution was passed over—according to my understanding, for the present session.

Today, I learned that the committee contemplates taking up the resolution. I will not stand by—in this breach of the commitment, made 2 years ago, that no Federal Government moneys would be expended—when it now appears as a fact that a drive is being made for the expenditure of $30 million of Federal Government funds.

There are three expenditures of a similar nature which we should have in mind. One of them calls for $39 million for the Jame Madison Memorial. James Madison was a great American, and I have studied and followed his teachings. But I do not believe such an expenditure is essential though desirable. Twenty million dollars has been requested for the building of an aquarium. I cannot see the essentiality of it.

Thirty million dollars obviously will be requested for the building of a Federal structure at the New York Fair, which cannot be claimed to be a world fair, inasmuch as the World Fair will be held in Seattle the coming year. It is entirely apparent that the New York Fair cannot be a world fair, because a world fair must have the approval of the Bureau of International Expositions, a combination of 30 nations which declares whether there will be participation; and only when there is participation can the fair be a world fair.

That Bureau of International Expositions has declared that it will participate in the Seattle, Wash., Fair, and not the New York Fair.

It is on that ground that I reluctantly object to the consideration of the measure before the Foreign Relations Committee.

At this time I withdraw my objection to bills to which there is no objection being considered on the general calendar as proposed by the majority leader.

The VICE PRESIDENT. Is there objection to the request? The Chair hears none, and it is so ordered.

Mr. MANSFIELD. I thank the Senator. I wish to assure him that, if a request is made and he is in the city, and not absent on official business, he will receive proper notification to that effect, so he can come to the Chamber and record his objection.

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

Mr. MANSFIELD. I yield.

Mr. LAUSCHE. I very reluctantly object to the Foreign Relations Committee meeting because there are some measures we ought to take up, but I cannot stand by with this breach of commitment.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of executive business and consider the nominations on the Executive Calendar.

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

EXECUTIVE MESSAGES REFERRED

The VICE PRESIDENT laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the Joint Committee on Atomic Energy.

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

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

CALIFORNIA DEBRIS COMMISSION

The Chief Clerk read the nomination of Col. Arthur H. Frye, Jr., Corps of Engineers, to be president and senior member of the California Debris Commission.

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

PUBLIC HEALTH SERVICE

The Chief Clerk proceeded to read sundry nominations in the Public Health Service.

Mr. MANSFIELD. Mr. President, I ask that those nominations be considered en bloc.

The VICE PRESIDENT. Without objection, the nominations will be considered en bloc; and, without objection, they are confirmed. Without objection, the President will be notified forthwith of the nominations today confirmed.

LEGISLATIVE SESSION

Mr. MANSFIELD. 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.

THE SENATE'S RELUCTANT BOSS: SENATOR MIKE MANSFIELD, OF MONTANA

Mr. DIRKSEN. Mr. President, in the September issue of Sign magazine, there appeared an article by Paul F. Healy, Washington correspondent of the New York Daily News, under the caption "The Senate's Reluctant 'Boss'." I hope my distinguished friend heard that. The reference is to our distinguished majority leader, Senator MIKE MANSFIELD, of Montana. Excellent as the article is, it does not quite do justice to two outstanding attributes of the man from Montana. The first is his humility. Leadership is exercised in many different ways, but it reaches its highest level when it springs from humility, for humility is one of the essential components of love for one's fellow man.

His other great attribute is complete cooperation with his fellow Senators to accommodate the many intrusions and conflicts which are a part of public service. How often I have asked MIKE MANSFIELD to reschedule some measure because a Senator who had a particular interest in it would be unavoidably absent on that day. How often I have asked him to avoid a Saturday session, if possible, so that Members might catch up on the ever-increasing volume of correspondence and office work, and almost invariably he has obliged. How often I have asked him to defer a rollcall until the following day if Senators were away from the session, and seldom has he demurred at the request. These are intrinsic qualities which have truly endeared him to every Member of the Senate, and I salute him as a durable and inspiring friend whom I first came to know when he took the oath of office in the 78th Congress.

I ask unanimous consent that the article by Mr. Healy be made a part of my remarks.

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

THE SENATE'S RELUCTANT "BOSS"

(By Paul F. Healy)

Senate Majority Leader MIKE MANSFIELD may well be unique in this respect: In Washington, D.C., where men pursue power the way other men pursue money, he is inclined to run from it.

The fact that the Montana Democrat has proved to be a highly effective leader during his first year on the job is an anomaly. Every leader of the Senate has his own style, but MANSFIELD is a startling departure from all previous patterns. He is a calm pipe-smoker, introverted, independent, dispassionate, philosophical, scholarly, reflective, and lacking in ego. He is not dynamic.

For MANSFIELD, being a Senator and a Member of the august Foreign Relations Committee is a rich enough life. He is one Senator who is believed by Washington correspondents when he says he has no desire to be President. He did not even yearn to run the Senate. It was the extremely rare case of the office seeking the man.

It all started like this: before the session opening in January 1957, then Senate Majority Leader LYNDON JOHNSON was casting about to find someone to fill the vacant post of Democratic "whip," or assistant leader. JOHNSON wanted a western Senator who was trusted, able, hard working, and moderately liberal. MANSFIELD measured up perfectly—except that he said he wasn't interested.

JOHNSON sought the aid of a political associate of MANSFIELD who was outside the Senate. This man went to MANSFIELD and urged him to reconsider his rejection of the post.

"I don't like it, I don't want it, and I won't take it," MANSFIELD told the emissary. The friend reported back to JOHNSON. They decided to make another try, with reinforcements. JOHNSON enlisted the aid of several influential Senators, and together they finally persuaded the Montanan to do his duty to the Democratic Party. For the next 4 years, JOHNSON and his quiet deputy made a harmonious and highly successful team in running the Senate.

Then, a few days after the election in November 1960, President-elect Kennedy telephoned MANSFIELD to say he was looking forward to seeing him succeed JOHNSON when the latter moved up to the Vice Presidency. MANSFIELD replied that he didn't think he should take the post. He was privately worried that if the first Catholic President was flanked by a Catholic Senate leader as well as a Catholic House leader (Representative JOHN MCCORMACK, of Massachusetts), it might stir up the professional anti-Catholics.

"You've got to take it, MIKE," the President-elect told him. "We need you."

MANSFIELD thereupon agreed to stand for the leadership post, and he was unanimously elected by his colleagues in January. In resisting the opportunity, he had not been shirking a responsibility or ducking a challenge. MANSFIELD does not scare easily. Indeed, it might be impossible to scare a man who survived the tough school of politics in Butte, Mont., mucked in the Butte copper mines, and served as an enlisted man in the Army, Navy, and Marine Corps (no other Member of Congress is a veteran of these three military branches).

MANSFIELD also has been a college professor, but there is nothing, aside from his ever-present pipe, to suggest an academic type. At 58, he carries a solid 175 pounds on his spare-looking, 5-foot-11-inch physique. His skin is white and his hair jet black above a high forehead. His face has the kind of bony plainness and strength which has been identified with American pioneer stock. As a speaker, he is without emotion or flamboyance.

Nonetheless, it was felt that the Senate Democrats would badly miss JOHNSON, whom many observers—including MANSFIELD—have called the most effective Senate majority leader in history. At the helm, JOHNSON had used every trick in the book—and some new ones—to coax, cajole, wheedle, and drive his troops into following his banner.

MANSFIELD has an instinctive distaste for backstage wheeling and dealing. Yet in its first exposure in the Senate, the bold Kennedy program in 1961 made progress at a pace that was steadier and faster than was generally anticipated. There were even signs that the old Southern Democrat-Republican coalition against liberal bills was broken. How has this been accomplished by MANSFIELD and his whip, Senator HUBERT HUMPHREY?

First, there was no twisting of arms, jabbing at chests, and whispering in ears a la JOHNSON. The new leader did not even ask Senators individually to swing their votes to him.

"They're sent here to do their own thinking," MANSFIELD explains, "and I hope by logic and understanding they'll do the right thing. I don't believe in arm twisting and high pressuring. The leader should not lay down by command or ukase what the Senators should do. Collectively, they are the ones who decide. There is no difference between Senators—all are on the same level. I am one among my peers."

He believes his job is "to get bills out of committee, secure some degree of cooperation in our party, and give consideration to difficult problems that confront Senators individually. All have been tolerant of me and cooperative, Republicans as well as Democrats. I've been pretty lucky."

Considerateness is the key to MANSFIELD's character and effectiveness. Says one Senator: "He has much influence because he is completely considerate. He goes out of his way to make life more worth living in the Senate. Where JOHNSON loved to see the Senate in session, even late at night, MANSFIELD schedules sessions only when necessary, and he gets you home in time for dinner."

It is said that MANSFIELD gives a "quid" without demanding a "quo." Take the day last May when Comdr. Alan B. Shepard, Jr., the astronaut, was welcomed at the White House with all possible fanfare. MANSFIELD learned that the veteran Senator STYLES BRIDGES from Shepard's home State of New Hampshire had been invited to the ceremony but that BRIDGES' New Hampshire Republican colleague, NORRIS COTTON, had not. MANSFIELD was disturbed, because he knew COTTON will face a possibly difficult primary fight when he comes up for reelection in 1962.

MANSFIELD telephoned the White House and got COTTON an invitation. COTTON ended up sitting in the front row of VIP's and being photographed with Shepard, for the edification of hometown TV viewers and newspaper readers. Afterward, COTTON went to MANSFIELD and shook his hand. "Thank you, MIKE, I appreciate that," he said. Later that afternoon COTTON voted with MANSFIELD on an ambassadorial nomination which his own Republican leadership opposed.

MANSFIELD has a mental toughness which is not visible to the naked eye. In this sense, he is "a deceptive fellow," according to James Rowe, a Washington lawyer and onetime administrative assistant to President Franklin Roosevelt.

"I expect a certain toughness at first if I cross JOHNSON," explains Rowe, who is an intimate of both men. "But I would never take MANSFIELD on. This is a much tougher man. He can't have his mind changed, especially if he feels he is being pressured or pushed."

MANSFIELD is the son of Irish immigrants, Patrick and Josephine O'Brien Mansfield, who arrived in New York City in 1896. He was born in Greenwich Village on the day before St. Patrick's Day in 1903. His mother died when he was 6 and his father, a porter in a hotel, packed him and his two sisters off to two uncles in Great Falls, Mont. At 14, Michael Joseph—who officially has always called himself Mike—ran away and joined the Navy. He claimed he was 17 and forged his father's name to the application blank. The boy wanted to see the world—or at least the war—but the closest he got to either was seven peaceful crossings of the Atlantic in a cruiser.

Released in 1919, he next tried the Army, hoping for occupation duty in Germany. Instead, he became an orderly in the medical corps at Fort McDowell, near San Francisco. Mustered out in 1920, MANSFIELD walked around the corner in San Francisco and signed up for a 2-year hitch in the marines. This time he "hit the jackpot," as he puts it, by rising to private first-class and enjoying duty in the Philippines, China, and other Far Eastern places. It led to a lifelong preoccupation with developments in Asia.

MANSFIELD returned to Montana in 1922 and got the only job he could find—as a "mucker" far below the ground in the famed copper mines of Butte. It was grimy, grueling labor, and he saw men all around him dying of dust in their lungs. And he wanted most of all to have an education.

Though he lacked 15 high school credits, young MANSFIELD talked Montana State University into an arrangement whereby he could enroll; he was allowed to take his college courses while simultaneously proceeding through Butte High School. The result was that he was awarded his secondary diploma only 3 months before he got his bachelor of arts in 1933—at 30 years old. He had already married his high school teacher, pretty Maureen Hayes, a Butte girl and a graduate of St. Mary's College of Notre Dame.

In 1934 MANSFIELD earned a master of arts in political science and left the mines—where he had risen to assistant engineer—for good. For the next 9 years, he taught Latin American and Far Eastern history at Montana State. Then the inevitable happened: in Irish Catholic, politically conscious Butte, the popular professor was drawn into politics. In 1942 he was elected to Congress on the Democratic ticket. He has not known defeat since. In 1952 he was elected to the Senate and in 1958 he was reelected, polling a fantastic 76.2 percent of the total vote.

When he took his seat in the House, MANSFIELD's background as a Far Eastern history teacher won him an immediate appointment to the Foreign Affairs Committee. In the winter of 1944–45, he journeyed through the interior of China on a confidential mission for President Roosevelt. MANSFIELD's report on the "overall picture" of the confused developments there won him respect in high places and launched his reputation as an authority on the Orient.

MANSFIELD has visited 30 countries in the course of 18 trips to Asia, Europe, Africa, and South America. In so doing, he has the satisfaction of having had no less than five private audiences with Pope Pius XII.

But he dislikes traveling on a fixed schedule, or with a committee, and he hates being wined or dined. When he arrives in a foreign city, his technique is to let the Embassy know—and then disappear. He first seeks out a local American newspaperman and takes him to dinner to pick his brain. Then he roams the city, talking to people at random with the help of one interpreter. In a hot country, MANSFIELD is usually coatless, with sleeves rolled up.

MANSFIELD's assignment to the Foreign Relations Committee immediately upon entering the Senate in 1953 raised some eyebrows. For an incoming freshman to be awarded the choicest of all committee posts was an unprecedented honor. Soon, to the distress of some of his fellow committee members, MANSFIELD increasingly began to urge some tapering-off of the foreign aid program. It seemed to him that any government which took Uncle Sam's loans and grants should use every nickel of it for the good of its people.

"MIKE is continually offended by the morality of the foreign aid program," one puzzled liberal has complained. "It does no good to tell him that that's the morality of those people, and that there's nothing we can do about it."

In his continuing criticism of the aid program, MANSFIELD also argues that the United States could do "a great deal more with a great deal less" (money) if it eliminated the waste, overlapping, and inefficiency of the agencies administering it.

In his year as leader, MANSFIELD otherwise has shown his streak of independence by breaking with the Kennedy administration on its German policy. In a surprise speech in the Senate in late June, he proposed that there might be a "third way" to solve the deadlock between the United States and the Soviet Union. That would be to guarantee Berlin as a free city.

MANSFIELD made it clear he thought we should never be pushed or bullied on Berlin, but nonetheless he was promptly castigated by commentators, columnists, and letter-writers who hinted that he might be an appeaser. The furor only gave MANSFIELD satisfaction. His main purpose had been to stir up a national debate on the situation, and he had a good one going in the Senate for several days. His concern was that if the United States and the Russians remained frozen in their positions on Berlin, it would inevitably lead to war. Privately, he said: "All I want is for people to think when there is still time to think—not when it's too late. We must not doom ourselves to equating all change with defeat or retreat. Unless we are willing to change, we shall find ourselves in pursuit of the last car of a train that is always pulling away from us."

Though MANSFIELD made it clear the White House and State Department had no advance knowledge of his speech, his critics insisted that as majority leader his words would be interpreted abroad as either a trial balloon or a sign of disunity.

This loss of independence vexes MANSFIELD.

"My role is to represent the Senate to the President, and the President to the Senate," he points out. "I'm the Senate's agent primarily. It's kind of a spot and one of the reasons I didn't want the job."

As leader, MANSFIELD also was torn by his feelings on the controversial question of federal aid to schools. He believes that parochial schools "need help and deserve it because they make a great contribution to the security and welfare of the country." In 1960, he had voted for an amendment to give such aid, but it had failed. When, in 1961, the Kennedy administration sent to Congress a proposal to aid public schools only, his first impulse was to support a drive to add a parochial-private-school amendment to the bill.

But, after sounding out the sentiment of his colleagues, MANSFIELD decided to go along with administration's desire to have the two issues considered separately. He felt that the non-public-school amendment would stand a better chance of passage if it were taken up in connection with the extension of the National Defense Education Act—in which there already was a precedent for aiding Catholic education.

MANSFIELD regards solitude as a synonym for relaxation. His only recreation is knocking a golf ball around a course for an hour—alone—and listening to his hi-fi recordings of such piano artists as "Knuckles" O'Toole. His great pride and joy is his daughter, Anne, who graduated Phi Beta Kappa from Smith College in 1959.

LYNDON JOHNSON once said in the Senate that if he and Mrs. Johnson had had a son, "we would like to have had him become the kind of man MIKE MANSFIELD is." One story best illustrates the quality which has made MANSFIELD perhaps the best-liked Member of the Senate.

During his 1958 campaign for reelection, a well-intentioned admirer, one Jimmy Sullivan, insisted on stumping eastern Montana for MANSFIELD. Sullivan was militantly Irish, and eastern Montana is noted for being militantly non-Irish. The Senator's campaign lieutenants repeatedly pleaded: "For God's sake, MIKE, keep him out of there. He's killing us with that brogue."

MANSFIELD said nothing. Finally, he told his campaign manager: "When I came back from the Marines and had nowhere to go, Jimmy Sullivan was running a rooming house in Butte. He fed and clothed me for months. Now, if you think this Senate job is worth hurting Jimmy's feelings, you're crazy."

Mr. MANSFIELD. Mr. President, I wish to thank the distinguished minority leader for his unfailing courtesy, kindness, and consideration, and to say to him that I think I am extremely fortunate to have as a partner across the aisle in this body a man of the integrity, the understanding, and the tolerance of the distinguished minority leader, the Senator from Illinois.

REGULATION OF FARES FOR TRANSPORTATION OF SCHOOL-CHILDREN IN THE DISTRICT OF COLUMBIA—MOTION FOR RECONSIDERATION

Mr. WILLIAMS of Delaware. Mr. President, on Friday, on the call of the calendar, the Senate passed S. 1745, the purpose of which was to provide a subsidy for the D.C. Transit System. I desire to file a motion to reconsider the bill. I understand the first procedure is to move that the Senate ask the House to return the bill to the Senate.

I enter a motion to reconsider S. 1745, and ask that the bill be returned to the Senate.

The VICE PRESIDENT. The motion to reconsider will be entered. It is now in order to move that the House be requested to return the bill to the Senate.

Mr. WILLIAMS of Delaware. I so move.

The VICE PRESIDENT. The Senator from Delaware moves that the House be requested to return the bill to the Senate.

The question is on agreeing to the motion.

The motion was agreed to.

Mr. MANSFIELD. Mr. President, is there further morning business?

The VICE PRESIDENT. Is there further morning business? If not, morning business is closed.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate go into executive session to consider the two treaties on the Executive Calendar.

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

A TREATY OF FRIENDSHIP, ESTABLISHMENT, AND NAVIGATION BETWEEN THE UNITED STATES OF AMERICA AND THE UNITED KINGDOM OF BELGIUM—TREATY OF AMITY AND ECONOMIC RELATIONS BETWEEN THE UNITED STATES OF AMERICA AND THE REPUBLIC OF VIETNAM

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate, as in Committee of the Whole, proceed to the consideration of Executive J, a Treaty of Friendship, Establishment, and Navigation Between the United States of America and the United Kingdom of Belgium, Together With a Related Protocol; and Executive L, a Treaty of Amity and Economic Relations Between the United States of America and the Republic of Vietnam.

The VICE PRESIDENT. Is there objection?

There being no objection, the Senate, as in Committee of the Whole, proceeded

to consider the following conventions, which were, respectively, read the second time, as follows:

EXECUTIVE J, 87TH CONGRESS, 1ST SESSION—TREATY OF FRIENDSHIP, ESTABLISHMENT AND NAVIGATION BETWEEN THE UNITED STATES OF AMERICA AND THE KINGDOM OF BELGIUM

The President of the United States of America, and

His Majesty the King of the Belgians,

Desirous of strengthening the bonds of peace and friendship traditionally existing between their two countries and of encouraging closer economic and cultural relations between the two peoples,

Being cognizant of the contributions which may be made toward these ends by arrangements specifying mutually accorded rights and privileges and promoting mutually advantageous commercial intercourse and investments,

Have resolved to conclude a Treaty of Friendship, Establishment and Navigation, and for that purpose have appointed as their plenipotentiaries,

The President of the United States of America:

His Excellency Mr. William A. M. Burden, Ambassador Extraordinary and Plenipotentiary of the United States of America in Brussels;

His Majesty the King of the Belgians:

His Excellency Mr. Pierre Wigny, Minister for Foreign Affairs;

Who, having communicated to each other their full powers found to be in good and due form, have agreed as follows:

ARTICLE 1

Each Contracting Party shall at all times accord equitable treatment and effective protection to the persons, property, enterprises, rights and interests of nationals and companies of the other Party.

ARTICLE 2

1. Nationals of either Contracting Party shall, subject to the laws relating to the entry, sojourn and establishment of aliens, be permitted to enter the territories of the other Party, to travel therein freely, to reside and establish themselves at places of their choice. Nationals of either Party shall in particular be permitted to enter the territories of the other Party and reside therein:

(a) for the purpose of carrying on trade between the two countries and engaging in related commercial activities; or

(b) for the purpose of developing and directing the operations of an enterprise in which they have invested, or are actively in the process of investing, a substantial amount of capital.

2. Nationals of either Party and nationals of third countries en route to or from the territories of such Party shall, subject to the reservation in paragraph 1 of the present Article, be accorded freedom of transit for themselves and their baggage through the territories of the other Party by the routes most convenient for international transit. In particular, they shall be free from requirements that entail unnecessary delays and impediments. They shall be subject, however, to regulations with respect to their baggage that are applicable to aliens generally in order to prevent abuse of the transit privilege.

3. Nationals of either Party, within the territories of the other Party, shall enjoy freedom of conscience; and they shall be at liberty to hold religious services, both public and private, at suitable places of their choice.

4. Nationals of either Party shall be permitted, within the territories of the other Party, to gather information material for dissemination to the public abroad, and shall enjoy freedom of transmission of such material to be used for publication by the press, radio, television, motion pictures and other means; and they shall be permitted to communicate freely with other persons inside and outside such territories by mail, telegraph and other means open to general public use.

5. The provisions of the present Article shall be subject to the right of either Party to apply measures that are necessary to maintain public order and protect the public health, morals and safety.

ARTICLE 3

1. Nationals of either Contracting Party within the territories of the other Party shall be accorded full legal and judicial protection for their persons, rights and interests. Such nationals shall be free from molestation and shall receive constant protection in no case less than that required by international law.

2. To this end they shall in particular have right of access, on the same basis and on the same conditions as nationals of such other Party, to the courts of justice and administrative tribunals and agencies in all degrees of jurisdiction and shall have right to the services of competent persons of their choice.

3. The provisions of paragraphs 1 and 2 of the present Article shall extend and apply in the same manner to companies. It is understood, moreover, that the right of such access shall be enjoyed without any requirement of registration or domestication:

(a) in the case of Belgian companies not engaged in activities in the territories of the United States of America; and

(b) in the case of United States companies not established in the territories of the Kingdom of Belgium.

4. If a national of either Party is taken into custody within the territories of the other Party, the nearest consular representative of his country shall on the demand of such national be immediately notified and shall have the right to visit and communicate with such national without arbitrary delay. Such national shall:

(a) receive reasonable and human treatment in no case less than that required by international law;

(b) be formally and immediately informed of the charges against him; and

(c) be brought to trial as rapidly as is consistent with the proper preparation of his defense, for which he shall enjoy all reasonable means, including the services of competent counsel.

5. The dwellings, offices, warehouses, factories and other premises of nationals and companies of either Party located within the territories of the other Party shall not be subject to searches or measures other than those permitted by law and in execution of law. Official searches and examinations of such premises and their contents, when necessary, shall be made according to law and with careful regard for the convenience of the occupants and the conduct of business.

6. Contracts entered into between nationals and companies of either Party and nationals and companies of the other Party, that provide for the settlement by arbitration of controversies, shall not be deemed unenforceable within the territories of such other Party merely on the grounds that the place designated for the arbitration proceedings is outside such territories or that the nationality of one or more of the arbitrators is not that of such other Party. No award duly rendered pursuant to any such contract and final and enforceable under the laws of the place where rendered, shall be deemed invalid and denied effective means of enforcement by the authorities of either Party merely on the grounds that the place where such award was rendered is outside the territories of such Party or that the nationality of one or more of the arbitrators is not that of such Party.

ARTICLE 4

1. Property that nationals and companies of either Contracting Party own within the territories of the other Party shall enjoy constant security therein through full legal and judicial protection.

2. Neither Party shall take unreasonable or discriminatory measures that would impair the acquired rights and interests within its territories of nationals and companies of the other Party in the enterprises which they have established, in their capital, or in the skills, arts or technology which they have supplied.

3. Nationals and companies of either Party shall not be expropriated of their property within the territories of the other Party except for public benefit and with the prompt payment of just compensation. Such compensation shall be in an effectively realizable form and shall represent the full equivalent of the property taken. Furthermore, adequate provision shall have been made not later than the time of taking for the determination and payment thereof.

4. Nationals and companies of either Party shall in no case be accorded, within the territories of the other Party, less than national treatment with respect to the matters set forth in paragraph 3 of the present Article and in paragraph 5 of Article 3. Moreover, enterprises in which nationals and companies of either Party have a substantial interest shall be accorded, within the territories of the other Party, not less than national treatment in all matters relating to the taking of privately owned enterprises into public ownership and to the placing of such enterprises under public control.

ARTICLE 5

1. Nationals and companies of either Contracting Party shall be accorded, within the territories of the other Party, national treatment with respect to obtaining and maintaining patents of invention, and with respect to rights in trade marks, trade names, trade labels and industrial property of all kinds.

2. The Parties deem that it is highly desirable to further, through cooperative and other appropriate means, the interchange and use of scientific and technical knowledge, particularly in the interest of increasing productivity and improving standards of living within their respective territories.

ARTICLE 6

1. Nationals of either Contracting Party shall be permitted, within the territories of the other Party, to organize companies for gain upon the same conditions as nationals of such other Party. Nationals and companies of either Party shall be permitted to maintain subsidiaries, branches, agencies and offices within the territories of the other Party upon conditions no less favorable than those accorded nationals of such other Party.

2. Nationals and companies of either Party shall be accorded national treatment with respect to engaging in all types of commercial, industrial, financial and other activities for gain within the territories of the other Party. The provisions of the preceding sentence shall apply in the case of nationals to activities in an independent or dependent capacity.

3. Companies constituted under the applicable laws and regulations within the territories of either Party shall be deemed companies thereof and shall have their juridical status recognized within the territories of the other Party, provided that nothing in their charter or corporate purposes is contrary to the public policy of such other Party.

4. In the case of enterprises situated within the territories of either Party and controlled by nationals and companies of the other Party, such enterprises, whether in

the form of individual proprietorships, companies or otherwise, shall in all that relates to the conduct of the activities thereof be accorded treatment no less favorable than that accorded like enterprises controlled by nationals or companies of the country.

5. Each Party reserves the right to determine the extent to which aliens may establish, acquire interests in, or carry on enterprises engaged within its territories in communications, air or water transport, banking involving fiduciary or depository functions, or the exploitation of land or other natural resources. However, new limitations imposed by either Party on the extent to which aliens are accorded national treatment, with respect to carrying on such activities within its territories, shall not be applied as against enterprises which are regularly engaged in such activities therein at the time such new limitations are adopted and which are owned or controlled by nationals and companies of the other Party. Moreover, neither Party shall deny to transportation, communications and banking enterprises of the other Party the right to maintain branches and agencies to perform functions necessary for essentially international operations in which they are permitted to engage.

6. The provisions of the present Article shall not prevent either Party from prescribing special formalities in connections with the establishment of companies or enterprises within its territories which are managed or controlled by aliens; but such formalities may not impair the substance of the rights set forth in paragraphs 1, 2 and 4 of the present Article.

7. Nationals and companies of either Party shall be accorded national treatment with respect to engaging in scientific, educational, religious and philanthropic activities within the territories of the other Party. They shall be accorded the right to form associations, including non-profit associations, under the laws of such other Party for the purpose of engaging in the aforesaid activities. Nothing in the present Treaty shall be deemed to grant or to imply any right to engage in political activities.

ARTICLE 7

1. The Contracting Parties recognize that it is desirable for conditions of competitive equality to be maintained in situations in which publicly owned or controlled trading or manufacturing enterprises are in competition within the territories of either Party with privately owned and controlled enterprises of nationals or companies of the other Party.

2. Accordingly, such state-owned enterprises should not be given special economic privileges which could injure the competitive position of such private enterprises. However, this principle shall not be construed to prevent either Party from making such special concessions in aid of state-owned enterprises as it deems necessary during periods of economic crisis, especially to relieve unemployment. This principle, moreover, is without prejudice to special advantages given in connection with:

(a) manufacturing goods for government use, or supplying goods and services to the Government for Government use, or

(b) supplying, at prices substantially below competitive prices, the needs of particular population groups for essential goods and services not otherwise practically obtainable by such groups.

ARTICLE 8

1. Nationals and companies of either Contracting Party shall be permitted to engage, within the territories of the other Party the services of accountants and technical experts of all kinds, executive personnel, attorneys, agents and other specialists of their choice.

2. National and companies of either Party shall be permitted to engage the services of accountants and other technical experts regardless of the extent to which they may have qualified for the practice of a profession within the territories of the other Party, for the sole purpose of making examinations, audits and technical investigations and rendering reports in the private interest of such nationals and companies in connection with the planning and operation of their enterprises, and enterprises in which they have a finanical interest, within such territories.

ARTICLE 9

1. Nationals of either Contracting Party residing within the territories of the other Party, and nationals and companies of either Party engaged in trade or other gainful pursuit or in scientific, educational, religious or philanthropic activities within the territories of the other Party, shall not be subject to the payment of taxes, fees, or charges imposed upon or applied to income, capital, transactions, activities or any other object, or to requirements with respect to the levy and collection thereof, within the territories of such other Party, more burdensome than those borne by nationals and companies of such other Party in like situation.

2. With respect to nationals of either Party who are neither resident nor engaged in trade or other gainful pursuit within the territories of the other Party, and with respect to companies of either Party which are not engaged in trade or other gainful pursuit within the territories of the other Party, it shall be the aim of such other Party to apply in general the principle set forth in paragraph 1 of the present Article.

3. Nationals and companies of either Party covered by paragraph 2 of the present Article, shall not be subject, within the territories of the other Party, to the payment of taxes, fees or charges imposed upon or applied to income, capital, transactions, activities or any other object, or to requirements with repect to the levy and collection thereof, more burdensome than those borne by nationals and companies of any third country.

4. In the case of companies of either Party engaged in trade or other gainful pursuit within the territories of the other Party, and in case of nationals of either Party engaged in trade or other gainful pursuit within the territories of the other Party but not resident therein, such other Party shall not impose or apply any tax, fee or charge upon any income, capital or other basis in excess of that reasonably allocable or apportionable to its territories, nor grant deductions and exemptions less than those reasonably allocable or apportionable to its territories. A comparable rule shall apply also in the case of companies organized and operated exclusively for scientific, educational, religious or philanthropic purposes.

5. The provisions of the present Article shall not obligate either Party to extend to nationals and companies of the other Party tax advantages accorded to nationals and companies of any third country on the basis of reciprocity or by virtue of agreements for the avoidance of double taxation. Furthermore, each Party reserves the right to apply special provisions in extending advantages to its nationals and residents in connection with joint tax returns by husband and wife and in allowing to residents of contiguous countries exemptions of a personal nature in connection with income and inheritance taxes.

ARTICLE 10

1. Nationals and companies of either Contracting Party shall be accorded by the other Party the same treatment as nationals and companies of such other Party with respect to payments, remittances and transfers of funds or financial instruments between the territories of the two Parties as well as between the territories of such other Party and of any third country. This treatment shall be not less favorable than that accorded to nationals and companies of any third country in like situations.

2. Neither Party shall impose exchange restrictions as defined in paragraph 5 of the present Article except to the extent necessary to maintain or restore adequacy to its monetary reserves, particularly in relation to its external commercial and financial requirements. It is understood that the provisions of the present Article do not alter the obligations either Party may have to the International Monetary Fund or preclude imposition by either Party of particular restrictions whenever the Fund specifically so authorizes or requests.

3. If either Party imposes exchange restrictions in accordance with paragraph 2 of the present Article, it shall not fail, after making whatever provision may be necessary to assure the availability of foreign exchange for essential goods and services, to make provision to the fullest extent practicable in light of the level of the monetary reserves and its balance-of-payments, for the withdrawal in the currency of the other Party, of: (a) the compensation referred to in Article 4, paragraph 3(b) earnings, whether in the form of salaries, interest, dividends, commissions, royalties, payments for technical services, or otherwise, (c) amounts for amortization of loans, depreciation of direct investments, and, to the extent feasible, capital transfers, giving consideration to special needs for other transactions. If more than one rate of exchange is in force, the rate applicable to such withdrawal shall be a rate which is specifically approved by the International Monetary Fund for such transactions or, in the absence of a rate so approved an effective rate which, inclusive of any taxes or surcharges on exchange transfers, is just and reasonable.

4. Exchange restrictions shall not be imposed by either Party in a manner unnecessarily detrimental or arbitrarily discriminatory to the claims, investments, transport, trade and other interests of the nationals and companies of the other Party, nor to the competitive position thereof.

5. The term "exchange restrictions" as used in the present Article includes all restrictions, regulations, charges, taxes, or other requirements imposed by either Party which burden or interfere with payments, remittances, or transfers of funds or financial instruments between the territories of the two Parties.

6. Questions arising under the present Treaty concerning exchange restrictions affecting aliens are governed by the provisions of the present Article.

ARTICLE 11

Commercial travelers representing nationals and companies of either Contracting Party engaged in business within the territories thereof shall be accorded within the territories of the other Party treatment no less favorable than that accorded to commercial travelers representing nationals and companies of such other Party with respect to the exercise of their functions.

ARTICLE 12

1. Between the territories of the two Contracting Parties there shall be, in accordance with the provisions of the present Treaty, freedom of navigation.

2. Vessels under the flag of either Party, and carrying the papers required by its laws in proof of nationality, shall be deemed to be vessels of that Party, both on the high seas and within the ports, places and waters of the other Party.

3. The term "vessels" as used in the present Treaty, means all types of vessels, whether privately owned or operated, or publicly owned or operated, but this term does not include vessels of war.

ARTICLE 13

1. Vessels of either Contracting Party shall have liberty, on equal terms with vessels of the other Party and on equal terms with vessels of any third country, to come with their cargoes to all ports, places and waters of such other Party open to foreign commerce and navigation. Such vessels and cargoes shall in the ports, places and waters of such other Party be accorded in all respects national treatment and most-favored-nation treatment.

2. Vessels of either Party en route to or from the territories of the other Party shall be accorded national treatment and most-favored-nation treatment with respect to the right to carry all cargo that may be carried by vessel.

3. Goods carried by vessels under the flag of either Party to or from the territories of the other Party shall enjoy the same favors as when transported in vessels sailing under the flag of such other Party. This applies especially with regard to customs duties and all other fees and charges, to bounties, drawbacks and other privileges of this nature, as well as to the administration of the customs and to transport to and from port by rail and other means of transportation.

4. The coasting trade and inland navigation are excepted from the provisions of the present Article. However, the vessels of each Party shall be accorded by the other Party most-favored-nation treatment with respect to the coasting trade and inland navigation. Moreover, it is understood that vessels of either Party shall be permitted to discharge portions of cargoes at any ports, places or waters of the other Party open to foreign commerce and navigation, and to proceed with the remaining portions of such cargoes to any other such ports, places or waters and they shall be permitted to load in like manner in the same voyage outward, at the various ports, places and waters open to foreign commerce and navigation; but a right to engage in the coasting trade or inland navigation may not thereby be claimed.

5. Neither Party shall impose any measure of a discriminatory nature that hinders or prevents the importer or exporter of products of either country from obtaining marine insurance on such products in companies of either Party.

ARTICLE 14

If a vessel of either Contracting Party runs aground or is wrecked on the coasts of the other Party, or if it is in distress and must put into a port of the other Party, the latter Party shall extend to the vessel as well as to the crew, the passengers, the personal property of crew and passengers, and to the cargo of the vessel, the same protection and assistance as would have been extended to a vessel under its own flag in like circumstances; and shall permit the vessel after repairs to proceed with its voyage upon conformity with the laws applicable alike to vessels under its own flag. Articles salvaged from the vessel shall be exempt from all customs duties unless they pass into internal consumption; but articles not entered for consumption may be subject to measures for the protection of the revenue pending their exit from the country.

ARTICLE 15

1. In all ports of either Contracting Party the masters of vessels under the flag of the other Party, whose crews have ceased to be fully constituted on account of illness or for any other cause, shall be permitted to engage such seamen as may be necessary for the continuation of the voyage.

2. Nationals of either Party who are seamen may be sent to ports of the other Party to join national vessels, in care of consular officers, either individually or in groups on the basis of seamen's papers issued in lieu of passports. Likewise, nationals of either Party shall be permitted to travel through the territory of the other Party on their way to join vessels or to be repatriated on the basis of seamen's papers used in lieu of passports.

ARTICLE 16

The present Treaty shall not preclude the application by either Contracting Party of measures:

(a) regulating the importation or exportation of gold or silver;

(b) relative to its national fisheries and to the products thereof;

(c) relating to fissionable materials, to radioactive byproducts of the utilization or processing thereof, or to materials that are the source of fissionable materials;

(d) regulating the production of or traffic in arms, ammunition and implements of war, or traffic in other materials carried on directly or indirectly for the purpose of supplying a military establishment;

(e) necessary to fulfill the obligations of a Party for the maintenance or restoration of international peace and security, or necessary to protect its essential security interests;

(f) for the protection of national treasures having an artistic, historical or archeological value; or

(g) denying to any company in the ownership or direction of which nationals of any third country or countries have directly or indirectly the controlling interest, the advantages of the present Treaty, except with respect to recognition of juridical status and with respect to access to courts.

ARTICLE 17

1. The term "national treatment" means treatment accorded within the territories of a Contracting Party upon terms no less favorable than the treatment accorded therein, in like situations, to nationals, companies, products, vessels or other objects, as the case may be, of such Party.

2. The term "most-favored-nation treatment" means treatment accorded within the territories of a Party upon terms no less favorable than the treatment accorded therein, in like situations, to nationals, companies, products, vessels or other objects, as the case may be, of any third country.

3. As used in the present Treaty, the term "companies" means corporations, partnerships, companies and other associations, whether or not with juridical status, whether or not with limited liability and whether or not for pecuniary profit.

4. National treatment accorded under the provisions of the present Treaty to companies of the Kingdom of Belgium shall, in any State or possession of the United States of America, be the treatment accorded therein to companies created or organized in other States and possessions of the United States of America.

ARTICLE 18

1. The territories to which the present Treaty extends shall comprise all areas of land and water under the sovereignty or authority of each Contracting Party, other than the Trust Territory of Ruanda-Urundi in the case of the Kingdom of Belgium, and the Panama Canal Zone and the Trust Territory of the Pacific Islands in the case of the United States of America.

2. It is understood that the present Treaty does not apply to territories under the authority of either Party solely as a military base or by reason of temporary military occupation.

ARTICLE 19

1. Each Contracting Party shall accord sympathetic consideration to, and shall afford adequate opportunity for consultation regarding, such representations as the other Party may make with respect to any matter affecting the operation of the present Treaty.

2. Any dispute between the Parties as to the interpretation or application of the present Treaty, not satisfactorily adjusted by diplomacy, shall be submitted to the International Court of Justice, unless the Parties agree to settlement by some other pacific means.

ARTICLE 20

The present Treaty shall terminate the Treaty of Commerce and Navigation signed at Washington March 8, 1875, and the Convention concerning Trade Marks signed at Washington April 7, 1884.

ARTICLE 21

1. The present Treaty shall be ratified, and the ratifications thereof shall be exchanged at Washington as soon as possible.

2. The present Treaty shall enter into force one month after the day of exchange of the instruments of ratification.

3. The present Treaty shall remain in force for ten years and shall continue in force thereafter until terminated as provided herein.

4. Either Contracting Party may, by giving one year's written notice to the other Party, terminate the present Treaty at the end of the initial ten-year period or at any time thereafter.

In witness whereof the respective Plenipotentiaries have signed the present Treaty and have affixed hereunto their seals.

Done at Brussels, this 21st day of February one thousand nine hundred sixty one, in duplicate, in the French and English languages, both equally authentic.

For the United States of America:

WILLIAM A. M. BURDEN.

For the Kingdom of Belgium:

P. WIGNY.

PROTOCOL

At the time of signing the Treaty of Friendship, Establishment and Navigation between the United States of America and the Kingdom of Belgium the undersigned Plenipotentiaries, duly authorized, have further agreed on the following provisions, which shall be considered integral parts of the aforesaid Treaty:

1. The provisions of Article 2, paragraph 1, b), of the Treaty shall be construed as extending to persons who represent nationals and companies of the same nationality which have invested or are actively in the process of investing a substantial amount of capital in an enterprise in the territories of the other Party, and who are employed by such nationals and companies in a responsible capacity.

2. With reference to the provisions of Article 3, paragraph 2, each Party agrees that, within its territories, the nationals of the other Party shall be entitled to free legal aid on the same conditions as its own nationals.

3. With reference to Article 3, paragraphs 2 and 3, nationals of either Party having their permanent residence within the territories of the other Party and companies of either Party having their establishment, main or branch, within the territories of the other Party who appear as plaintiff or intervening party before the courts of such other Party shall be exempt from obligation to pose security for costs in such instances as nationals and companies of such other Party would be exempt.

4. The provisions of Article 4, paragraph 3, providing for the payment of compensation shall extend to interests held directly or indirectly by nationals and companies of either Party in property which is taken within the territories of the other Party.

5. The provisions of the present Treaty do not confer rights to engage in gainful activities except with the authorization to that effect required by the applicable laws and regulations. The two Parties are agreed, however, to entertain in a most considerate manner applications for authorization to engage in activities pursuant to the Treaty.

6. The provisions of Article 6, paragraph 2, do not extend to professions which, because they involve the performance of functions in a public capacity or in the interests of public health and safety, are state-licensed and reserved by law to nationals of the country.

7. The provisions of Article 6, paragraph 2, shall not extend to the activity of peddlers and itinerant artisans in the exercise of their occupations as such.

8. with reference to Article 6, paragraph 3, neither Party shall apply the term "public policy" so as to deny recognition to a company constituted under the laws of the other Party in any situation in which the former Party permits a company with like purposes to be constituted under its laws.

9. The benefit of the provisions of Article 6, paragraph 3, and of Article 9, paragraph 4, shall not be acquired within the territories of the Contracting Party whose law takes the main establishment into consideration for the recognition of companies, if such establishment is deemed to be within its territory.

10. The provisions of Article 6, paragraphs 2 and 7, shall not be construed to confer rights with respect to owning real property.

11. The treatment provided in Article 10, paragraph 1, is designed only to preclude discriminations on the ground of nationality but does not, for instance, preclude different treatment based upon residence requirements.

12. It is understood that the word "cargo" (or "cargoes") as used in Article 13 shall be deemed to comprehend passengers as well as goods.

13. The provisions of Article 13, paragraph 2, shall not apply to postal services.

In witness whereof the respective Plenipotentiaries have signed this Protocol and have affixed hereunto their seals.

Done at Brussels this 21st day of February one thousand nine hundred sixty one, in duplicate, in the French and English languages, both equally authentic.

For the United States of America:

WILLIAM A. M. BURDEN.

For the Kingdom of Belgium:

P. WIGNY.

EXECUTIVE L, 87TH CONGRESS, FIRST SESSION—TREATY OF AMITY AND ECONOMIC RELATIONS BETWEEN THE UNITED STATES OF AMERICA AND THE REPUBLIC OF VIETNAM

The United States of America and the Republic of Vietnam, desirous of promoting friendly relations between their peoples and of encouraging mutually beneficial trade and closer economic intercourse generally, have resolved to conclude a Treaty of Amity and Economic Relations, and have appointed as their Plenipotentiaries:

The President of the United States of America:

Mr. Elbridge Durbrow, Ambassador Extraordinary and Plenipotentiary of the United States of America at Saigon;

and

The President of the Republic of Vietnam:

Mr. Vu Van Mau, Secretary of State for Foreign Affairs;

Who, having communicated to each other their full powers found to be in due form, agree as follows:

ARTICLE I

1. Nationals of either Party shall, subject to the laws relating to the entry and sojourn of aliens, be permitted to enter the territories of the other Party, to travel therein freely, and to reside at places of their choice. Nationals of either Party shall in particular be permitted to enter the territories of the other Party and to remain therein for the purpose of: (a) carrying on trade between the territories of the two Parties and engaging in related commercial activities; or (b) developing and directing the operations of an enterprise in which they have invested or are actively in process of investing a substantial amount of capital. Each Party reserves the right to exclude or expel aliens on grounds relating to public order, morals, health and safety.

2. Nationals of either Party shall receive the most constant protection and security within the territories of the other Party, in no case less than that required by international law. When any such national is in custody, he shall in every respect receive reasonable and humane treatment; and, on his demand, the diplomatic or consular representative of his country shall be immediately notified and accorded full opportunity to safeguard his interests. He shall be promptly informed of the accusations against him, allowed ample facilities to defend himself, and given a prompt and impartial disposition of his case.

3. Nationals of either Party within the territories of the other Party shall, either individually or through associations, and so long as their activities are not contrary to public order, safety, or morals: (a) enjoy freedom of conscience and the right to hold religious services and engage in religious activities generally; (b) be permitted to engage in philanthropic, educational, and scientific activities; (c) have the right to gather and transmit information for dissemination to the public abroad; and (d) be permitted to communicate with other persons inside and outside such territories by mail, telegraph, or other means open to the general public.

ARTICLE II

1. Companies constituted under the applicable laws and regulations of either Party shall be deemed companies thereof and shall have their juridical status recognized within the territories of the other Party. As used in the present treaty, "companies" means:

(a) As concerns the United States of America, corporations, partnerships, companies, and other associations, whether or not with limited liability and whether or not for pecuniary profit.

(b) As concerns the Republic of Vietnam, sociétés de personnes, sociétés de capitaux, and, in general, other societies, associations, companies, foundations, legal entities or juridical persons, whether or not with limited liability and whether or not for pecuniary profit.

2. Nationals and companies of either Party shall have free access to the courts of justice and administrative agencies within the territories of the other Party, in all degrees of jurisdiction, both in defense and in pursuit of their rights. Such access shall be allowed upon terms no less favorable than those applicable to nationals and companies of such other Party or of any third country, including the terms applicable to requirements for deposit of security. It is understood that companies not engaged in activities within the country shall enjoy the right of such access without any requirement of registration or domestication.

3. Contracts entered into between nationals and companies of either Party and nationals and companies of the other Party, that provide for the settlement by arbitration of controversies, shall not be deemed unenforceable within the territories of such other Party merely on the grounds that the place designated for the arbitration proceedings is outside such territories or that the nationality of one or more of the arbitrators is not that of such other Party. No award duly rendered pursuant to any such contract, and final and enforceable under the laws of the place where rendered, shall be deemed invalid or denied effective means of enforcement within the territories of either Party merely on the grounds that the place where such award was rendered is outside such territories or that the nationality of one or more of the arbitrators is not that of such Party.

ARTICLE III

1. Nationals of either Party shall be accorded national treatment in the application of laws and regulations within the territories of the other Party that establish a pecuniary compensation or other benefit or service, on account of disease, injury or death arising out of and in the course of employment or due to the nature of employment.

2. In addition to the rights and privileges provided in paragraph 1 of the present Article, nationals of either Party within the territories of the other Party shall be accorded national treatment in the application of laws and regulations establishing compulsory systems of social security, under which benefits are paid without an individual test of financial need in the following cases: (a) sickness, including temporary disability for work, and maternity; (b) invalidity, or occupational disability; (c) death of father, spouse, or any other person liable for maintenance; (d) unemployment.

ARTICLE IV

1. Each Party shall at all times accord fair and equitable treatment to nationals and companies of the other Party, and to their property and enterprises; shall refrain from applying unreasonable or discriminatory measures that would impair their legally acquired rights and interests; and shall assure that their lawful contractual rights are afforded effective means of enforcement, in conformity with the applicable laws.

2. Property of nationals and companies of either Party, including direct or indirect interests in property, shall receive the most constant protection and security within the territories of the other Party. Such property shall not be taken except for a public purpose, nor shall it be taken without the payment of just compensation. Such compensation shall be in an effectively realizable form and without unnecessary delay, and shall represent the full equivalent of the property taken; and adequate provision shall have been made at or prior to the time of taking for the determination and payment thereof.

3. The dwellings, offices, warehouses, factories and other premises of nationals and companies of either Party located within the territories of the other Party shall not be subject to entry or molestation without just cause. Official searches and examinations of such premises and their contents shall be made only according to law and with careful regard for the convenience of the occupants and the conduct of business.

ARTICLE V

1. Enterprises which are or may hereafter be established or acquired by nationals and companies of either Party within the territories of the other Party and which are owned or controlled by such nationals and companies, whether in the form of individual proprietorships, direct branches or companies constituted under the laws of such other Party, shall be permitted freely to conduct their activities therein upon terms no less favorable than like enterprises owned or controlled by nationals and companies of such other Party or of any third country.

2. Nationals and companies of either Party shall enjoy the right to continued control and management of their enterprises within the territories of the other Party; shall be permitted to engage accountants and other technical experts, executive personnel, attorneys, agents and other specialized employees of their choice, regardless of nationality; and shall be permitted without discrimination to do all things normally found necessary and proper to the effective conduct of enterprises engaged in like activities.

3. Laws regarding qualifications for the practice of a profession shall not prevent nationals and companies of either Party from engaging accountants and other technical experts for making examinations, audits and technical investigations for internal purposes in connection with the planning and operation of their enterprises within the territories of the other Party.

ARTICLE VI

1. Nationals and companies of either Party shall be accorded national treatment, within the territories of the other Party with respect to: (a) leasing real property needed for their residence or for the conduct of activities pursuant to the present Treaty; (b) purchasing and otherwise acquiring personal property of all kinds, subject to any limitations on acquisition of shares in enterprises that may be imposed consistently with Article V; and (c) disposing of property of all kinds by sale, testament or otherwise. The rights set forth in (a) above shall be subject to compliance with the formalities prescribed in the legislation of such other Party, provided that such formalities shall not impair the substance of such rights.

2. Nationals and companies of either Party shall be accorded within the territories of the other Party effective protection in the exclusive use of inventions, trade marks and trade names, upon compliance with the applicable laws and regulations, if any, respecting registration and other formalities.

ARTICLE VII

1. Nationals and companies of either Party shall not be subject to the payment of taxes, fees or charges within the territories of the other Party, or to requirements with respect to the levy and collection thereof, more burdensome than those borne by nationals, residents and companies of any third country. In the case of nationals of either Party residing within the territories of the other Party, and of companies of either Party engaged in trade or other gainful pursuit or in nonprofit activities therein, such taxes, fees, charges and requirements shall not be more burdensome than those borne by nationals and companies of such other Party.

2. Each Party, however, reserves the right to: (a) extend specific tax advantages only on the basis of reciprocity, or pursuant to agreements for the avoidance of double taxation or the mutual protection of revenue; and (b) apply special provisions in extending advantages to its nationals and residents in connection with joint returns by husband and wife, and as to the exemptions of a personal nature allowed to non-residents in connection with income and inheritance taxes.

3. Companies of either Party shall not be subject, within the territories of the other Party, to taxes upon any income, transactions or capital not attributable to the operations and investment thereof within such territories.

4. The foregoing provisions shall not prevent the levying, in appropriate cases, of fees relating to the accomplishment of police and other formalities, if these fees are also levied on other foreigners. The rates for such fees shall not exceed those charged the nationals of any other country.

ARTICLE VIII

1. Neither Party shall apply restrictions on the making of payments, remittances, and other transfers of funds to or from the territories of the other Party, except (a) to the extent necessary to assure the availability of foreign exchange for payments for goods and services essential to the health and welfare of its people, or (b) in the case of a member of the International Monetary Fund, restrictions specifically requested or approved by the Fund.

2. If either Party applies exchange restrictions, it shall promptly make reasonable provision, taking into account its foreign exchange reserves and the extent of disequilibrium in its balance of payments, for the withdrawal, in foreign exchange in the currency of the other Party of: (a) the compensation referred to in Article IV, paragraph 2, of the present Treaty, (b) earnings, whether in the form of salaries, interest, dividends, commissions, royalties, payments for technical services, or otherwise, and (c) amounts for amortization of loans, depreciation of direct investments and capital transfers, giving consideration to special needs for other transactions. If more than one rate of exchange is in force, the rate applicable to such withdrawals shall be a rate which is specifically approved by the International Monetary Fund for such transactions or, in the absence of a rate so approved, an effective rate which, inclusive of any taxes or surcharges on exchange transfers, is just and reasonable.

3. Either Party applying exchange restrictions shall in general administer them in a manner not to influence disadvantageously the competitive position of the commerce, transport or investment of capital of the other Party in comparison with the commerce, transport or investments of any third country.

ARTICLE IX

1. Each Party shall accord to products of the other Party, from whatever place and by whatever type of carrier arriving, and to products destined for exportation to the territories of such other Party, by whatever route and by whatever type of carrier, treatment no less favorable than that accorded like products of, or destined for exportation to, any third country, in all matters relating to: (a) customs duties, as well as any other charges, regulations and formalities levied upon or in connection with importation and exportation; and (b) internal taxation, sale, distribution, storage and use. The same rule shall apply with respect to the international transfer of payments for imports and exports.

2. Neither Party shall impose restrictions or prohibitions on the importation of any product of the other Party, or on the exportation of any product to the territories of the other Party, unless the importation of the like product of, or the exportation of the like product to, all third countries is similarly restricted or prohibited.

3. If either Party imposes quantitative retrictions on the importation or exportation of any product in which the other Party has an important interest:

(a) It shall as a general rule give prior public notice of the total amount of the product, by quantity or value, that may be imported or exported during a specified period, and of any change in such amount or period; and

(b) If it makes allotments to any third country, it shall afford such other Party a share proportionate to the amount of the product, by quantity or value, supplied by or to it during a previous representative period, due consideration being given to any special factors affecting the trade in such product.

4. Either Party may impose prohibitions or restrictions on sanitary or other customary grounds of a noncommercial nature, or in the interest of preventing deceptive or unfair practices, provided such prohibitions or restrictions do not arbitrarily discriminate against the commerce of the other Party.

5. Either Party may adopt measures necessary to assure the utilization of accumulated inconvertible currencies or to deal with a strigency of foreign exchange. However, such measures shall deviate no more than necessary from a policy designed to promote the maximum development of nondiscriminatory international trade and to expedite the attainment of a balance-of-payments position which will obviate the necessity of such measures.

6. Each Party reserves the right to accord special advantages: (a) to products of its national fisheries, (b) to adjacent countries in order to facilitate frontier traffic, or (c) by virtue of a customs union or free trade area of which either Party, after consultation with the other Party, may become a member. Each Party, moreover, reserves rights and obligations it may have under the General Agreement on Tariffs and Trade, and special advantages it may accord pursuant thereto.

ARTICLE X

1. In the administration of its customs regulations and procedures, each party shall: (a) promptly publish all requirements of general application affecting importation and exportation; (b) apply such requirements in a uniform, impartial and reasonable manner; (c) refrain, as a general practice, from enforcing new or more burdensome requirements until after public notice thereof; (d) allow appeals to be taken from rulings of the customs authorities; and (e) not impose greater than nominal penalties for infractions resulting from clerical errors or from mistakes made in good faith.

2. Nationals and companies of either Party shall be accorded treatment no less favorable than that accorded nationals and companies of the other Party, or of any third country, with respect to all matters relating to importation and exportation.

3. Neither Party shall impose any measure of a discriminatory nature that hinders or prevents the importer or exporter of products of either country from obtaining marine insurance on such products in companies of either Party.

ARTICLE XI

1. Between the territories of the two Parties there shall be freedom of commerce and navigation.

2. Vessels under the flag of either Party, and carrying the papers required by its law in proof of nationality, shall be deemed to be vessels of that Party both on the high seas and within the ports, places and waters of the other Party.

3. Vessels of either Party shall have liberty, on equal terms with vessels of the other Party and on equal terms with vessels of any third country, to come with their cargoes to all ports, places and waters of such other Party open to foreign commerce and navigation. Such vessels and cargoes shall in all respects be accorded national treatment and most-favored-nation treatment within the ports, places and waters of such other Party; but each Party may reserve exclusive rights and privileges to its own vessels with respect to the coasting trade, inland navigation and national fisheries.

4. Vessels of either Party shall be accorded national treatment and most-favored-nation treatment by the other Party with respect to the right to carry all products that may be carried by vessel to or from the territories of such other Party; and such products shall be accorded treatment no less favorable than that accorded like products carried in vessels of such other Party, with respect to: (a) duties and charges of all kinds, (b) the administration of the customs, and (c) bounties, drawbacks and other privileges of this nature.

5. Vessels of either Party that are in distress shall be permitted to take refuge in the nearest port or haven of the other Party, and shall receive friendly treatment and assistance.

6. The term "vessels", as used herein, means all types of vessels, whether privately owned or operated, or publicly owned or operated; but this term does not, except with reference to paragraphs 2 and 5 of the present Article, include fishing vessels or vessels of war.

ARTICLE XII

1. Each Party undertakes (a) that enterprises owned or controlled by its Government, and that monopolies or agencies granted exclusive or special privileges within its territories, shall make their purchases and sales involving either imports or exports affecting the commerce of the other Party solely in accordance with commercial considerations, including price, quality, availability, marketability, transportation and other conditions of purchase or sale; and (b) that the nationals, companies and commerce of such other Party shall be afforded adequate opportunity, in accordance with customary business practice, to compete for participation in such purchases and sales.

2. Each Party shall accord to the nationals, companies and commerce of the other Party fair and equitable treatment, as compared with that accorded to the nationals, companies and commerce of any third country, with respect to: (a) the governmental purchase of supplies, (b) the awarding of concessions and other government contracts, and (c) the sale of any service sold by the Government or by any monopoly or agency granted exclusive or special privileges.

3. The Parties recognize that conditions of competitive equality should be maintained in situations in which publicly owned or controlled trading or manufacturing enterprises of either Party engage in competition, within the territories thereof, with privately owned and controlled enterprises of nationals and companies of the other Party. Accordingly, such private enterprises shall, in such situations, be entitled to the benefit of any special advantages of an economic nature accorded such public enterprises, whether in the nature of subsidies, tax exemptions or otherwise. The foregoing rule shall not apply, however, to special advantages given in connection with: (a) manufacturing goods for government use, or supplying goods and services to the Government for government use; or (b) supplying at prices substantially below competitive prices, the needs of particular population groups for essential goods and services not otherwise practically obtainable by such groups.

ARTICLE XIII

1. The present Treaty shall not preclude the application of measures:

(a) regulating the importation or exportation of gold or silver;

(b) relating to fissionable materials, the radioactive byproducts thereof, or the sources thereof;

(c) regulating the production of or traffic in arms, ammunition and implements of war, or traffic in other materials carried on directly or indirectly for the purpose of supplying a military establishment;

(d) necessary to fulfill the obligations of a Party for the maintenance or restoration of international peace and security, or necessary to protect its essential security interests;

(e) denying to any company in the ownership or direction of which nationals of any third country or countries have directly or indirectly the controlling interest, the advantages of the present Treaty, except with respect to recognition of juridical status and with respect to access to courts of justice and to administrative tribunals and agencies.

2. The present Treaty does not accord any rights to engage in political activities.

3. The most-favored-nation provisions of the present Treaty relating to the treatment of goods shall not extend to advantages accorded by the United States of America or its Territories and possessions, irrespective of any future change in their political status, to one another, to the Republic of Cuba, to the Republic of the Philippines, to the Trust Territory of the Pacific Islands or to the Panama Canal Zone, nor to advantages which the Republic of Vietnam may accord to third countries pursuant to agreements heretofore concluded with them. Each Party agrees that before applying any new preferential rates of duty affecting articles of substantial trading interest to the other Party, it will inform the other Party of its plans and afford it an opportunity for consultation.

4. The provisions of Article I, paragraph 1(b), shall be construed as extending to persons who represent nationals and companies of the same nationality which have invested or are actively in the process of investing a substantial amount of capital in an enterprise in the territories of the other Party and who are employed by such nationals and companies in a responsible capacity.

ARTICLE XIV

1. Each Party shall accord sympathetic consideration to, and shall afford adequate opportunity for consultation regarding, such representations as the other Party may make with respect to any matter affecting the operation of the present Treaty.

2. Any dispute between the Parties as to the interpretation or application of the present Treaty, not satisfactorily adjusted by diplomacy, shall be submitted to the International Court of Justice, unless the Parties agree to settlement by some other pacific means.

ARTICLE XV

1. The present Treaty shall be ratified, and the ratifications thereof shall be exchanged at Saigon as soon as possible.

2. The present Treaty shall enter into force one month after the day of exchange of ratifications. It shall remain in force for ten years and shall continue in force thereafter until terminated as provided herein.

3. Either Party may, by giving one year's written notice to the other Party, terminate the present Treaty at the end of the initial ten-year period or at any time thereafter.

IN WITNESS WHEREOF the respective Plenipotentiaries have signed the present Treaty and have affixed hereunto their seals.

DONE in duplicate, in the English and Vietnamese languages, both equally authentic, at Saigon this third day of April, one thousand nine hundred sixty-one.

For the United States of America:

ELBRIDGE DURBROW.

For the Republic of Viet-Nam:

VU VAN MAU.

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

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

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

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

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the treaties may be voted on en bloc.

The VICE PRESIDENT. 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 ask unanimous consent that at the conclusion of the debate on the two treaties, the Senate proceed to the consideration of other business, and that a yea-and-nay vote be taken at 10 minutes to 11.

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

Mr. FULBRIGHT. Mr. President, the treaties with Belgium and Vietnam represent the 20th and 21st modern agreements concluded by the United States since the current commercial treaty program was initiated in 1946. Both of these treaties contain provisions designed to provide protection for the property and interests of American citizens and companies in those countries.

Each treaty provides that the property of nationals and companies of either party is not to be taken except for a public purpose nor is it to be taken without the prompt payment of just compensation "in an effectively realizable form" representing the full equivalent of the property taken.

These treaties also provide that—

Any dispute between the Parties as to the interpretation or application of the present Treaty, not satisfactorily adjusted by diplomacy, shall be submitted to the International Court of Justice, unless the Parties agree to settlement by some other pacific means.

According to a memorandum on this subject prepared by the Department of State—see appendix of committee report—provisions relating to the International Court of Justice appear in 20 out of 21 of U.S. postwar commercial treaties. The only exception is the treaty with the Sultanate of Muscat and Oman, 86th Congress, 1st session.

Although these commercial treaties are similar to others which have been approved by the Senate, they do deviate from standard provisions which are normally included in treaties of this type. For instance, the treaty with Belgium does not contain provisions relating to the exchange of goods, because of Belgium's reluctance to enter into long-term commitments on this matter and because commercial relations with Belgium have been subject to the General Agreement on Tariffs and Trade. Moreover, social security provisions, as well as the customary clauses relating to the acquisition and tenure of real property, are excluded from the treaty for the reason that the provisions insisted on by Belgian negotiators would have been in conflict with U.S. Federal and domestic law.

In addition, the treaty with Vietnam does not provide for a specific right of entry and establishment of business enterprises, as does the agreement with Belgium. Vietnam's reluctance to accept such a provision is based on her concern about the possible effects of potential economic penetration from abroad. Rather, the provisions relating to the conduct of business activities are limited largely to the function of assuring nondiscriminatory treatment to such enterprises as are authorized to be established under domestic law.

I might add the executive branch witness, Mr. Peyton Kerr, Deputy Assistant Secretary of State for Economic Affairs, assured the committee that the provisions of these treaties "are based upon existing precedents and introduce no new commitments that raise problems as to their effects upon domestic law."

Mr. President, the Vietnam treaty has been ratified, but the Belgium treaty has not been ratified.

Mr. WILEY subsequently said: Mr. President, earlier today, while the treaties were being discussed, the question came to my mind, because I had received

several telegrams which raised the question, as to whether they were in violation of the Connally amendment. I immediately contacted Mr. Marcy, of the Foreign Relations Committee, and he explained the situation to me. I asked him to make the explanation in writing, which he did. While the provision violates the Connally amendment in only several particulars, referred to in the memorandum, it does not in general jurisdiction.

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

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

MEMORANDUM REGARDING APPLICABILITY OF CONNALLY AMENDMENT PRINCIPAL TO TREATIES WITH BELGIUM AND VIETNAM

The commercial treaties with Belgium and Vietnam both require that if any dispute regarding any provision of these conventions arises as between the parties, and if such dispute is not satisfactorily settled by other means, the dispute shall be submitted to the International Court of Justice.

It has been alleged that this provision has the effect of bypassing the Connally amendment because it does not retain for exclusive decision by the United States the question of whether a dispute arising under the treaty falls within the domestic jurisdiction of the United States.

The effect of the requirement that disputes be submitted to the court is to waive the Connally amendment requirement with respect to the limited category of disputes which might arise "as to the interpretation or application of" these two treaties. In other words, if the United States should feel that Belgium refuses to grant an American citizen the right "to enter" Belgium "for the purpose of carrying on trade," as provided in article II, and, if a dispute as to the applicability of this article were to arise, and if that dispute could not be settled by diplomatic means or any other method devised by Belgium and the United States, the dispute would be required to be referred to the International Court of Justice. At that point, the International Court, before it could take jurisdiction, would be required to find that its jurisdiction extended to the subject matter of the dispute.

Since World War II, the United States has concluded 21 commercial treaties along the general lines of those with Belgium and Vietnam. All of these treaties—most of which are now in effect—except a treaty with the Sultan of Muscat and Oman, contain provisions similar to the Court referral provision mentioned above.

Although a number of Members of the Senate, including members of the Committee on Foreign Relations, have opposed repeal of the Connally amendment, they have not objected to provisions of the type described above which confer on the International Court jurisdiction with respect to carefully delimited types of disputes which might conceivably arise under specific commercial treaties. Prior to the inclusion of the first provision of this type in a treaty signed with the Republic of China in 1946, the Committee on Foreign Relations, under the then chairman, Senator Connally, was consulted regarding the desirability of including provisions of this type in specific conventions. Members, at that time, who had supported inclusion of the Connally amendment in connection with the dispute of our ratification of the World Court statute did not object to the inclusion in treaties of this type of provision such as that quoted above.

Mr. MANSFIELD. Mr. President, it appears that the debate on the two agreements has been concluded.

Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. MANSFIELD. As I understand, the Senate agreed to vote en bloc on both these agreements at 10 minutes to 11.

The VICE PRESIDENT. The Senator is correct.

Mr. MANSFIELD. The vote will be a yea-and-nay vote?

The VICE PRESIDENT. The Senator is correct. Unless the Senator desires specifically to make the request, such a request is not necessary.

Mr. MANSFIELD. I shall make the request at the proper time.

The VICE PRESIDENT. If there be no objection, the treaties will be considered as having passed through their parliamentary stages up to and including the presentation of the respective resolutions of ratification.

The resolutions of ratification were read, as follows:

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of a treaty of friendship, establishment, and navigation between the United States of America and the Kingdom of Belgium, together with a related protocol, signed at Brussels on February 21, 1961. (Executive J, Eighty-Seventh Congress.)

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of a treaty of amity and economic relations between the United States of America and the Republic of Vietnam, signed at Saigon on April 3, 1961. (Executive L, Eighty-seventh Congress.)

The VICE PRESIDENT. The question is on advising and consenting to the resolutions of ratification.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that further action on the treaties be suspended at this time.

The VICE PRESIDENT. Under the order, that will be done.

LEGISLATIVE SESSION

Mr. MANSFIELD. 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.

DIVORCE, LEGAL SEPARATION, AND ANNULMENT OF MARRIAGE

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 863.

The VICE PRESIDENT. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (S. 1761) to amend the act of March 3, 1901, relating to divorce, legal separation, and annulment of marriage in the District of Columbia.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to, and the Senate proceeded to consider the bill, which was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 971 of the Act entitled "An Act to establish a code of law for the District of Columbia", approved March 3, 1901 (31 Stat. 1189, 1345; D.C. Code, sec. 16–401), as amended, is amended to read as follows:

"SEC. 971. BONA FIDE RESIDENCE REQUIRED—TERMS.—No action for divorce shall be maintainable unless one of the parties to the marriage has been a bona fide resident of the District of Columbia for at least one year next preceding the commencement of the action; no action for annulment of a marriage performed outside of the District of Columbia shall be maintainable unless one of the parties has been a bona fide resident of the District of Columbia for at least one year next preceding the commencement of the action; nor shall any action for annulment of a marriage performed in the District of Columbia or for the affirmance of any marriage be maintainable, unless one of the parties is a bona fide resident of the District of Columbia at the time of commencement of the action."

(b) Section 966 of such Act (D.C. Code, sec. 16–403), as amended, is amended to read as follows:

"SEC. 966. CAUSES FOR DIVORCE A VINCULO AND FOR DIVORCE A MENSA ET THORO AND FOR ANNULLING MARRIAGES.—

"(a) A divorce from the bond of marriage or a legal separation from bed and board may be granted for adultery, actual or constructive desertion for one year, voluntary separation from bed and board for three consecutive years without cohabitation, or final conviction of a felony and sentence for not less than two years to a penal institution which is served in whole or in part. A legal separation from bed and board also may be granted for cruelty.

"(b) A final judgment of legal separation from bed and board may be enlarged into a judgment of divorce from the bond of marriage upon the application of the innocent spouse after the final separation of the parties has been continuous for one year next before the making of the application.

"(c) Marriage contracts may be declared void in the following cases:

"First. Where such marriage was contracted while either of the parties thereto had a former wife or husband living, unless the former marriage had been lawfully dissolved.

"Second. Where such marriage was contracted during the lunacy of either party (unless there has been voluntary cohabitation after the lunacy) or was procured by fraud or coercion.

"Third. Where either party was matrimonially incapacitated at the time of marriage and has continued so.

"Fourth. Where either of the parties had not arrived at the age of legal consent to the contract of marriage (unless there has been voluntary cohabitation after coming to legal age), but in such cases only at the suit of the party not capable of consenting."

(c) Section 980 of such Act (D.C. Code, sec. 16–415), as amended, is amended to read as follows:

"SEC. 980. MAINTENANCE OF WIFE AND MINOR CHILDREN—MAINTENANCE OF FORMER WIFE—ENFORCEMENT.—

"(a) Whenever any husband shall fail or refuse to maintain his wife and minor children, if any, although able to do so, or whenever any father shall fail or refuse to maintain his children by a marriage since dissolved, although able to do so, the Court,

upon proper application, may decree, pendente lite and permanently, that he shall pay reasonable sums periodically for the support of such wife and children, or such children, as the case may be, and the Court may decree that he pay suit money, including counsel fees, pendente lite and permanently, to enable plaintiff to conduct the case.

"(b) Whenever a former husband has obtained a foreign ex parte divorce, the Court thereafter, on application of the former wife and with personal service of process upon the former husband in the District of Columbia, may decree that he shall pay her reasonable sums periodically for her maintenance and for suit money, including counsel fees, pendente lite and permanently, to enable plaintiff to conduct the case.

"(c) The Court may enforce any decree entered under this section in the same manner as is provided in section 975 of the Act entitled 'An Act to establish a code of law for the District of Columbia', approved March 3, 1901, as amended (D.C. Code sec. 16-410)."

CALL OF THE CALENDAR

Mr. MANSFIELD. Mr. President, I move that the clerk continue to read consecutively through the calendar down to and including Calendar No. 885.

The VICE PRESIDENT. The question is on the motion of the Senator from Montana.

Mr. KEATING. Mr. President, is that motion debatable?

The VICE PRESIDENT. The Chair recognizes the Senator from New York.

Mr. KEATING. Mr. President, I withdraw my desire to speak.

The VICE PRESIDENT. The question is on the motion of the Senator from Montana.

The motion was agreed to.

INTERNATIONAL EXPOSITION FOR SOUTHERN CALIFORNIA

The joint resolution (S.J. Res. 132) extending recognition to the International Exposition for Southern California in the year 1966, and authorizing the President to issue a proclamation calling upon the several States of the Union and foreign countries to take part in the exposition, was considered, ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the Congress hereby recognizes the International Exposition for Southern California in the year 1966 as an event designed to develop and intensify a climate of good will and understanding among men and nations, thereby promoting a lasting peace among all people on the planet of the earth.

SEC. 2. To implement the recognition declared in the first section of this Act, the President, at such time as he deems appropriate, is authorized and requested to issue a proclamation calling upon the several States of the Union and foreign countries to take part in the exposition.

Mr. KUCHEL subsequently said: Mr. President, I move that the Senate reconsider the vote by which Calendar No. 865, Senator Joint Resolution 162, was passed.

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

The motion to lay on the table was agreed to.

BILLS PASSED OVER

The bill (S. 970) to authorize the Secretary of the Interior to construct, operate, and maintain the Mid-State Reclamation Project, Nebraska, and for other purposes, was announced as next in order.

Mr. MANSFIELD. Mr. President, over.

The VICE PRESIDENT. The bill will be passed over.

WRIGHT BROTHERS DAY

The joint resolution (H.J. Res. 109) designating the 17th day of December 1961, as Wright Brothers Day was considered, ordered to a third reading, was read the third time, and passed.

CELEBRATION OF THE AMERICAN PATENT SYSTEM

The resolution (H.J. Res. 499) authorizing a celebration of the American patent system was considered, ordered to a third reading, read the third time, and passed.

REPRESENTATION ON THE JUDICIAL CONFERENCE OF THE UNITED STATES

The bill (H.R. 176) to amend section 331 of title 28 of the United States Code so as to provide for representation on the Judicial Conference of the United States was considered, ordered to a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (H.R. 6690) to amend section 332 of title 28, United States Code, in order to provide for the inclusion of a district judge or judges on the judicial council of each circuit, was announced as next in order.

Mr. KEATING. Mr. President, is it in order to ask that a bill go over?

Mr. MANSFIELD. Yes, indeed.

Mr. KEATING. It was understood that the bill would not come up until after the Juridical Conference had acted on the question, which they expect to do on the 20th of September. I ask that the bill go over.

The VICE PRESIDENT. The bill will be passed over.

WIDOW OF JULIAN E. GILLESPIE

The bill (S. 1274) for the relief of the widow of Julian E. Gillespie was considered, ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in the administration of section 5 of the Act entitled "An Act to make certain increases in the annuities of annuitants under the Foreign Service retirement and disability system", approved May 1, 1956, as amended (22 U.S.C. 1079d), Julian E. Gillespie, who died on June 23, 1939, while serving as commercial attaché to the American Embassy at Istanbul, Turkey, shall be held and considered to have been a participant under the Foreign Service retirement and disability system at the time of his death.

SEC. 2. No annuity shall be payable as a result of the enactment of this Act for any period prior to the date of such enactment.

CWO JAMES M. COOK

The bill (H.R. 2816) for the relief of CWO James M. Cook was considered, ordered to a third reading, was read the third time, and passed.

LT. COL. WILLIAM C. WINTER, JR., U.S. AIR FORCE (MEDICAL CORPS)

The bill (H.R. 3606) for the relief of William C. Winter, Jr., lieutenant colonel, U.S. Air Force (Medical Corps) was considered, ordered to a third reading, was read the third time, and passed.

WOODY W. HACKNEY

The bill (H.R. 3863) for the relief of Woody W. Hackney of Fort Worth, Tex., was considered, ordered to a third reading, was read the third time, and passed.

HENRY JAMES TAYLOR

The bill (H.R. 4369) for the relief of Henry James Taylor was considered, ordered to a third reading, was read the third time, and passed.

CHARLES P. REDICK

The bill (H.R. 5182) for the relief of Charles P. Redick was considered, ordered to a third reading, was read the third time, and passed.

RALPH E. AND SALLY SWIFT

The bill (H.R. 5559) for the relief of Ralph E. Swift and his wife, Sally Swift, was considered, ordered to a third reading, was read the third time, and passed.

HARRY WEINSTEIN

The bill (H.R. 6996) for the relief of Harry Weinstein was considered, ordered to a third reading, was read the third time, and passed.

M. C. PITTS

The bill (H.R. 7264) for the relief of M. C. Pitts was considered, ordered to a third reading, was read the third time, and passed.

BILL AND RESOLUTION PASSED OVER

The bill (S. 521) for the relief of Charles J. Utterback was announced as next in order.

Mr. MANSFIELD. Over, Mr. President.

The VICE PRESIDENT. The bill will be passed over.

The resolution (S. Res. 105) to create a Special Committee on National Fuels Study was announced as next in order.

Mr. MANSFIELD. Over, Mr. President.

The VICE PRESIDENT. The resolution will be passed over.

APPRENTICES AUTHORIZED FOR GOVERNMENT PRINTING OFFICE

The Senate proceeded to consider the bill (S. 2488) to increase the number of apprentices authorized to be employees of the Government Printing Office, and for other purposes, which had been reported from the Committee on Rules and Administration, with an amendment, in line 6, after the word "words", to strike out "six" and insert "four", so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Act of January 12, 1895 (ch. 23, sec. 50, 28 Stat. 607, 608), as amended (44 U.S.C. 40), is amended by deleting in the first sentence the words "two hundred apprentices" and substituting the words "four hundred apprentices."

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

PRINTING AS SENATE DOCUMENT CONVENTION OF AMERICAN INSTRUCTORS OF THE DEAF

The concurrent resolution (S. Con. Res. 40) authorizing the printing as a Senate document of the 40th biennial meeting of the convention of American Instructors of the Deaf; and providing additional copies was considered and agreed to, as follows:

Resolved by the Senate (the House of Representatives concurring), That the report of the proceedings of the fortieth biennial meeting of the Convention of American Instructors of the Deaf, held in Salem, Oregon, in June 1961, be printed with illustrations as a Senate document; and that four thousand additional copies be printed for the use of the Joint Committee on Printing.

MICROFILMING OF PAPERS OF PRESIDENTS OF THE UNITED STATES

The bill (H.R. 6667) to amend the act of August 16, 1957, relating to microfilming of papers of Presidents of the United States, to remove certain liabilities of the United States with respect to such activities was considered, ordered to a third reading, read the third time, and passed.

SPECIAL COMMITTEE ON NATIONAL FUELS STUDY

Mr. MANSFIELD. Mr. President, that concludes the call of the calendar as of today, with one exception. I ask unanimous consent that the Senate return to the consideration of Calendar No. 882, which I inadvertently asked to go over.

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

The Senate resumed the consideration of the resolution (S. Res. 105) to create a Special Committee on National Fuels Study, which had been reported from the Committee on Interior and Insular Affairs with amendments, and subsequently reported from the Committee on Rules and Administration with additional amendments. The amendments of the Committee on Interior and Insular Affairs are as follows:

On page 2, line 1, after the word *"Resolved"*, to strike out "That there is hereby created a special committee to be known as the Special Committee on a National Fuels Study and to consist of nine Senators to be appointed by the President of the Senate as soon as practicable after the date of adoption of this resolution. The President of the Senate shall designate one such Senator as chairman of the committee. Six members of the committee shall be appointed from the majority party and three members from the minority party.

"SEC. 2. No legislative measure shall be referred to such committee, and it shall not have power to report any such measure to the Senate.

"SEC. 3. The said committee, or any duly authorized subcommittee thereof, is authorized to sit and act at such places and times during the sessions, recesses, and adjourned periods of the Senate, to require by subpena or otherwise the attendance of such witnesses and the production of such books, papers, and documents, to administer such oaths, to take such testimony, to procure such printing and binding, and to make such expenditures as it deems advisable.

"SEC. 4. A majority of the members of the committee or any subcommittee thereof shall constitute a quorum for the transaction of business, except that a lesser number, to be fixed by the committee, shall constitute a quorum for the purpose of taking sworn testimony.

"SEC. 5. (a) The committee shall—"

And, in lieu thereof, to insert "That the Committee on Interior and Insular Affairs, or any duly authorized subcommittee thereof, is authorized under sections 134(a) and 136 of the Legislative Reorganization Act of 1946, as amended, and in accordance with its jurisdiction specified in rule XXV of the Standing Rules of the Senate to—"; on page 4 at the beginning of line 6, to strike out "(1)" and insert "(a)"; at the beginning of line 12, to strike out "(2)" and insert "(b)"; at the beginning of line 25, to strike out "(b)" and insert "(c)"; on page 5, line 1, after "(a)", to insert "and subsection (b)"; on page 6, after line 19, to insert:

"SEC. 2. The President of the Senate, at the request of the chairman of the Committee on Interior and Insular Affairs, shall appoint three Senators, none of whom shall be members of the Committee on Interior and Insular Affairs, to participate in the study authorized herein and Senators so appointed shall serve with the committee in an ex officio capacity."

On page 7, line 3, to change the section number from "6" to "3"; in line 4, after the word "basis", to strike out "through January 2, 1963,"; in line 6, after the word "consultants", to strike out the colon and *"Provided,* That the minority is authorized to select one person for appointment, and the person so selected shall be appointed and his compensation shall be so fixed that his gross rate shall not be less by more than $1,400 than the highest gross rate paid to any other employee"; in 13, after the word "may," to strike out "employ on a reimbursable basis such executive branch personnel as it deems advisable" and insert "utilize the services, information, facilities, and personnel of any of the departments or agencies of the Government"; in line 17, to change the section number from "7" to "4"; in line 18, after the word "exceed", to strike out "$200,000" and insert "$25,000"; in line 21, to change the section number from "8" to "5"; and in line 24, after the word "date,", to strike out "but not later than January 2, 1963. The committee shall cease to exist at the termination of January 2, 1963."

The amendments were agreed to.

The amendments of the Committee on Rules and Administration are as follows:

On page 4, line 25, to strike out "(c)" and insert "SEC. 2."; on page 5, at the beginning of line 1, to strike out "subsection (a) and subsection (b) of this", and in the same line, after the word "section", to insert "1"; on page 6, line 20, to change the section number from "2" to "3"; on page 7, after line 2, to strike out:

"SEC. 3. For the purposes of this resolution, the committee is authorized to employ on a temporary basis technical, clerical, or other assistants, experts, and consultants. With the prior consent of the executive department or agency concerned and the Committee on Rules and Administration, the committee may utilize the services, information, facilities, and personnel of any of the departments or agencies of the Government."

After line 16, to strike out:

"SEC. 4. The expenses of the committee, which shall not exceed $25,000 during any fiscal year, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee."

After line 20, to strike out:

"SEC. 5. The committee shall report the results of its studies and investigations, together with such recommendations as it may deem advisable, to the Senate at the earliest practicable date."

On page 8, after line 2, to insert a new section, as follows:

"SEC. 4. For the purposes of this resolution the committee is authorized through January 31, 1962 (1) to make such expenditures as it deems advisable; (2) to employ upon a temporary basis, technical, clerical, and other assistants and consultants; and (3) with the prior consent of the heads of the departments or agencies concerned, and the Committee on Rules and Administration, to utilize the reimbursable services, information, facilities, and personnel of any of the departments or agencies of the Government."

After line 12, to insert a new section, as follows:

"SEC. 5. The committee shall report its findings, together with its recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date."

And, after line 16, to insert a new section, as follows:

"SEC. 6. The expenses of the committee under this resolution, from the date of its agreement through January 31, 1962, shall not exceed $25,000 and shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee."

The amendments were agreed to.

The resolution, as amended, was agreed to.

The title was amended, so as to read: "Resolution to authorize a study of national fuels policy."

The preamble was agreed to.

Mr. RANDOLPH subsequently said: Mr. President, the adoption of Senate Resolution 105, to authorize the Committee on Interior and Insular Affairs to conduct a national fuels and energy study, represents responsible action in the national interest.

For myself and my conscientious colleague from West Virginia [Mr. BYRD] and the 61 other Senators who were cosponsors of the legislation, I desire to commend and thank the distinguished majority leader, Senator MANSFIELD, the distinguished minority leader, Senator DIRKSEN, and the able and diligent chairman of the Committee on Interior and Insular Affairs, Senator ANDERSON, for the leadership they so capably provided

in making possible the adoption of this resolution.

It is appropriate, Mr. President, to point out that Senate Resolution 105 is one of the most widely sponsored legislative measures of this or any other Congress. Likewise, it is one with a high degree of bipartisan support. Of the 63 cosponsoring Senators, 45 were from the majority side and 18 from the minority. This is consistent with the 1960 platforms of both national political parties.

The Democratic national platform declared:

We support the establishment of a national fuels policy.

The Republican national platform included a declaration for "long-range minerals and fuels planning and programing."

Actually, these platform pronouncements go beyond the provisions of Senate Resolution 105. Whereas the party platforms call for support of a national fuels policy and for long-range minerals and fuels planning and programing, Senate Resolution 105 provides for a prerequisite study to ascertain facts relating to the fuels and energy resources of this country "with the view of determining what, if any, changes and implementation of existing policies and laws may be advisable in order to coordinate and provide an effective national fuels policy to assure the availability of fuels and energy adequate for an expanding economy and for the security of the United States."

The adoption of Senate Resolution 105, as amended by the Committee on Interior and Insular Affairs and by the Committee on Rules and Administration, is the successful culmination of a series of efforts started in the 86th Congress and continued in this 87th Congress to have the problems and status of the Nation's fuels and energy resources brought under study, hopefully as a prelude to the establishment of a national fuels policy.

In this successful effort we have had the stalwart and consistent support of the President of the United States, the Secretary of the Interior, the Secretary of State, the Atomic Energy Commission, the Office of Civil and Defense Mobilization, and the Interstate Commerce Commission.

As introduced, Senate Resolution 105 called for the establishment of a special committee of the Senate to conduct a fuels and energy study, but the Committee on Interior and Insular Affairs, after hearing much testimony and after careful study of the subject, reported the resolution with the recommendation that the study be authorized as an activity of that standing committee. The wisdom of this decision was not questioned by those of us with primary interest in having authorized a thoroughly impartial and objective study of the whole fuels and energy field in the United States. It is an area in which the Interior and Insular Affairs Committee has jurisdiction and there are numerous advantages inherent in having the study made by this committee, not the least of which is the obviating of the costs of special staffing.

A proper and adequate provision has been included in the resolution for the augmentation of the Interior and Insular Affairs Committee by the grant of authority to the President of the Senate to appoint as many as three Senators who are not members of that standing committee to serve in ex officio capacity for the purposes of the study authorized by Senate Resolution 105. I have been assured by the able chairman of the committee that the intent is to clothe the ex officio members with full participation and voting rights in all matters having to do with the national fuels and energy study, including recommendations to the Senate stemming from the study.

In appearing before the Committee on Interior and Insular Affairs as the principal sponsor of the resolution and as the authorized spokesman for the 62 cosponsoring Senators, I said on June 12, 1961, and I reaffirm now:

The study, as we visualize it, should emphasize the national concept of the fuels and energy problem. We do not view this proposal as a "narrow conflict of industry interests" between competing fuels and energy sources. That some such conflicts would develop during the course of making an overall study would not be unexpected, but they would be secondary, not primary, considerations in the national aspect of the project.

Because the results of the study proposed by S. Res. 105 will presumably determine whether or not the United States—not coal, oil, gas, hydroelectric energy, or atomic energy individually—needs a national fuels and energy policy, we believe there should be * * * understanding that individual fuels and energy industry interests are not the interests to be accommodated by the proposed study. Certainly their status and positions should be given fair and equitable consideration, but the broad national interest should be and must be the sole purpose served.

Mr. President, at this point in my remarks I ask consent to have printed in the RECORD a supplemental statement which I filed and which was made a part of the record of the Committee on Interior and Insular Affairs in its hearing on Senate Resolution 105.

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

STATEMENT BY SENATOR RANDOLPH

We are told by the population projection experts that our Nation will number more than 200 million persons by 1975—a scant 14 years from now. The additional 20 million people will have to be fed, clothed, housed, and provided with Federal, State, and local government services.

I respectfully suggest that this committee ponder for a moment how many items of food, clothing, housing, and Government services have no dependence on some form of energy to give them being. And I believe it is pertinent to inquire:

How many day-to-day conveniences—those which we Americans take for granted because of our high standard of living—would be available to us or will be available to those who come after us, if it should ever occur that the United States, for any reason, is faced with the fact that the presently unlimited supplies of low-cost energy we use so prodigally would suddenly be in short supply?

When I propounded this question to an executive of one of the major oil-importing companies recently, he replied, "But, Senator, that's the whole point; energy fuels are not in short supply. Why raise a hare when there's no need to chase it?"

The gentleman's response was accurate, in today's context.

In June 1961 the world—the United States included, of course—has available more energy fuels in the form of coal, oil and natural gas than currently we can use. In reference to oil, the word, I think, is "glut." From recent oil discoveries in north Africa, it would appear that there are still vast sources of supply that have not yet been discovered. Who knows what the continent of Africa may hold in the way of energy?

This is fine, but it is a small source of comfort and security to Americans living in Maine, Minnesota, or Montana that what might become an anti-American land has in her earth unlimited quantities of the same kind of energy fuels that are the very lifeblood of America. What guarantee do we Americans have that the African continent, or Venezuela, or Kuwait, or any of the other prolific oil areas of the world will constantly make their riches available to us? What good will Venezuelan oil be to the United States if Latin America embraces communism, or if Africa turns against us, or if the Soviet Union decides to effect a coup d'etat in the Middle East?

Every year that passes, in which we become more and more dependent on foreign oil to buttress our national economy and security perhaps is 1 year nearer disaster. What makes this all the more tragic is that it is unnecessary. The United States of America, the richest country the world has ever known, is, by its own complacency, gradually placing itself at the mercy of those it should most diligently guard against. By neglecting to apprise ourselves of the true, unbiased, realistic picture of our own energy wealth and stability, we are gambling with our country's future.

This Nation has a foreign policy, a defense policy, a farm policy, and the beginnings of a transportation policy. All are necessary and of first importance. But not one of them is so basic to our national security and economy as would be a national policy in respect of those energy fuels that make all of them possible and without which, or lacking an abundant available supply of which, would render all other national policies impotent and would disarrange our country industrially, economically, and militarily.

The leaders of the coal industry that means so much to the State I represent have been vociferously accused of selfish motives in their strong support of a study to determine whether this Nation needs a national policy in respect to our fuels and energy resources. They have been charged with "trying to recapture lost markets by Government fiat imposing end-use controls." They have been accused of "trying to get the Congress to do by legislation what the industry is incapable of doing by free and fair competition," and their accusers in practically every case have been spokesmen for competing fuels industries. I respectfully call attention to an excerpt from a speech made in San Antonio, Tex., to the Western Refiners Association, by Hon. John M. Kelly, Assistant Secretary of the Interior for Mineral Resources, a gentleman long associated with the domestic oil industry prior to his appointment to the Interior Department. Mr. Kelly said, "Let me also add this: Unthinking, blind opposition within the petroleum industry to an impartial, long-range study can easily leave the mistaken impression that the interests of the petroleum industry are somehow different from the interests of the Nation as a whole."

That is a most intriguing statement. It relates to a matter so vitally important to the future of our country that I feel strongly it should be studied with the utmost care and impartiality. I do not suggest that the implication of "profits before patriotism"

is a true implication. But I think that such an implication should be disproved without delay.

The leaders of the coal industry, like the leaders of the oil and natural gas industries, are proud of the significant part the energy industries play in the life of this Nation.

I believe a thorough, impartial study of the whole energy fuels field in the United States would remove misconceptions which may exist. In this connection it is pertinent that I note for the record that I, as a Senator from West Virginia, represent a State which has vital concern for the welfare of the gas and oil industries, as well as our basic coal industry. This is noted because of the following facts published in the March 2, 1961, Ritchie Gazette, a weekly newspaper published at Harrisville, W. Va.:

"According to a summary report just completed, on the gas and oil developments in West Virginia for 1960, by Mr. R. C. Tucker, assistant State geologist, 1,216 wells were drilled, an increase of 311 over 1959. Of these 794 were gas wells, 49 oil wells, 182 combination gas and oil wells, 49 were storage and other purposes wells, and 142 were dry holes; 529 wells were drilling at the close of the calendar year.

"These wells ranged in depth from 370 feet to 13,121 feet for a total of 2,908,817 feet. The wells had an average depth of 2,393 feet.

"The gas wells had a total initial daily open flow of 983,422 thousand cubic feet and ranged in size from 10,000 cubic feet to 10,284 thousand cubic feet.

"Total initial daily open flow of oil was 4,117½ barrels. The oil wells ranged in size from one-half barrel daily to 300 barrels daily.

"Lewis, Doddridge, Ritchie, Wayne and Gilmer Counties accounted for 52 percent of the total number of wells drilled.

"Lewis, Doddridge, Wyoming, and Kanawha accounted for 56 percent of the initial open flow of gas.

"Doddridge, Calhoun, Wetzel, Clay, and Lewis accounted for 78 percent of the new oil discovered.

"At the end of the year, there were 16,485 producing gas wells and 12,669 oil wells.

"The estimated gas production for 1960 was 207 million thousand cubic feet. The estimated oil production for 1960 was 2,300,000 barrels.

"Although some one dozen major oil and gas companies from other States are now actively engaged in investigating our State for deep-test drilling, the record number of wells drilled during 1960, was made by the companies that have operated in West Virginia for many years.

"The principal incentive for new drilling is a good market for gas at a good price."

As for the coal industry, on which much of the greatness of the American economy was built, we know that it no longer stands as the sole source of energy fuel. Our coal producers and miners are fully cognizant of the fact that oil and natural gas have made inroads on coal's once commanding position as the Nation's so-called powerplant. The coal industry does not resent the fact that, by vigorous development and the expenditure of billions of dollars, the oil and gas energy partners have built to the point of being coal's equals as contributors to the energy fuels complex of the Nation.

In fact, it is well that they have done so. America's energy demands today are so great and so varied that we need, and are fortunate to have all of our tremendous fossil fuels resources to supply them.

And we would be extremely negligent if we ignored the threat of economic deterioration now facing all of our natural resource fuels. Conditions today deter new domestic explorations and development of petroleum and natural gas in this country; they likewise endanger the production and transportation capacities of coal and its allied industries.

I do not wish to be misunderstood. I am confident that a study of our fuels resources and energy needs—such as is proposed in Senate Resolution 105—as well as the possible subsequent development and adoption of a national fuels policy, will result in benefits to the coal industry, to West Virginia. I am equally confident, however, that an impartial study and a sound fuels and energy policy will result in benefits to the domestic oil and gas producers and distributors as well—and inasmuch as we have substantial oil and gas interests in West Virginia our State will benefit here, too.

But far more important, I am certain that inestimable benefit will accrue to our whole country.

The coal industry and its many supporters in the Congress ask for no special favors. With respect to coal, and with respect to domestic oil and gas as well, all we ask is that before it is too late the United States of America, through a legislative branch study in which the executive branch would cooperate, determine whether a need exists for a sound, sane, forward-looking policy in respect of our most precious national asset—our domestic fuels and energy resources.

Mr. BYRD of West Virginia. Mr. President, the urgent need for passage of Senate Resolution 105 is well established. Today, we live in a sorely troubled world, plagued and harassed by the ruthless power greed of Russia and Red China. If present ominous international threats should erupt into actual war, it is highly questionable whether the various forms of energy, on which depends our ability to defend ourselves, will be available to us in fullest measure.

Time may yet be on our side, insofar as an established national fuels and energy resourses policy is concerned, and for this we should be thankful; but we would have been dangerously remiss in our duty to our Nation if we should have failed to adopt the important resolution before the Senate, for we must equate the exhaustability of each of our fuels not only with expanding industrial and commercial needs, but also with national defense needs. This, of course, will be the task of the committee making the fuels study.

It should be noted, however, that the problems which we face nationally with respect to all of our energy resources have an interrelationship which must be taken into account in a fuels study—and this is exactly what S. 105 proposes to do. Today, there is little or no awareness of this interrelationship, and each of our fuels is individually thought of in its own untrammeled way—each to be as fully exploited as possible in a competitive race against each other.

Thus, at the conclusion of the committee's study of our fuels, we should be far more agreeable than we are today as to which of our fuels should be wisely conserved for what superior purposes, and which fuels should be more fully developed for greater universal use through a program of accelerated production.

This does not mean that the study will indicate the need for straitjacketing any of our fuels and energy producers; rather, it means that the study can sapiently suggest a governmental course of action to protect each fuels resource from possible sickening circumstances. Our well-being as a Nation, and our very existence as a Nation, can certainly depend on the study committee's findings.

I urge Senators to vote for passage of Senate Resolution No. 105, because we cannot afford to delete a national fuels and energy resources study from our overall concern for our national defense. It is an important step which must be taken if we are to strengthen our posture of national preparedness against Communist imperialist aggression.

Mr. President, I wish to congratulate my colleague, Senator JENNINGS RANDOLPH, for his tireless efforts on behalf of Senate Resolution No. 105. I hope that his leadership in seeking such a Senate study of our fuels and energy resources will be recognized, and that he will be appointed to the committee which will be designated to make the study provided by the resolution.

PIPELINES AND OTHER WORK FOR AVONDALE, DALTON GARDENS, AND HAYDEN LAKE IRRIGATION DISTRICTS IN THE STATE OF IDAHO

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 764, S. 923.

The VICE PRESIDENT. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 923) to authorize the Secretary of the Interior to replace lateral pipelines, line discharge pipelines, and to do other work he determines to be required for the Avondale, Dalton Gardens, and Hayden Lake Irrigation Districts in the State of Idaho.

The VICE PRESIDENT. The question is on the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on Interior and Insular Affairs, with amendments, on page 2, line 4, after the word "over", to strike out "fifty" and insert "forty"; in line 9, after the word "Secretary", to insert "In the event works or capacity are provided hereunder at the request of the district in addition to those heretofore constructed by the United States and being replaced or improved under authority of this Act, such work may be undertaken by the Secretary at a cost not to exceed $125,000, and payment therefor shall be made concurrently with other annual payments as provided for herein." and on page 3, after line 3, to insert a new section, as follows:

SEC. 5. There are hereby authorized to be appropriated such sums, but not more than $1,611,000, as are necessary to carry out the provisions of this Act.

So as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Interior is authorized to replace lateral pipelines, perform interior lining of discharge pipelines, and to do other work he determines to be required in replacement, modification, or improvement of the facilities heretofore constructed by the

United States for the Avondale, Dalton Gardens, and Hayden Lake Irrigation Districts in the State of Idaho.

SEC. 2. Each irrigation district, starting with the year following the completion of the work for the district under the authority of this Act, shall repay the United States toward the cost thereof over forty-year period annual installments which, when added to those payments required by existing repayment contracts between the United States and the district, will be equal to the amortization capacity of the lands of the district as that amortization capacity has been heretofore established by the Secretary. In the event works or capacity are provided hereunder at the request of the district in addition to those heretofore constructed by the United States and being replaced or improved under authority of this Act, such work may be undertaken by the Secretary at a cost not to exceed $125,000, and payment therefor shall be made concurrently with other annual payments as provided for herein.

SEC. 3. Prior to initiating actual construction of any of the work authorized in section 1 of this Act, the district shall be required to enter into a contract with the United States satisfactory to the Secretary to repay the United States toward the cost thereof as provided in section 2 of this Act.

SEC. 4. The remaining costs of the work completed hereunder for each district shall be returned to the reclamation fund within the period provided for in section 2 of this Act from revenues derived by the Secretary of the Interior from the disposition of power marketed through the Bonneville Power Administration.

SEC. 5. There are hereby authorized to be appropriated such sums, but not more than $1,611,000, as are necessary to carry out the provisions of this Act.

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

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

LATIN AMERICA NEEDS PRIVATE ENTERPRISE

Mr. KEATING. Mr. President, the results of the recent meeting of the alliance for progress at Punta del Este have been disappointing to many of us who feel that the U.S. concentration on Government foreign aid programs cannot provide an answer for Latin America's long-term economic and social needs. The problems are so great, the need for capital so tremendous and the dangers of Communist subversion from Cuba and the Communist bloc so alarming that we cannot rely on just one avenue and just one approach to keep Latin America out of Communist hands.

Mr. President, one of the most important ways that we can help in the economic growth of Latin America is by encouraging private enterprise to meet the needs for capital and industrial development in Latin America. This can be done in a variety of ways through American investment guarantees, through multilateral arrangements, and through political agreements with the countries involved. Only private enterprise has the resources to provide all of the assistance Latin America needs if it is to move ahead toward a free and progressive economy. The present administration, sincere as is may be, is not helping Latin America or the free world if it permits Latin American countries to rely solely on Government aid for their development and if it permits Latin American countries to discriminate against or to discourage American private enterprise in that area.

Mr. President, a very interesting and perceptive analysis of Latin American needs has been prepared by the Foreign Policy Research Institute of the University of Pennsylvania. The institute has been engaged in a study of the political, socioeconomic, psychological and strategic practices now operative in Latin America with a view to devising policies to cope with the challenge confronting the United States in the Western Hemisphere. This article, which is a summary of material to be presented to the relevant congressional committees and the Departments of State and the Treasury, deserves careful study.

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

[From the Philadelphia Evening Bulletin, Aug. 8, 1961]

FRESH START IN LATIN AMERICA?—OPPORTUNITIES AND PITFALLS OF THE PUNTA DEL ESTE MEETING

(EDITOR'S NOTE.—Great hopes for a new and closer relationship between the United States and its Latin American friends are being built upon the conference now in progress at Punta del Este, Uruguay. How valid are the hopes? What are the dangers? The Foreign Policy Research Institute of the University of Pennsylvania, which has been engaged in a study of the political, socioeconomic, psychological and strategic factors now operative in Latin America, with a view to devising policies "to cope with the challenges confronting the United States in that part of the Western Hemisphere," has provided the Bulletin with the accompanying report, summarizing some of the visible opportunities and pitfalls in the program now unfolding at Punta del Este. This report will go also to the Senate and House Foreign Affairs Committees, and to the Departments of State and the Treasury.)

The Inter-American Economic Conference at Punta del Este represents a significant effort to outline a 10-year program for Latin American economic and social development backed by the vast resources of the United States.

This important meeting will demonstrate dramatically that we have reached, in the words of President Kennedy, "a historic turning point in the life of the Western Hemisphere" and are ready to discuss realistically the economic problems confronting the Americas.

But it is equally important to bear in mind that no one international conference, however successful its deliberations might be, can lead quickly to drastic economic changes in the lives of scores of millions of people.

There are some indications that the Punta del Este Conference has already been oversold to the Latin Americans. Popular expectations have been raised so high that the Conference is saddled with an unfair burden. Many are bound to be disappointed in the results because they are unable to appreciate the gradual pace at which solidly founded economic growth must occur.

Moreover, elements are not lacking which will, through negativist propaganda, seek to aggravate existing frustrations and heap ridicule upon any responsible plans which are advanced to alleviate the real needs of the Latin Americans. The United States, therefore, should brace itself psychologically for a certain amount of unavoidable backlash and take prudent steps to minimize its harmful effects.

PRIVATE CAPITAL'S ROLE

Up until now those who have expounded upon the Alianza para Progreso have focused attention almost exclusively upon government-to-government aid. Certainly this type of assistance, at least in the amounts currently being discussed ($500 million) and perhaps an even greater amount, is essential to get the job underway. But government-to-government aid represents only a fraction of the total panorama of possibilities, and a minor fraction at that.

The tremendous amount of capital involved is not understood except in the most informed circles. Responsible United States and Latin American economic experts estimate, for example, that for steel and electric power alone, the area needs an amount of capital investment far greater than the entire Marshall plan.

When other priorities are considered, the total sum is completely beyond the willingness of the United States or any government to supply. The major portion of this development capital must come from nongovernmental sources.

It is incumbent upon the foreign enterprises already operating in Latin America to pursue policies which will make them fully acceptable in the society where they are operating.

The architects of the Alliance for Progress therefore need not draft their plan as if the U.S. Government must face the task of development alone. Few will question the necessity of governmental capital outlays for those projects which are prerequisite for helping economic activity but which do not attract capital from private markets.

BUILDING RIGHT CLIMATE

Rather, governments should chart their political course and tailor their development projects with a view toward creating an economic climate in which investment and trade can be accelerated and the standard of living of all peoples can be raised. One way of accomplishing this is for the government concerned to supply not only primary investment capital but also guarantee capital in forms which can have substantial multiplier effects.

The generation of psychological confidence is the foundation of sustained economic growth. The United States would do well to make at least a portion of its aid funds inspire the acceptance of a feasible system of private investment, ownership, and other financial guarantees by the governments of recipient countries.

Economic guarantees alone are not sufficient. Political guarantees are also necessary. In fact, businessmen are turned from investment less by the risk of economic loss, a factor which they are capable of calculating, than by the risk of political loss, which cannot be predicted.

The current reluctance on the part of U.S. venture capital to move to Latin America can be attributed almost entirely to fear of subsequent expropriation prompted by Castro's success in taking over foreign assets in Cuba.

The United States should seek to devise unilateral, bilateral, and multilateral approaches toward creating economic and political conditions which will contribute to an improved climate of commercial partnership between North and South America. Investors ought to be insured against obstacles, and confiscatory policies. Both through diplomatic channels and through less formal communications among public officials, econ-

omists and businessmen, much can be done to foster wholesome cooperation.

The United States, in furnishing unilateral guarantees, should not place U.S. businessmen at an unfair competitive advantage over their Latin American counterparts.

Protective cover probably should not extend to the full value of investment. Perhaps the optimum figure would be in the neighborhood of 75 percent. Furthermore, these insurance policies should be designed primarily to stimulate new or expanded capital investments in Latin America, not to attach retroactive guarantees to previous investments which have already brought a profitable return.

PRIORITY FOR HOUSING

Housing, more than land reform, is the most pressing problem confronting the mass of the people in Latin America. Furthermore, it is a problem which can be solved without arousing the kind of political opposition from landowners which so often delays social progress.

A large-scale housing program would have several advantages. It would bring genuine social gains which could be felt by the people, and hence it would diminish the attractiveness of radical socioeconomic solutions. Housing, too, is a unique sector of the economy where the satisfaction of consumer desires and the stimulation of productive growth meet.

Housing programs create not only jobs and purchasing power but whole new industries. Forest products, metals, plastics, factories for the production of prefabs, furniture, electrical powerplants, appliances, and many other lines of production are greatly stimulated by the building of homes in large numbers. Housing is politically attractive to all government sectors involved—local, regional, and national.

Finally, housing programs, by making human existence more attractive for large numbers of people, provide an incentive to construct stable political communities in which freedom and legal rights are respected. Both governmental and private capital programs should be directed toward the building of small homes for individual owners, or cooperative units in which each family could purchase its own apartment.

The area of housing is crucial, but this does not suggest that by itself it is a panacea. Housing programs must always be integrated with parallel programs of fiscal improvement, expansion of educational facilities, industrial development, administrative efficiency, and social modernization.

AN ATLANTIC ROLE?

In outlining the future economic program of Latin America, we should think in terms broader than the confines of the Western Hemisphere. It should not be forgotten that the whole economic future of Latin America, as indeed that of the United States, is intimately linked with the growing vitality of the Atlantic Community. Thriving trade, productive expansion, and the harmonization of international development plans and other foreign economic policies among the member countries are the objectives of the newly formed Organization for Economic Cooperation and Development.

By widening the membership of the OECD (the countries of Western Europe, Canada, and the United States) this Organization could constitute a major factor in the improvement of Latin America's economic position during the next quarter century. The United States should begin now to think of sponsoring some of the more industrially advanced Latin American countries such as Argentina, Brazil, Venezuela, Chile, and Mexico for membership in OECD. In this way Latin American views could be represented directly in the formulation of economic policy recommendations within the entire Atlantic Community of which Latin America is not only economically, but culturally and politically, a part.

Analyses of the Latin American situation frequently contain the misconception that the area is one in which virtually no responsible middle class leadership exists. This view sees a mass of poverty-stricken Latin Americans leading a hopeless life while a handful of incredibly wealthy and predatory families rule the nation. Such a picture distorts reality, weakens faith in evolutionary change, and increases the attraction of violent social solutions.

Poverty is a problem and one which cannot be ignored. Yet, a balanced view of Latin America today cannot overlook the large and growing middle class which has exerted and is exerting positive leadership. From this group there is emerging a substantial group of young men and women who are as socially responsible as their counterparts in any country in the free world.

Devoted to the system of private initiative which has contributed so much to the development of the United States, they see that the future of their area is in social responsibility and economic growth.

While spending an impressive amount of time and energy in halting the spread of communism in the hemisphere, they are also making every effort to bring their nations into full social maturity. The alliance for progress can only be effected in close and continuing cooperation with this democratic leadership.

The Inter-American Economic Conference will be a success if from it emerges the foundations of a development plan which takes full account of the realities. It will look to a dynamic partnership between government and private groups in all countries which will produce, in the coming decade, a flourishing New World of economic, political, social, and spiritual opportunity.

MORE DEFENSE CONTRACTS FOR NEW YORK

Mr. KEATING. Mr. President, over the last 3 months, New York State has made slight gains in the defense procurement picture as compared with the same period last year. In the April–June 1961 quarter, New York got 12.1 percent of military prime contract awards, as compared with 10.4 percent for the second 3 months of 1960. This is also an improvement over the figures for the first 3 months of 1961 when New York got only 10.6 percent of the Nation's total prime defense contracts. But since New York pays nearly 20 percent of the Nation's taxes, we still have a long way to go before we are breaking even, as it were.

Because of the very substantial drop in New York contracts in the first 3 months of this year, however, the percentage of all of 1961 so far computed, that is, January to June, is only 11.5 percent, as compared with 12.6 percent for both the first half of 1960 and the second half.

So the overall picture shows a very slight pickup, which I certainly hope will gain momentum as the year goes on. New York has a tremendous amount to offer defense-oriented industry. It has the manpower, the facilities, the transportation, and the know-how. What New York needs is continued aggressive sales policies for defense work and above all more of a break from defense procurement officers who still seem to favor western concerns over their eastern competitors. This is becoming an increasing problem since so much missile construction procurement work is being handled by officials on the west coast. It calls for continued vigilance by the Department of Defense in guaranteeing competition and a full and fair regard for all bidders, wherever they are located.

ROSH HASHONAH

Mr. HUMPHREY. Mr. President, at this time of Rosh Hashonah, the high holy days marking the beginning of a new year for Americans of Jewish faith, I want to give a traditional greeting to these fine Americans:

> May you be inscribed in the book of life for a good year.
>
> And may the God we share crown the coming year with the blessings of peace, the bonds of brotherhood, and the fruits of health and family well-being which all men seek.

As Jews throughout the world unite on Rosh Hashonah in praying for world peace, they will be voicing the aspirations of all who seek freedom and progress for themselves and their fellow men, the aspirations of all who respect human rights and human dignity.

GENERAL WALKER AND THE ACA INDEX

Mr. MUNDT. Mr. President, I make no pretext to being an authority on the case of General Walker and the treatment he has been accorded by the Pentagon as the result of charges made against the general by the smudgy, sexy, scandalous publication called Overseas Weekly. Astonishingly enough, it has now been disclosed that this cheap publication with its dubious backround and its filthy presentations is today being distributed to American troops in foreign posts by Stars and Stripes, an American publication officially connected with the Armed Forces.

Thus, we witness the curious paradox that while the United States concerns itself with pornography and obscenity by passing legislation to do something about sending it thru the mails of America and to curtail its distribution in this country, the Pentagon permits the Stars and Stripes to support the Overseas Weekly by utilizing its distribution service so this sexy journal can be made increasingly available to American boys and girls away from home. Obviously either the U.S. Senate or the Pentagon is wrong.

With regard to General Walker's accusers and the stern action taken against this distinguished fighting general, however, I am certain that one of the charges leveled against him is as phony as a three-dollar bill. Secretary McNamara told the Senate Armed Services Committee that General Walker was punished in part because he recommended that soldiers consult the Americans for Constitutional Action Index on how Congressmen and Senators have voted in order to acquaint themselves with the official positions of those representing them in Washington. If it is criminal or against public policy to recommend the widely

heralded and nationally recognized ACA Voting Index as a guidebook concerning what transpires in Washington and as to what the CONGRESSIONAL RECORD reveals throughout the year it must likewise be considered against present policy as defined by the Pentagon to recommend reading of the CONGRESSIONAL RECORD itself. Surely this is carrying the Pentagon's new fetish for secrecy to a ridiculous degree.

In connection with these remarks I invite attention to the column by Lyle C. Wilson, of the United Press, as published in today's edition of the Washington Daily News. After reading the Wilson column, I believe most Americans will agree that unless General Walker can successfully be charged with something more improper than recommending the reading of the ACA Voting Index the Pentagon should apologize to him publicly and restore him to an important command position in keeping with his abilities and with his performance record.

I ask unanimous consent that the Wilson article be printed as a part of these remarks.

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

THE ACA INDEX

(By Lyle C. Wilson)

Defense Secretary Robert S. McNamara was saying that Maj. Gen. Edwin A. Walker was busted from his command in Germany for two reasons: His method of indoctrinating troops against communism; political activity forbidden by the Federal Hatch Act.

More specifically, Mr. McNamara said General Walker wrote for his division newspaper in 1960 a recommendation that his soldiers consult the Americans for Constitutional Action guidebook before voting. This guidebook more properly is known as ACA Index.

If any of General Walker's soldiers consulted the index and were convinced by it they surely voted against President Kennedy last year.

ACA is no John Birch Society. It is not primarily concerned with communism. The anxiety of ACA is about the Constitution of the United States. Adm. Ben Moreell, U.S. Navy (retired), is ACA chairman.

His ACA associate trustees include Herbert Hoover, Charles Edison, twice a Democratic Governor of New Jersey; Felix Morely, author and lecturer; Edgar N. Eisenhower, Ike's brother; Mrs. R. Templeton Smith, president of the Allegheny County (Pittsburgh, Pa.) League of Women Voters.

The ACA Index rates Members of Congress by rigidly conservative standards on their record of support of private enterprise. Admiral Moreel stated the purpose of the 1960 edition of the index, as follows:

"If anyone has wondered why the Socialist virus has been penetrating our oversized, centralized Government, resulting in higher and higher taxes, bigger and bigger public debt, and more people being pushed around by government than ever before in American history, he can find the answer in the ACA Index."

President Kennedy does poorly in the ACA ratings. On an analysis of selected Kennedy votes in the Senate classified by ACA as "for private ownership and against Government ownership," Mr. Kennedy was rated zero out of a possible 100 percent.

He was rated 11 percent "for individual liberty and against coercion"; zero again on national security.

The votes weighed in the national security estimate related to legislation dealing with communism, loyalty, sedition, States rights, and atomic energy.

Senator HARRY F. BYRD, Democrat, of Virginia, was rated 100, 88, and 90 percent, respectively, in the three categories.

ACA also provides a consistency index "For safeguarding the God-given dignity of the individual, and promoting sound economic growth, through strengthening constitutional government; against collective morality and socialized economy through centralized power."

LONG-RANGE IMPACT OF FOREIGN-AID-CREATED INDUSTRY ON DOMESTIC ECONOMY

Mr. WILEY. Mr. President, I have received a letter which relates to the difficulties a good many manufacturers are having in relation to imports. It is a letter which comes from Owensboro, Ky., the Electronic Components Division of the General Electric Co. The writer, Mr. Walter F. Greenwood, refers to certain comments I put into the CONGRESSIONAL RECORD. I ask unanimous consent that the letter may be printed in the RECORD.

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

GENERAL ELECTRIC CO.,
ELECTRONIC COMPONENTS DIVISION,
Owensboro, Ky., August 25, 1961.

Hon. ALEXANDER WILEY,
U.S. Senate,
Washington, D.C.

DEAR SENATOR WILEY: Your statement on long-range impact of foreign-aid-created industry on domestic economy, reprinted on page 15405 of the August 10 CONGRESSIONAL RECORD, is the most penetrating and thoughtful consideration of this subject I have ever seen.

Although President Kennedy has stated that we must assist the growth of free economies throughout the world and do everything possible to maintain a vigorous domestic economy, too many of our leaders are concerned only about the foreign aid portion of the President's proclamation.

You, on the other hand, have directed your attention to the crux of the problem which so many others appear to be ignoring. Specifically, What action can we take to encourage growth abroad without laying waste to our own vital resources?

I have long been a strong supporter of the need for foreign aid and foreign trade. Frankly, however, I believe we have reached a point where we can no longer permit our foreign aid program to continue without instituting a system of control designed to maintain the vigorous economy on which the moneys for the aid are dependent.

Several times, in recent weeks, I have written to my Senators (THRUSTON B. MORTON and JOHN SHERMAN COOPER) requesting their support for this position by proposing an amendment to the foreign aid bill now under consideration.

My suggestions for such an amendment closely parallel the five recommendations you set forth in your statement on the floor of the Senate, although I fear my thoughts were not nearly so well stated as yours.

In my position as a manager of marketing in the Electronic Components Division of the General Electric Co., I can cite specific instances of the impact of foreign-aid-created industry on domestic industry. Let me cite, as an example, the crippling effect of imported receiving tubes from Japan on the domestic producers:

1. Imports in 1957 amounted to only 2 percent of domestic consumption. In 1961, we anticipate inroads of 16 percent (55 million tubes) and next year imports will reach approximately 22 percent (80 million tubes). In addition, over 10 million tubes come into the United States already installed in imported table radios.

2. Because of labor costs only one-eighth of ours, the average imported tube is less than half of the price we must charge to break even.

3. The 80-million-tube imports we anticipate next year will idle nearly 8,000 workers in the receiving tube industry.

4. Since imported Japanese tubes produce only 3 cents in tax revenue compared to 15 cents on an American-made tube, the tax loss resulting from 80 million tube imports will be over $9 million.

Americans everywhere should be grateful for the leadership you are providing on this vital subject. Please tell me what I can do to assist you.

Sincerely yours,

WALTER F. GREENWOOD,
Manager, Marketing.

ESTABLISHMENT OF A PERMANENT HOOVER-TYPE WATCHDOG COMMISSION ON FEDERAL EXPENDITURES

Mr. WILEY. Mr. President, in 1953 a 12-man bipartisan Commission was unanimously created by Congress to study and make recommendations for improving operations of the Federal Government. Headed by former President Herbert Hoover, the Commissions have made an invaluable contribution toward streamlining operations, as well as savings to the taxpayers. Following a report by the Commission, Mr. Clarence Francis, National Chairman of the Citizens Committee for the Hoover Report, stated:

The greatest final value of the Hoover report, in fact, resides in its power to make citizens think about our Government and work unselfishly for its improvement. We are learning that we can't just hire a government, send it off about its business, and forget it. Our Constitution is not an eternal guarantee of freedom; it is simply a working franchise which must be renewed by the thought, and devotion, and good hard work of each new generation.

Now, I believe that the Nation would benefit from a permanent reactivation of the Hoover-type Commission to keep a watchful eye on Federal expenditures.

For the fiscal year 1962, the American taxpayer will be paying Federal bills amounting to about $88 billion to support necessary programs for defense, as well as for domestic progress. Mr. and Mrs. Citizen have demonstrated a patriotic willingness to bear a fair share of the responsibility.

With bigger and bulgier Federal budgets, however, there is definitely a need for a still more watchful eye on Federal spending. The establishment of a permanent Hoover-type watchdog Commission—acting as a guardian of the purse strings—could, I believe, perform a real service to the Nation. The objectives would include cutting out waste and duplication; stopping unnecessary competition among Federal agencies or services; eliminating activities that are nonessential or that could better be performed by: State and local governments; or private enterprise;

generally, to promote greater efficiency and economy.

Previous Hoover Commissions' recommendations have saved $3 to $4 billion annually.

I respectfully urge, therefore, that during the congressional recess the Senate Committee on Government Operations consider, and prepare recommendations for establishment of, a permanent watchdog committee to protect the interests of the taxpayer.

AVIATION DAY AT EPPLEY AIR TERMINAL, OMAHA, NEBR.

Mr. HRUSKA. Mr. President, on September 2 the city of Omaha celebrated Aviation Day with dedication of the new Eppley Air Terminal and with celebration of the 15th anniversary of Strategic Air Command with headquarters in Omaha.

On the evening of that day a formal banquet was held at which many notables were present. Among them was Gen. James H. Doolittle, whose remarks on the occasion were inserted in the RECORD on Friday, September 8. The master of ceremonies was the Honorable Arthur C. Storz, Sr., chairman of the Omaha Airport Authority, Air Force Association Man of the Year in 1955 and one of the Nation's aviation pioneers in his own right.

The remarks of Mr. Storz were very appropriate. I ask unanimous consent that the text of his message be printed in the RECORD.

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

TALK FOR SAC-AIRPORT DINNER, SEPTEMBER 2, 1961, BY THE HONORABLE ARTHUR C. STORZ

Today is an important day in Omaha's history. We are here tonight to give credit in general to the great strides made in aviation, both military and commercial; and I hope that many of you here tonight will get a better understanding of why it is so tremendously important for this great country of ours to keep on top and hold the No. 1 position in both categories. We can never afford any more to have another lapse take place and have our arch enemy, the Russian Communists, overtake us or surpass us in either of these fields.

Any references to the military side of this celebration will, I am sure, be more than amply covered by General LeMay, General Power, and Gen. Jimmy Doolittle, as there you have probably at least three of the most important and well informed people on this subject.

But I do want to repeat what I have said many times before, that Omaha is most fortunate in having the headquarters of the Strategic Air Command here and that it is probably the most important military base in the whole world. It means a great deal to Omaha in an economic way because of the large payroll and local expenditures made here. Most well informed people say that, economically, it means as much to Omaha as an additional city of 25,000 to 30,000 people would mean.

I hope that tonight we can have a real old-fashioned, patriotic revival on the part of our Omaha citizens. Too many of you have been willing to let someone else do the job that it was necessary to do—first, to get this great SAC Air Command for Omaha and then later to keep it here. Many of you oldtimers know that old Fort Crook, which was an old Indian post command, was the site of what later became Offutt Field. In 1941 the flying facilities were leased to the Glenn Martin, Nebraska bomber plant and during part of the following years it was occupied by the 2d Air Force. In 1948 the headquarters of the Strategic Air Command was moved to Omaha from Andrews Air Force Base in Maryland. With this new command came General LeMay who was the prime factor in bringing the Strategic Air Command up into its great importance where for years it has served as the most deterrent power on earth in keeping our Russian enemies at bay. Tremendous changes, of course, have been made in the Strategic Air Command and in our modern weapons since General LeMay brought it here in 1948.

A lot of Omaha people do not know, nor seem to realize, the great amount of effort it took to keep the SAC base here in Omaha. At certain times we had a lot of competition from other cities that wanted to grab this base from us. It took a lot of work and personal trips to Washington to see that important changes in barracks and living conditions and runway improvements and many other things were made so that it could remain a suitable and satisfactory base for this tremendous operation. So, I repeat, it just didn't happen. It took a lot of effort and it meant a lot of personal expenditure of time and money to get these things accomplished.

I am going to drop the SAC subject at this point because, as I said, I know other speakers will cover that point fully. I do want to say, however, that we are tremendously fortunate to have such a wonderfully capable man in charge of this operation as Gen. Tom Power. Many of you know that General Power spent quite a few years here previously as General LeMay's deputy and certainly he has done a tremendous job as General LeMay's successor as head of the Strategic Air Command.

At this point I know that you all want to join me in congratuling General LeMay on his appointment as Chief of Staff of the Air Force of the United States. I know that many of us are sleeping better nights when we know it is in the hands of such a capable, fearless, and aggressive person.

Transportation has always been of great importance in the development of our Nation. It began long ago, going back to the Pony Express which was at one time very important in this part of the country. Then followed the more important phase of the building and completion of railroads from coast to coast. No matter what people tell you and what other people may claim, at all times the methods and modes of transportation in this country were subsidized or partially subsidized by our Federal Government and this includes the steamship lines, the railroads, the truck and bus lines, and air transportation. Millions of acres of land were deeded to the railroads for right-of-way and not only were they given right-of-way land but they were given important adjacent lands to help make their venture pay out. Some of the railroads got valuable coal and mineral lands as well as oil lands, and this is a significant part of their revenue to this very day.

Bus and truck transportation, of course, couldn't become of any consequence until our highways were built to accommodate the tremendous number of automobiles that transport so many people all over the country. So Federal aid became necessary for our highways. When and as the airlines were developed over the last 40 to 50 years tremendous changes took place at airport facilities and landing places as, of course, an airplane couldn't land without a suitable landing area. This made Federal participation necessary in the development of a national system of airports and also a national system of air traffic regulations.

Omaha's history, as far as airports were concerned, was not too good and at times very bad. In the early days airport facilities in the shape of a good level cow pasture was adequate, but as the tremendous strides were made in aircraft corresponding strides had to be made in the development of satisfactory safe airport facilities—adequate to take care of the great advances and strides made in commercial aircraft.

I am sure that you all must be aware that an adequate system of airports is essential to a national air transportation system. To state the airport problem in its simplest form, each airport in the system must be able to accommodate safely the volume of traffic and the types of aircraft that can reasonably be expected to use it. Lacking that adequate airport capacity, there is on one hand the loss of the community to air commerce and on the other hand the loss of air transportation service to the community. General aviation is growing by leaps and bounds, including much greater use of larger aircraft. I am sure you are all aware that we are now experiencing all over the Nation wider airline use of the new jets, and we can surely expect rapid expansion of such use. Tomorrow and in the not far distant future the supersonic transport will enter the scene. To meet these demands we will have to continue to improve our airports and we will ultimately revolutionize our present system of air navigation and air traffic control.

Going back to the Omaha airport, let us stop to realize that in about 50 years' time air transportation has moved from the airplane that the Wright brothers first flew less than a block to the present status of where we already have in use commercial aircraft exceeding the speed of sound. We have four large aircraft manufacturers that are working on supersonic transport aircraft, which means aircraft of the future that will travel from 1,500 to 2,000 air-miles an hour. At least four of these manufacturers are represented here tonight and perhaps there may be more of them, but I do know that Douglas, Boeing, Lockheed, and Convair will have such commercial aircraft in the air within the next few years. And I want to emphasize again that an aircraft is no good in the air unless it has ample takeoff and landing facilities, and this means adequate airports.

Omaha had several airports in the very early days scattered in the area of Ak-Sar-Ben Field, also on North 16th, and also in the Fort Crook area, and about 35 years ago moved into our present area. The American Legion built the first very small hangar on this ground to take care of small aircraft that at that time had fabric wings. From that time on the airport lagged along, never catching up with the demands of aviation progress.

Omaha was fortunate in having been a town that was put on the route of United Air Lines which today is the country's largest airline and, of course, is transcontinental in scope. Throughout the years of development of the airlines, it was so hard to convince a great many people that the airlines would finally take over the greatest part of passenger transportation. Omaha, of course, was well known as a railroad center and many of the railroads did not want to acknowledge that this would be a fact. So, many of the railroads organized against anything that would help air transportation. The railroads took the same stand and opposed the development of our highways for bus and truck transportation and, of course, too, at times they fought the laying of pipeline for the moving of oil and fuel into various parts of the country. I suppose all of this was a natural thing for them to do. But our country was not the only country

that was making progress in air transportation, so regardless of what railroads or other people would have done, our country was faced either with helping the development of air transportation or taking a second place, worldwide, in air transportation. All of which spells out to the simple thing that you can't stop progress. When a country refuses to progress with the times, then it lapses into a second-rate country.

Some people, unfortunately, took the stand that I was opposed to the railroads and, of course, there is nothing further from the truth than this. Omaha was primarily, and still is, an important railroad center and the roalroads certainly meant a great deal in the development of our city. The railroads are, and probably will continue to be, the No. 1 factor in transportation. However; that transportation will probably be limited to the transportation of freight and not of passenger service. As a matter of fact, most railroads are dropping much of their passenger service wherever they can because it has not been profitable to them. I believe the railroads today are in agreement on the factor. I quote from the August issue of a Missouri Pacific News Reel pamphlet: "As is the case with all American industry, the opportunity to make a profit was the force that motivated the early railroad builders to risk their capital in stretching steel rails into the wilderness. They realized that the big profit would come from the transportation of freight. From a revenue standpoint the passenger business was always of secondary importance but it was a service they felt obligated to provide since the public needed and patronized it. Viewed in the light of modern-day retail merchandising, it was a sort of profitable sideline and it continued so until the arrival of the private automobile in the 1920's and the airlines in more recent years. There are some who contend that freight business can support unprofitable passenger trains. There was a time when passenger train losses could be absorbed by freight revenues but, with the decline in freight volume, this is no longer possible."

I could go on and quote additional information out of this railroad publication but, also, I could go on to tell of other important railroad changes such as the piggybacking of the U.S. mail and piggyback truck service, etc., all of which is comparatively new to the railroads. The railroads have many problems and they are working hard to correct them. Our country has a fine railroad system and I hope that our Government continues to support and give them all the help they need in working out their problems because certainly we do need the railroads now and in the future. I personally am for helping to make and keep them strong. Our country needs them strong.

But our country needs a strong system of air transportation. We need the finest, fastest, most dependable passenger carrying aircraft in the world. To meet this situation we need modern, improved airports. Airports are clearly a necessary part of the overall system of air transportation, and are needed for safe takeoff, flight, and the landing of fast, modern aircraft. They cannot be neglected now. They cannot be neglected in the future.

As new jet aircraft continues to improve and develop, new changes and improvements will have to be made in our airport. Airport construction is expensive. Building modern runways costs over $1,000 a running foot. A thousand feet of runway costs a million dollars or over. Our Omaha Airport is now extending our main runway 1,500 feet which means $1½ million.

When the Omaha Airport Authority was put together it was faced with almost insurmountable problems, the main one of which, of course, was money. Several bond issues which were voted on by the people were defeated by a well-organized minority. Revenue coming in from operations when we took over wouldn't allow the building of an airport any better than that of Billings, Mont., a city of about 35,000 people, and Omaha is 10 times that size. Many hours and days were spent in trying to raise and increase revenue so that we could do at least a reasonable job of construction. No matter how many times we figured it we always came up several million short.

One day at a meeting one of the members reminded me that I was a member of the Eppley Foundation and asked if I thought I could get the foundation to help us. One of them suggested asking for $250,000. I told them I didn't know what could be done but I thought we could get a million dollars as easily as we could get $250,000. So I set out to try to get a million dollars from the foundation. It wasn't an easy job because a majority of the foundation were not in favor at first. They pointed out that the Eppley Foundation charter was organized only for educational and charitable gifts or grants. I kept up a sales talk to the various members for over 6 months until I had a majority sold on a possible plan of amending our charter and getting the consent of the Internal Revenue Department for such as amendment.

You all know the result. The foundation granted the airport authority a million dollars. It was the first time the city of Omaha ever got a million dollars from anybody. That million dollars turned out to be worth about $3 million because we were able to get about $925,000 Federal matching money about 10 days before the old Airport Aid Act ran out. When the revenue bond people saw this new figure they extended our bond credit from $1,600,000 to $2,500,000 and our entire picture began to brighten and look more hopeful. Every possible source of revenue was carefully scanned, rents were raised, landing fees were raised, parking fee revenues were raised, advertising revenues were incorporated, and no source of possible income was overlooked. Then appropriate plans were drawn up to fit our income and cash position and the result is what you see out there today. A very fine, modern airport terminal building, not elaborate, but good. The walls are not even plastered. We didn't have the money so we painted the cement block walls. But I think you will be pleased with the result. From time to time I get questions from people who ask me, "Why didn't you do this?" or "Why didn't you do that?" and they all get the same answer, "We didn't have the money."

Right here I want to say a word of praise for all the members of the authority. We worked in entire harmony. After a matter was thoroughly talked out, the vote was always unanimous. Peter Kiewit was a wonderful help. His knowledge about building was invaluable. He gave us his engineers and his lawyers on many occasions. Often he made special trips from the west coast to Omaha to attend a meeting. Jim Moore also did a wonderful job. His advice on our financial problems was invaluable and he saved us large sums in our bond negotiations. He gave us much help from the legal staff of his organization. He is a great help in many ways. Mike Flannigan and Jim Regan were also of great help. All of these men gave much time away from their businesses to take care of airport matters. Many times a whole day was devoted to the cause. I want to thank them one and all for their wonderful cooperation. They are all here except Pete Kiewit who is in the hospital as the result of an accident on his ranch.

Another man picked out for special praise is Dick Mooney, our airport director, who has done an outstanding job. He has a fine knowledge of airport problems and has worked many extra days and extra hours without extra pay. He is a wonderful asset for us. I also wish to express a real word of praise for Leo Daly, our architect.

Our airport problems are solved for the present but not for the indefinite future. Omaha may have to assist moneywise in the future if more capital demands arise. You won't be able to "pass the hat" for funds like we did this time, nor should we.

I can say to you gentlemen that it takes a long time to condition a town for capital improvements. There must be a propitious time. There must be a consideration of other requirements as well as the airport. I think our city of Omaha is undergoing a conditioned change to the real needs of certain other capital improvements in our civic structure. But an airport, too, must take its place along with schools, sewers, and parks and streets and highways. The city of Omaha owns the airport just as they own our schools and parks, and they must accept the responsibility of its future demands.

There is a definite need for both civil and military airports. One complements the other. Commercial aircraft in the sky and in real trouble can always go to the nearest military airport for emergency landings. And, of course, in time of war, military aircraft can always make use of civilian airports.

Defense is our most important problem of this day and age, and don't ever forget it. We are in the state of real grave emergency today. We are at war, a war of many fronts. On the economic front the war is just beginning. On the military front we are still sparring. On the ideological and technological fronts we are in all-out conflict. Basic to our very survival and that of the free world is a military posture second to none in the decisive weapons of modern warfare, specifically the weapons of modern aerospace war. Our Nation is lagging behind the Soviet Union in many fields. We have a determined adversary who is tough and as energetic and as dynamic as our American people were 150 years ago.

I feel I cannot terminate my remarks here tonight without mentioning the Air Force Association. This is an organization made up of 60,000 citizens. It is not a military organization but it believes in total aviation activity—civilian and military, commercial and private, potential as well as existing—and this means aviation in its largest sense, including space flight. The Air Force Association takes a leading part in our space education, and it takes a leading part in our whole defense situation. I have been on the board of directors of the Air Force Association for quite a few years. We have here in Omaha the largest AFA squadron in the country. The Ak-Sar-Ben Squadron has taken an active part in this 3-day celebration and has helped to underwrite it. It is our hope that this 3-day activity, Omaha salutes aviation, will develop a new spirit of patriotism among more of our citizens. We must have it if our Nation is to survive as a free nation.

I am proud of my activity in behalf of SAC headquarters here and of working with them throughout the years so that our people might have a better understanding of their problems.

I am proud of the fact that my efforts over the years in trying to get a better airport have finally come to a successful conclusion. It meant a lot of hard work but I feel well repaid in the end result and in the many fine friends I have made in civil as well as military aviation circles. I have made many good friends both in and out of the service in almost every part of the United States and Europe and they are a great source of satisfaction to me. I feel I have been well repaid for all my efforts in the past and have many fine recollections of my various experiences.

Thank you.

ARMS CONTROL AND DISARMAMENT AGENCY

Mr. HRUSKA. Mr. President, the Senate last week cast an overwhelming vote in favor of establishing a U.S. Arms Control and Disarmament Agency for World Peace and Security. The Senator from Nebraska voted against enactment. The Senate defeated a motion by the distinguished minority leader which would have referred the bill to the Committee on Armed Services so that we could have the benefit of consideration by that committee. The Senator from Nebraska supported that motion, which was defeated.

Mr. President, establishment of a disarmament agency at this time is poorly timed, coinciding at it does with Premier Khrushchev's ominous threats to the free world, and his heavy resumption of atomic bomb tests.

It seems appropriate, Mr. President, to examine exactly what we have done. An editorial in the September 7 issue of the Omaha World-Herald maintains that we consorted with unreality. It terms our consideration of the bill an "ill-timed idiocy."

As a contribution to reflection upon our recent action, I ask unanimous consent that the editorial be printed in the RECORD.

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

ILL TIMED AND FOOLISH

Of all the ill-timed idiocies with which the Congress is confronted, the move to establish a disarmament agency is the worst.

Nikita Khrushchev torpedoed any hope of slowing the arms race when he resumed nuclear testing. Even the most determined of wishful thinkers can understand that.

Therefore, to talk and act as if disarmament were possible in September 1961 is to consort with unreality. Yet the babblers in Washington and at the United Nations keep on promoting H.R. 7936, the bill to set up a disarmament bureaucracy.

FEDERAL EXPROPRIATION OF PRIVATE UTILITY TRANSMISSION LINES LINKED TO UPPER COLORADO PROJECT TRANSMISSION LINE FIGHT

Mr. BENNETT. Mr. President, this is the week in which the House of Representatives will decide whether or not the development and conservation of water under the upper Colorado River storage project will be sacrificed on the altar of public power.

At issue is the question of who should build the transmission lines to serve the upper Colorado project, private industry or the Federal Government. Acceptance of the private utility offer will result in a savings to the taxpayers of an initial investment cost of at least $136 million. On the other hand, if the Federal Government builds the lines, fully two-thirds of them will duplicate existing private lines. Under the private utility offer, over $122 million more will be made available for irrigation projects over the next 54 years, as compared with the amount available if the Federal Government builds the transmission lines. Even at the end of the Bureau of Reclamation's 86-year study, over $14 million more would be made available for irrigation if private lines rather than Federal lines are built. Moreover, the Bureau of Reclamation has recently added additional transmission lines to its proposal, and the Upper Colorado River Commission has determined that these additions will reduce the irrigation assistance to States by an additional $50 million.

In view of the many advantages of private construction of the lines, and since power will be delivered to the load centers in the upper basin States at 6 mills under both proposals, it has been apparent that there is more than meets the eye in the strident opposition of the public power groups to private construction of the lines. This was confirmed by a letter which I received from I. W. Patterson, manager of the Empire Electric Association, Inc., of Cortez, Colo., one of the principal public power groups fighting for Federal construction of the lines. Enclosed with the letter from Mr. Patterson was a copy of the August 15 issue of the Electrical West Industry News Letter. In referring specifically to an article on the front page of the newsletter, Mr. Patterson states:

> It appears that the people of Canada are developing their own rivers and not allowing the power companies to interfere. It is a deplorable situation when five profit-hungry utilities attempt to dictate to the U.S. Government on the development of a great river basin. The privately financed utilities would do better to develop their own lines and leave this river development to the people who were authorized to build it.

I immediately read the newsletter and discovered that Mr. Patterson expressed approval of and impliedly endorsed the action taken by the Canadian Government to nationalize and expropriate the property of the British Columbia Electric and Peace River Power Development Cos.

It is apparent, therefore, that Mr. Patterson and his association approve not only of river development by the Governnemt of British Columbia, but also the nationalization of private utilities. This is precisely what many people have feared would happen if public power groups, aided and abetted by Secretary of Interior Stewart L. Udall, obtain the vast nationalized power transmission grid, which is unquestionably and avowedly their aim. That is why they are willing to sacrifice water development to power for themselves and at the same time ignore the economics of the project. Most of the public power people look upon the upper Colorado project transmission lines as a vital link in a great nationwide power grid, paid for initially by the Federal taxpayers. Once this goal is obtained, our country will be only a step or two away from complete nationalization of power.

The transmission lines which Mr. Patterson wants the Federal Government to build would link the Hoover, Parker, Davis projects and the Central Valley project of California with Federal lines in the Missouri and Mississippi Basins and, of course, with TVA. Couple this with the uneconomic Hanford atomic energy generators, which were proposed principally to justify additional Federal transmission lines, making possible the linking of the Pacific Northwest with California, and the basic outline of the nationwide grid is revealed.

I hope that my colleages will now realize that a nationalized transmission grid is one of the principal issues in the fight over who should build the upper Colorado project transmission lines. I ask unanimous consent that Mr. Patterson's letter, together with the article to which he referred, may be placed in the RECORD at the conclusion of my remarks.

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

EMPIRE ELECTRIC ASSOCIATION, INC.,
Cortez, Colo, August 30, 1961.

Hon. WALLACE FOSTER BENNETT,
U.S. Senate,
New Senate Office Building,
Washington, D.C.

DEAR SIR: Enclosed is a copy of the August 15 issue of the Electrical West Industry News Letter. We would like to call your attention especially to the article on the front page.

It appears that the people of Canada are developing their own rivers, and not allowing the power companies to interfere. It is a deplorable situation when five profit hungry utilities attempt to dictate to the U.S. Government on the development of a great river basin. The privately financed utilities would do better to develop their own lines and leave this river development to the people who were authorized to build it.

We urgently request your vote for the all-Federal transmission system for the Colorado River storage project.

Very truly yours,

I. W. PATTERSON,
Manager.

MIDMONTH REPORT TO THE WESTERN ELECTRICAL INDUSTRY

Government seizure of British Columbia Electric and Peace River Power Development Cos. was approved without a dissenting vote by the British of Columbia Legislative Assembly in special session August 3. Nationalization, made retroactive to August 1, reportedly came as a surprise to utility management.

Although rumors of expropriation had been voiced during political bickering between Ottawa and the Provincial government over Columbia River development, apparently British of Columbia Premier Bennett's threat of a takeover was generally thought to be a bluff.

Ironically, while Bennett was proclaiming British Columbia Electric a crown corporation, a funeral service was being held in Vancouver for Dal Grauer, chief executive of the utility and its parent, British of Columbia Power Corp. Dr. Grauer, who died July 28 of leukemia, masterminded British Columbia Electric's $650 million postwar expansion.

The takeover was effected by enactment of bill 5 or the Power Development Act of 1961. Although existing legislation would have allowed the seizure, Bennett considered the extraordinary implications warranted a special act.

The new bill empowered the Government to convert British Columbia Electric into a crown corporation through (1) purchase of British Columbia Electric common shares,

held by the parent corporation, for $110,-985,045; (2) issuance of $100 million in special Government bonds to replace British Columbia Electric shares; (3) assumption of British Columbia Electric debts estimated at about $399 million.

The Government promised it would, if necessary, take over other assets of the parent corporation, including British Columbia Engineering and Western Development & Power. British Columbia Power Corp. may demand that British Columbia Electric buy it out at $38 a share, which would require an additional $67,014,955.

Peace River Development Co. will receive the amount spent on engineering studies and surveys, estimated at between $5 and $7 million.

Under provisions of the act, all directors in the private company were dismissed. A new six-man board is headed by Dr. Gordon Shrum, former dean of graduate studies at the University of British Columbia and the Premier's hydro troubleshooter since 1958. President Harry Purdy was asked to continue in office and has disassociated himself with British Columbia Power Corp.

In San Francisco August 9 for the opening of British Columbia House, Premier Bennett declared the Province friendly to private enterprise and said that the Federal tax on private utilities resulted in high-cost power. (For some months he had been pressing Ottawa for abolishment of the special Federal tax on privately owned power corporations or for a larger share for British Columbia. Last March British Columbia got $260,000 as its share of taxes, estimated at $1,700,000.)

British Columbia cities have had no assurance as yet of what, if any, "in lieu" taxes they can expect. Vancouver alone received some $1,800,000 annually from British Columbia Electric.

Bennett said that the Peace River project would be started immediately. A Columbia start is further away because the treaty must be ratified by Ottawa and financing arrangements have still to be made. The Premier has indicated, however, that he expects the Federal Government to allow export of power to the United States and while in San Francisco he spoke of possible sale in California.

Although the British Columbia Energy Board in its report made no firm recommendation that the Peace and Columbia be developed simultaneously, it said such a procedure was feasible, if export were allowed. The energy board said further that both are sound from an engineering viewpoint and cost would be almost identical if they were Government developed. Its estimate: Columbia, 4.4 mills; Peace (private), 6.59 mills; Peace (public), 4.37 mills.

As presently planned British Columbia Electric and British Columbia Power Commission will be kept separate, with the former developing the Peace and the latter the Columbia. Bennett said, however, that if Ottawa permanently blocked the Columbia development the two would be merged.

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

The PRESIDING OFFICER (Mr. METCALF in the chair). 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.

PIPELINES AND OTHER WORK FOR AVONDALE, DALTON GARDENS, AND HAYDEN LAKE IRRIGATION DISTRICTS IN THE STATE OF IDAHO

The Senate resumed the consideration of the bill (S. 923) to authorize the Secretary of the Interior to replace lateral pipelines, line discharge pipelines, and to do other work he determines to be required for the Avondale, Dalton Gardens, and Hayden Lake Irrigation Districts in the State of Idaho.

Mr. CHURCH. Mr. President, I appreciate the opportunity to make a brief statement on behalf of the bill.

These irrigation districts are located a few miles north of Coeur d'Alene, Idaho, and together comprise 3,283 irrigable acres. Water is pumped from Hayden Lake for the projects. The facilities—constructed by the Government to replace an existing inadequate system—include pumping plants, storage tanks and distribution facilities. The three districts are made up of many relatively small and intensively developed full and parttime farms.

At the time the systems of these districts were rehabilitated on an emergency basis, bare steel pipe was installed, which was justified by careful consideration of soil and water conditions, and a review of the long and successful life of other bare steel pipe installations in the area. Previous studies had shown the soils in the project area to be free draining and nearly acid free. One existing galvanized and uncoated steel pipe system which had seen extensive use in the area for nearly 50 years was still in good serviceable condition. The Armco Steel Corp. recommended the use of its bare steel pipe at the sites in question.

Works were completed in 1955 for the Avondale and Dalton Gardens Irrigation Districts. The first leak developed 3 years later. In 1960, the Bureau of Reclamation completed a corrosion survey report for the three districts which confirmed that excessive corrosion was greatly shortening the life of the pipelines. Several failures have been experienced with light-gage pipe, and it is anticipated that more will occur in 1961. While these failures were disheartening, they benefited other areas. As a result, designs for such projects as the greater Wenatchee division of the Chief Joseph Dam project, now under construction, have been improved and the pipe systems involved will have a far longer life. Designs for the recently authorized Spokane Valley project, originally to have included bare steel pipe, are being modified to avoid a repetition of the Hayden Lake failures. Since benefits from the knowledge gained are widespread, the Department of the Interior believes the costs should be shared and not made an obligation to be assumed only by the three small irrigation districts for which the first extensive closed pipe systems were constructed. Since the original work was authorized under authority of the appropriation acts, authorizing legislation as well as appropriation of funds will be required before the work can be done.

Of the total cost for the replacement and lining work estimated at $1,486,000, water users would repay about $160,000. However, total repayment by the three districts should be compared with total expenditures by the United States for project works now estimated at $2,499,-238. Total repayment by the water users is expected to be around $1,217,000, or approximately 50 percent of total costs. The proposed repayment arrangements thus compare very favorably with other recently authorized irrigation projects. Those costs not paid by the irrigators would be returned from power revenues of the Bonneville Power Administration.

The cost of extensions, additions and improvements, exclusive of replacement or lining of facilities previously installed by the United States, would be repaid in addition by the irrigation districts. Such work would be undertaken only at the request of the districts. Prior to approving construction of such works, the Secretary would ascertain that adequate additional amortization capacity would be generated to enable the necessary further repayment by the districts.

It has been the determination of the Department that any extensions or additions contemplated to be made under this section would result in additional payment capacity by the lands of the district at least equal to the additional payments which would be required.

Mr. President, I feel this is a very important bill, and, as amended, it meets the approval of the Department of the Interior, and the Bureau of the Budget has no objection to its enactment. I hope the Senate will act favorably upon it.

Mr. WILLIAMS of Delaware. Mr. President, will the Senator from Idaho yield?

Mr. CHURCH. I yield.

Mr. WILLIAMS of Delaware. Am I correct in understanding that the proposed work is required because of a faulty job which was done about 5 years ago?

Mr. CHURCH. The Senator from Delaware is correct.

Mr. WILLIAMS of Delaware. Was that the result of bad engineering or of the use of poor material?

Mr. CHURCH. I think it is acknowledged now that the Bureau of Reclamation engineers made a mistake of judgment. They say, in their defense, that the bare steel pipe which had previously been used in the area had proved to be very satisfactory.

Mr. WILLIAMS of Delaware. Are we to understand that the material which was used was not up to standard?

Mr. CHURCH. As I understand, the material was up to standard, but the soil and water characteristics were not as the engineers thought them to be. The result was that corrosion of the pipe, which it had been thought would last for a long period of time, took place in very short order.

Mr. WILLIAMS of Delaware. Then, the fault was the result of bad engineering?

Mr. CHURCH. It was a case of mistaken judgment.

Mr. WILLIAMS of Delaware. Who is responsible for the engineering work at this time? The same engineers as handled the original job?

Mr. CHURCH. I could not say as to the individual engineers; but, of course, the original planning was done by the Bureau of Reclamation, and the revised planning under the bill has also been done by the Bureau.

Mr. WILLIAMS of Delaware. As I understand, this work was originally planned to be amortized by the users over a period of 40 years. The pipe has gone bad in 5 years. What will happen to the amortization? Will the users have to continue to pay for 35 years for the old pipe and for the new as well?

Mr. CHURCH. The original obligation of the water users remains the same. Any additions to the system which may result from the bill now under consideration would be fully paid for by the water users. But the cost of replacement will be largely borne by the Government, due to the fault of the Government in the first instance.

Mr. WILLIAMS of Delaware. If the Government made a mistake, I can understand its standing back of its agreement and paying for the mistake. But I wonder if we are not letting the same persons who made the original mistake do the job over again. Certainly some competent engineers should be engaged now. It seems to me somebody blundered by planning a project designed to last 40 years, but which has gone bad in 5 years. I am a little concerned that the same employees may be out there now and may make a similar mistake. Of course, we cannot legislate against mistakes, but we should make certain that competent engineers are now in charge of the work.

Mr. CHURCH. I understand the Senator's concern. In defense of the Bureau, I must say that the use of the bare steel pipe in adjoining areas had proved satisfactory in previous years; and it was on the basis of that experience that it was thought the bare steel pipe would be satisfactory in this case. However, I am told that because of the peculiarities of the soil and the water, rapid deterioration of the pipe resulted.

Mr. WILLIAMS of Delaware. Should not a competent engineer take those factors into consideration when he made the original recommendation?

Mr. CHURCH. I would say that on the basis of experience they had had at the time when the original project was approved, all indications were that the bare steel pipe would prove satisfactory; and this was the judgment not only of the Bureau's engineers, but also of the Armco Steel Corp.

Mr. WILLIAMS of Delaware. What is expected to be the total cost of replacing this work—both the material cost and the labor cost?

Mr. CHURCH. I call the Senator's attention to the first page of the committee report, wherein it is stated that the bill authorizes that there be appropriated not more than $1,611,000. This represents the anticipated replacement cost, plus the cost of any new additions to the pipeline system.

Mr. WILLIAMS of Delaware. The original project cost $1,010,662; is that correct?

Mr. CHURCH. That is correct.

Mr. WILLIAMS of Delaware. And it will now cost $1,611,000 to correct a blunder made by the engineers 5 years ago—60 percent more to replace the work than to have done the job correctly in the first place. Is that correct?

Mr. CHURCH. It is substantially correct, due to the increased costs which have occurred in the interim and also to the fact that the pipe system has been installed underground, and so the replacement costs are high.

Mr. WILLIAMS of Delaware. Of course it will cost something to tear it out and put it back again. But I see no assurance that the same engineers who made the blunder will not be the ones in charge of this new project. Is that correct?

Mr. CHURCH. I think the Senator from Delaware can be assured that, on the basis of the past experience, the proper kind of pipe will now be installed, and that the judgment of the Bureau will be corroborated by the judgment of very competent engineers of private companies retained to do the work.

Mr. WILLIAMS of Delaware. But my question is whether the same engineers—insofar as the Bureau of Reclamation is concerned—who made the blunder 5 years ago will be in charge of the new project.

Mr. CHURCH. I cannot answer that question, except to say that in all likelihood there has been the normal turnover in the 5-year period. But the Bureau continues to be responsible for the project; and therefore the Bureau will lay out the standards for the replacement, as the Bureau laid out the original standards.

Mr. WILLIAMS of Delaware. The Senator from Idaho states that the Bureau of Reclamation is responsible for the project. It would be plainer language, I believe, to say that the Bureau is now being held responsible for its earlier irresponsibility, with the result the taxpayers are being "stuck" for $1,611,000. What is worse, apparently the ones who made the blunder will still be in charge.

Personally, I think the committee should have given some consideration to checking as to the type of engineers who will be allowed to continue with this work, because I see no way in which the Government will be repaid the $1,611,000 provided for in the bill. It seems to me that the taxpayers are being called upon to pay $1,611,000 for the blunder made 5 years ago, to replace a project which was improperly handled from the beginning.

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

Mr. CHURCH. I yield.

Mr. MANSFIELD. In view of the valid statements made by the senior Senator from Delaware, it is my view that the Bureau of Reclamation will read this debate and will proceed accordingly. I also anticipate that the Senator from Idaho, who is in charge of the bill, but who was not here when the original work was undertaken, will seek to ride herd on the project, this time, through contacts and correspondence with the Department of the Interior, and, it may be, through personal trips to the site of the installation, in order to see that the work done, now, 5 years after the original project, is properly done.

Mr. WILLIAMS of Delaware. Under the circumstances, I suppose that is about all that can be done. But I believe some consideration should be given to the question of whether those who made the blunder are still on the payroll and would be used again for this work.

Mr. KUCHEL. Mr. President, will the Senator from Idaho yield?

Mr. CHURCH. I yield.

Mr. KUCHEL. I should like to point out that in the committee report which has been filed in support of the bill, it is stated:

> The total cost of the work previously performed under the authority of the appropriation acts is $1,010,662 and the districts are presently obligated to pay this amount in full.

I think it might be helpful to have the context of the committee's statement in the report made a part of the RECORD.

Mr. CHURCH. I thank the Senator from California, and I ask unanimous consent that the substance of the committee report be printed at this point in the RECORD.

There being no objection, excerpts from the report (No. 781) were ordered to be printed in the RECORD, as follows:

> The purpose of S. 923 is to authorize the Secretary of the Interior to replace lateral pipelines, perform interior lining of discharge lines, and do other work he determines to be required in the replacement, modification, or improvement of facilities heretofore constructed by the United States for the Avondale, Dalton Gardens, and Hayden Lake Irrigation Districts in the State of Idaho.
>
> NEED
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> Replacement of pipelines or lining of existing pipelines serving the three districts is necessary because of accelerated interior and exterior corrosion and deterioration of such pipelines. Corrosion has penetrated the pipe in numerous places and it is estimated that 50 percent or more of the surface area of the lighter gage pipe will be penetrated before 1963 and the situation will grow progressively worse. Considering that the fact that the livelihood of a large number of farmers is dependent upon the proper functioning of this distribution system, the need for replacement is considered urgent.
>
> BACKGROUND
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> The three irrigation districts comprise a total of 3,283 irrigable acres—914 acres in the Avondale Irrigation District, 944 acres in the Dalton Gardens Irrigation District, and 1,425 in the Hayden Lake Irrigation District. The

districts are located a few miles north of the town of Coeur d'Alene. They contain many small, intensively cultivated farms. Over 500 ownerships are involved, most of which are under 10 acres in size. Water is pumped from Hayden Lake into the all-closed pipe distribution system.

The irrigation works, including pumping plants, storage tanks, and distribution facilities, were constructed by the United States in 1954, 1955, and 1957 for the three districts on an emergency basis to replace existing inadequate and badly deteriorated systems. The work was accomplished under authority of the Interior Department Appropriation Acts of 1954 and 1955 and the Public Works Appropriation Act of 1957. The decision of the Bureau of Reclamation that the installation of bare steel pipe would satisfactorily meet the project requirements was made after careful consideration of soil and water conditions and review of the long and successful life of the other bare steel pipe installations in the area. Studies and analyses of the soils in the project area at that time showed that the soils were free draining and nearly acid free. Existing galvanized and uncoated steel pipe in extensive use in the area for nearly 50 years was found to be in good serviceable condition. The Armco Steel Corp. recommended the use of its bare steel pipe at the sites in question. There were other indications that bare steel pipe would be adequate.

Although there was every indication that bare steel pipe would be satisfactory when the designs and estimates were prepared for the Dalton Gardens and Avondale projects, the cost estimates were prepared for three alternatives—bare steel pipe, coated and wrapped steel pipe, and asbestos cement pipe. Because the estimates were higher than had been expected, only the estimate of the bare steel pipe came within the cost limitation provided in the appropriation acts, and this was an additional factor which contributed to the decision to use bare steel pipe for the Dalton Gardens and Avondale projcets. Although the Hayden Lake system was constructed 2 years later, a corrosion survey was determined to be unnecessary because, in the interim, such a survey had been made in the Spokane Valley which had comparable soils and that survey also provided evidence that bare steel pipe would be satisfactory. Therefore, bare steel pipe was also used in the Hayden Lake system.

Within a few years after construction of the first two systems many leaks developed. Field investigations revealed excessive corrosion of both the inside and outside surfaces of the pipe. The Chief Engineer of the Bureau of Reclamation completed a corrosion survey report in 1960 for the three districts which confirmed the fact that excessive corrosion was greatly shortening the life of the pipelines. The report concluded that the external corrosion probably was caused by the presence of highly cathodic mill scale and was aggravated by variable soil conditions. The report also indicated that internal corrosion was related to the presence of oxygen at a saturation level in the water with a sufficient amount of chloride and sulfate ions to accelerate corrosion.

WORK TO BE PERFORMED

The plan for rehabilitation calls for replacement of all the lighter gage pipe and lining of the larger diameter and heavier gage main lines and pumping plant discharge lines. Replacement would be with asbestos cement pipe or mortar-lined and coated pipe which will withstand the corrosive effects of the water and the overlying soils. In addition to the replacement or lining, limited extensions and improvements of the facilities would be authorized.

COMMITTEE AMENDMENTS

The committee adopted the amendment recommended by the Department of the Interior which limits the amount which can be spent for extensions, additions, and improvement to $125,000.

The committee also changed the repayment period for the contract covering the new work to 40 years instead of 50 years. Since repayment is based upon the ability of the water users to repay, the annual payments would remain the same under the amendment and the total amount repaid would be reduced with a corresponding increase in the amount paid from power revenues of the Bonneville Power Administration.

The other amendment adopted by the committee places a limitation on the amount authorized to be appropriated. The amount is $1,611,000 and is based upon the estimates furnished by the Bureau of Reclamation.

FINANCIAL ASPECTS

The total cost of the work previously performed under the authority of the appropriation acts is $1,010,662 and the districts are presently obligated to pay this amount in full. The total cost of the replacement and lining work authorized by S. 923 is estimated at $1,486,000. The bill provides for repayment to the United States toward the cost of the new work in amounts equal to the repayment ability of the water users. Before construction is started the districts would be required to enter into a contract whereby they would continue to pay for 40 years from the date of completion of the work. It is estimated that during the 40-year contract period the districts would repay about $160,000 toward the cost of the new work. The districts would, of course, continue to meet their obligations under the present contract. The remaining amount of about $1,326,000 for new work which is beyond the ability of the water users to repay would be returned from power revenues of the Bonneville Power Administration. Current financial studies of the Bonneville power system indicate that surplus power revenues to repay this amount would be available for this purpose in 1994.

The cost of extensions, additions, and improvements would be limited, under language of the bill, to $125,000 and this amount would constitute an additional obligation of the districts, and payment thereof would have to be made concurrently with the other annual payments.

In summary, the districts would repay about 50 percent of the total expenditures of the United States.

Mr. WILLIAMS of Delaware. Mr. President, the Senator has pointed out that the $1,010,662 is to be repaid over a period of 40 years. But the pipe has now gone bad in 5 years. We are already replacing the entire project.

Mr. CHURCH. I wish to express my appreciation for the comments made by the Senator from Delaware. I am very mindful that a mistake was made. It occurred prior to the time I had any connection with the project. But the mistake has to be rectified; and I personally will take a very special interest in the work that is done, and will do everything possible to satisfy myself that the new project is competently engineered, so there will be no repetition of past mistakes in the future.

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

The amendments were agreed to.

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

The bill (S. 923) was ordered to be engrossed for a third reading, and was read the third time.

Mr. CHURCH. Mr. President, I ask unanimous consent that the Committee on Interior and Insular Affairs be discharged from the further consideration of House bill 4458, and that the Senate proceed to the consideration of that bill.

Mr. KUCHEL. Mr. President, reserving the right to object, let me ask the Senator from Idaho whether the ranking minority members of the committee have been contacted in regard to this matter.

Mr. CHURCH. Let me say that the House bill is identical to the Senate bill.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered; and the Senate will proceed to the consideration of House bill 4458.

The Senate proceeded to consider the bill (H.R. 4458) to authorize the Secretary of the Interior to replace lateral pipelines, line discharge pipelines, and to do other work he determines to be required for the Avondale, Dalton Gardens, and Hayden Lake Irrigation Districts in the State of Idaho.

The PRESIDING OFFICER. Let the Chair inquire if there is any difference between the two bills.

Mr. CHURCH. No; they are identical.

The PRESIDING OFFICER. House bill 4458 is open to amendment. If there be no amendment to be proposed, the question is on the third reading of the bill.

The bill (H.R. 4458) was ordered to a third reading, read the third time, and passed.

The PRESIDING OFFICER. Without objection, Senate bill 923 will be indefinitely postponed.

THE SHAME OF A NEUTRAL

Mr. ERVIN. Mr. President, Dr. Frederick Brown Harris has written an outstanding article entitled "The Shame of a Neutral." The article was published in the Washington Star of September 10.

All Members of the Senate who are privileged to have daily association with Dr. Harris are well acquainted with the depth of his wisdom and the eloquence of his words. I am so much impressed by the excellence of this article that I ask unanimous consent that it be printed in the body of the RECORD.

I wish to add that the article illustrates anew the everlasting truth that the only men who make any contributions of value to this earth are those who prefer to die upon their feet, rather than to live upon their knees.

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

SPIRES OF THE SPIRIT—THE SHAME OF A NEUTRAL

(By Dr. Frederick Brown Harris, Chaplain of the U.S. Senate)

A neutral is a human chameleon. A chameleon is a colorful little animal which makes its hue fit into its environment. It changes to match its surroundings. That is nature's way to keep this crawling creature out of danger. Neutrality is its protection.

But a man is not a concealing lizard. Yet, who has not known smooth and agreeable folk who proceed cautiously across all areas of life taking on a different tint or hue according to the situation in which they find themselves? They choose no color of conviction and maintain it against all odds.

But today's heights have not been achieved by human chameleons. Civilization has climbed up the ascending years held together by convictions which are more dear than mortal life. No man has really lived until he bets his life on some principle for which he would die.

Robert Ingersoll used to convulse great audiences with his clever castigations of conventional religion as he ridiculed the sins of the saints. But on more than one occasion when, because of his irreverent jibes, laughter had swept his audience, he paused and said solemnly, "But, ladies and gentlemen, do not forget that tonight we are not naked savages dancing around some campfire, because back there were men and women, our ancestors, who were willing to die for the things they believed."

An outstanding religious leader was speaking out of the deepest admiration concerning certain native Christians who had given their lives rather than to deny their faith. Then, with a touch of facetiousness, he added, "But if I had been in their place, with a sword held over my neck and had been told that I could confess my faith and die, or deny it and live, I greatly fear that I would have said to the tormentors, 'If you let me up for 10 minutes I think I can make a statement satisfactory to all concerned.'"

Statements satisfactory to all concerned are the bane of this so-called tolerant day when neutralism and appeasement are becoming more and more a moral fashion. There is dire danger that one may become so tolerant of everything that he will defend nothing to the death with the specious defense "a man must live." The worth of a conviction not for sale was instilled in countless plastic lives by the old-fashioned golden-text colored Sunday school card. One was a Bible figure of long ago about whom childish lips sang lustily. This man refused to buy safety in alien Babylon when he was told he could have it by bowing down to pagan gods. This was the verse we sang.

"Dare to be a Daniel,
Dare to stand alone,
Dare to have a purpose true
And dare to make it known."

Who has not encountered those whose motto is comfort and safety first and whose favorite seat in any contest is the fence? Such persons aim to please all sides by not taking sides. They seem to choose the permanent role of being an inquiring neutral.

This is true even with regard to the titanic global struggle now going on between decency and deviltry, between honesty and chicancery, between freedom and slavery, and between a loving God and blind force. Such neutrality is the gateway through which the Trojan horse of destruction enters into the city of compromise.

The shame of a neutral may be branded upon the brow even of those who are cataloged by the community as good. To be really good is to be good for something. Genuine goodness always possesses a sword—and there are times when the sword is unsheathed and grasped by a hand unafraid. It has been truly said that by superior energies, and by a firmer faith in their unhallowed objectives, the bad often win over the weak and vacillating.

In a day like this, above all else, we need those with convictions who go valiantly as far down the road of faith as did the three young men facing the fiery furnace and who said with its hot breath scorching their faces, "Our God whom we serve is able to deliver us." Then comes those steel-ribbed words, "But If Not"—still they would make no detour. Here then is the conclusion of the whole matter. The fact is that it is shameful to be neutral about the vital issues of life, broadminded about all creeds but committed to none, agreeable for safety's sake to compromise with evil, liberal about all ideas by holding no personal convictions which are not for sale and which like steeples point to the sky.

"Yes," says one, "that is all very high sounding, but after all a man or a country must live." Ah, that is the shame of the neutral.

"But is it so? Pray tell me why
Life at such cost you have to buy?
In what religion were you told a man must live?
There are times when a man must die.
Imagine for a battle cry this coward's whine,
This liar's lie—a man must live!
The Saviour did not live. He died—
But in His death was life for all mankind."

NORTH CAROLINA BEAUTY CROWNED MISS AMERICA

Mr. ERVIN. Mr. President, on last Saturday evening, at Atlantic City, N.J., one of North Carolina's fairest daughters, Miss Maria Beale Fletcher, of Asheville, was selected as Miss America.

Her beauty, charm, grace, intelligence, and talent certainly justified the decision of the judges.

I ask unanimous consent that there be printed in the body of the RECORD, as a part of my remarks, a portion of the news item concerning her selection which appeared in the Washington Sunday Star of yesterday, September 10, 1961, and I thank the Senator from Montana for withholding his suggestion of the absence of a quorum.

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

NORTH CAROLINA BEAUTY CROWNED MISS AMERICA

ATLANTIC CITY, N.J., September 9.—Maria Beale Fletcher, a hazel-eyed, brown-haired North Carolina beauty, tonight was chosen Miss America of 1962.

The 19-year-old Miss North Carolina, winner of a preliminary swimsuit competition, succeeded Nancy Anne Fleming, of Montague, Mich., as holder of the world's oldest and most famous beauty crown.

The new queen, from Asheville, is 5 feet 5½ inches tall, weighs 118 pounds, and measures 35–24–35.

A former member of the Radio City Rockettes in New York, she hopes for a career in the entertainment field after completing college.

Maria has had 13 years of training in dancing, 3 years of voice training, and 2 years of dramatics.

Runnersup in the pageant in the order in which they finished were:

Miss Arkansas, Frances Jane Anderson, of Pine Bluff.

Miss Utah, Carolyn Deann Lasater, of Salt Lake City.

Miss Texas, Linda Jacklyn Loftis, of Fort Worth.

Miss Minnesota, Nancee Ann Parkinson, of West St. Paul.

Miss North Carolina has won 14 talent awards in contests sponsored by various civic clubs in Asheville. Her first award came at the age of 7. She completed A. C. Reynolds High School in 3 years instead of 4, and graduated in 1960 with a scholastic average of 93.

She is the first girl from North Carolina ever to win the title. Another North Carolina girl, Ann Farrington Herring, of Winston-Salem, won third place in last year's pageant.

Miss North Carolina has won many dancing trophies before but had never been in a beauty pageant until she entered the one at Asheville which started her on the road to being Miss America.

Mr. MANSFIELD. Mr. President, any time that any more beauties are selected from North Carolina, I shall always be delighted to yield the floor to the distinguished representatives of the people of that State.

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 LAW ESTABLISHING THE INDIAN REVOLVING LOAN FUND—CONFERENCE REPORT

Mr. CHURCH. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1540) to amend the law establishing the Indian revolving loan fund. I ask unanimous consent for the present consideration of the report.

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

The legislative clerk read the report, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1540) an act to amend the law establishing the Indian revolving loan fund 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 disagreement to the amendments of the House and agree to the same with an amendment as follows:

"In lieu of the language inserted by the House amendment insert the following: "That the appropriation authorization in section 10 of the Act of June 18, 1934 (48 Stat. 986), is hereby amended by increasing it from $10,000,000 to $20,000,000.'"

FRANK CHURCH,
ERNEST GRUENING,
QUENTIN N. BURDICK,
BARRY GOLDWATER,
GORDON ALLOTT,
Managers on the Part of the Senate.

JAMES A. HALEY,
ED EDMONDSON,
THOMAS G. MORRIS,
E. Y. BERRY,
HJALMAR C. NYGAARD,
Managers on the Part of the House.

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

There being no objection, the Senate proceeded to consider the report.

Mr. CHURCH. Mr. President, as passed by the Senate, S. 1540 would have amended the revolving credit loan fund,

established by the act of June 18, 1934, by increasing the authorization from $10 million to $35 million. The bill also provided for the merging of the general loan fund, the Navajo-Hopi fund, and the Oklahoma fund into one revolving fund.

The House amended the Senate bill by striking all after the enacting clause and providing for an increase in the authorization in the 1934 act from $10 million to $15 million. All the language with respect to consolidating funds is deleted.

At the meeting of the conferees on September 7, it was agreed that the differences in the bill would be compromised in the following manner. The revolving credit loan fund would be increased by $10 million, that is, raising the authorization from the present $10 million limit to $20 million. It was also agreed that we would eliminate all language relating to the consolidation of the three existing loan funds.

I draw this to the attention of the Appropriations Committee, which has consistently suggested that the funds be merged into one fund. While the conferees have eliminated that provision, we do have an understanding that this consolidation proposal will be the subject of further legislation during the second session of this Congress.

While the sum which the conferees have agreed upon is substantially less than that passed by the Senate, it is the intention of our committee and the House Interior Committee to consider additional legislation next year to provide a greater authorization than is afforded under the present bill. We hope to include that in legislation to resolve the heirship land problem. In the meantime, the $10 million that would be added to the fund will meet all of the anticipated needs for this fiscal year.

For these reasons, Mr. President, I move that the Senate adopt the conference report.

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

The report was agreed to.

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.

DISPOSITION OF CERTAIN WATERFOWL FEATHERS AND DOWN

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 752, H.R. 7447.

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

The LEGISLATIVE CLERK. A bill (H.R. 7447) to amend the Strategic and Critical Materials Stock Piling Act to provide for the immediate disposition of certain waterfowl feathers and down.

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

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. SYMINGTON. Mr. President, I desire to make a short statement regarding H.R. 7447 which would waive the statutory requirement for a 6-month waiting period before the Administrator of General Services is authorized to dispose of approximately 2 million pounds of waterfowl feathers and down from the national stockpile.

The stockpiling law requires the Director of the Office of Civil and Defense Mobilization to determine the materials that should be stockpiled and the stockpile objectives for these materials. If the Director determines that the amount on hand is in excess of the objective, he may propose disposal of the excess by publishing a notice in the Federal Register and transmitting this notice to the Congress. The disposal may not be made until 6 months after publication and transmission of the notice of disposal. If the disposal is proposed because the material is obsolescent for use in time of war, express congressional consent is not required. If the disposal is proposed only because the quantities on hand are in excess of the stockpile objectives, express congressional approval of the disposal is required.

In March of this year the stockpile objective for waterfowl feathers and down was revised downward. The reasons for the revision were:

First. The planning basis for stockpiling has been reduced from a 5- to a 3-year potential emergency.

Second. A new process that could be used in an emergency permits the treatment of chicken feathers so that these feathers may be satisfactorily combined for use with waterfowl feathers.

If the feathers and down that are the subject of H.R. 7447 were being proposed for disposal only because of the reduced stockpile objective, express congressional approval in the form of a concurrent resolution would be required. It happens, though, that the particular feathers and down that are proposed for disposal are in a deteriorated condition and no longer meet specfications. For this reason the materials are obsolescent for use in time of war, and thus they may be sold 6 months after publication of notice of disposal. Notice of disposal was published on April 6, 1961. Even if H.R. 7447 is not approved, the feathers and down can be disposed of beginning October 6, 1961.

The simple purpose of the bill is to shorten the waiting period. It is obvious that the waiting period would be shortened by less than 1 month.

The reason for shortening the waiting period is that market conditions are favorable, owing to a shortage of supply on a worldwide basis. The committee was informed that although the feathers and down now in excess are in poor condition, industrial users may clean and reprocess these materials and thus put them to satisfactory use.

The average cost of all the feathers now held in the stockpile was $2.25 a pound, and the average cost of all the down was $6 per pound. On the most recent Government sales of these materials in August 1961, the Government received an average of $1.04 per pound for feathers and $3.37 per pound for down. Let me emphasize that these prices were for deteriorated materials that did not meet specification requirements.

It is obvious that the price the Government can expect to receive from sale of these materials is less than the average cost of acquisition. It should be pointed out, however, that the average cost of acquisition applies to all of the feathers and down in the stockpile including that which meets specifications and that the prices I have quoted are for deteriorated materials. The committee was informed that the Government should recover more than $2 million from the sale of these materials.

Mr. President, that concludes my statement. I ask that the bill be passed this morning.

The PRESIDING OFFICER. The bill is open for amendment.

Mr. WILLIAMS of Delaware. Mr. President, I shall not object to the passage of the bill. If we do not need the feathers, we might as well go ahead, pass the bill, and sell them. However, I should like to comment briefly on the policy of the stockpile program in general. Call it mismanagement or stupidity, there is a lot of money being wasted in our stockpiling program. It needs an overhauling.

As evidence of this let us go back to the beginning of the program on this particular commodity. What I have to say is not in criticism of the Senator from Missouri; he has been as critical of some of these stockpiling arrangements as I have been.

The feathers were originally bought 8 to 10 years ago. Why we needed to stockpile them at that time, and why we do not need them on the eve of the Berlin crisis, I am at a loss to understand. But we are now told that we do not need the feathers—they have become obsolete or are not needed in the stockpile program.

To go back to the beginning, we find that immediately prior to the Korean war, waterfowl feathers were selling at about 90 cents a pound. The Korean war broke out and all of a sudden the stockpiling agency decided that they not only had to buy what we needed for the Korean war, but we had to stockpile feathers for years to come. Such a large quantity was stored that the price of feathers shot up to $2.25 and $2.50 a pound.

Not only the quantity of feathers needed during that period were bought, but enough feathers were bought to last us throughout the Korean war and during the intervening period until the present time. Now it is proposed that we even have a surplus of the feathers that we purchased 8 to 10 years ago. I believe no feathers have been bought in the last 7 years.

Mr. SYMINGTON. The Senator is correct. None have been bought for 7 years.

Mr. WILLIAMS of Delaware. In the purchase of the feathers, the agency be-

came so panicky that they wanted to buy them notwithstanding the fact that the market was at an alltime high during the Korean war. The agency apparently wanted to buy the feathers before the market went down. In doing so, they bought feathers of an inferior grade and paid the regular price for them. No adjustments or refunds of the purchase price because of inferior grades were asked for. No refunds were collected until the Comptroller General moved in with a strong report denouncing the whole procurement policy. Then the agency did make some adjustments.

Furthermore, the procurement agency of the Government went out and bought the feathers during the Korean war at a time when we had price controls operating, and they even bought them in the black market. In some instances they paid 20 to 30 percent over the price ceilings. Yes, they bought some of the feathers in the black market. No action was taken concerning the payments over the ceilings until after the Comptroller General had come in and in effect said, "At least the Government should live up to its own laws and not violate its own price ceilings."

Here we had an agency of the Government buying supplies for the Government in the black market, closing its eyes to the price ceilings laws, yet telling everybody else to obey the law.

Significantly, on the advisory board were representatives of most of the companies selling feathers to the United States. They were giving advice as to how the Government could buy them. Apparently we had no one in the agency with enough sense not to accept the kind of advice the advisers were giving.

I would like to read briefly some of the comments made by the Comptroller General at the time the feathers were bought. I quote from his report on these transactions:

> 2. GSA–EPS authorized the delivery of, and accepted goods which did not comply with, the stockpile specifications established by the Munitions Board.
>
> 3. GSA–EPS failed to reduce the price on 63,922 pounds of feathers and down to applicable ceilings, which resulted in the Government incurring excessive costs of $22,161.50.
>
> 4. Acceptance of the price increases in the amendment violated OPS CPR–87 and increased the Government's cost by $6,856.50.
>
> An aggravated instance applicable to points 3 and 4 involves the pricing of 11,000 pounds of European goose down (lots F–16, F–17) at $8 in the amendment when the OPS had previously restricted the contractor to delivering 10,000 pounds at $8. This reflects a culpable disregard for the Government's interests.

In other words, we stockpiled inferior products at a price much higher than the legal ceiling price. Today the market has returned to a low level. The feathers will now be sold as an inferior product. Many are surprised that the feathers we have in the stockpile today are an inferior products. There is nothing strange about it. The agency bought the feathers of an inferior grade in the first place.

Mr. SYMINGTON. Mr. President, will the Senator yield back to me?

Mr. WILLIAMS of Delaware. I yield.

Mr. SYMINGTON. I compliment the able Senator from Delaware for his thoughts on this subject. He is correct with respect to some of the operations of the stockpile. It is but a further illustration of some of the problems we have in this field.

Because of the shortage of time, I should like to report to the Senator another problem that has arisen within recent days. Many of us are anxious not to see a rise in steel prices. Not too long ago the committee on which the distinguished Senator from Delaware [Mr. WILLIAMS] and I have the privilege of serving discussed the problems of a particular country. We started to talk about how much tin we could buy to help that country.

I asked, "Why do we want to buy more tin? We do not have to always consider the purchase of tin as the only way to handle the problems of that country. We have too much tin on hand already.

Within 48 hours someone told the representatives of that country what I had said. They called me up and assured me that I was incorrect, that there was not enough tin, that tin was in short supply. I apologized for my mistake. Then I found that, in our stockpile, we have more than double the amount of tin anyone believes is needed in case of war; hundreds of millions of dollars more than considered necessary.

We know tin is probably utilized more for galvanized sheet and strip steel than for any other purpose. Interestingly enough, last week one of the representatives of one of the leading steel corporations called me to say that in the Federal Register he had noted a request that 50,000 tons of tin be released from stockpile. That is a great deal of tin, but does not by any means represent the excess in the stockpile. This steel company said that if that tin were released from stockpile, it would contribute to their ability, if there was the ability plus the desire, to hold down prices of steel products.

As everyone knows, the tin market is a world cartel, and has been for many years. The current price of tin is rising steadily. What a ridiculous situation we now find ourselves in. With the price moving up steadily and with the American people owning far more tin than will ever be needed, even in time of war, we should review the way in which this problem has been handled. The facts are withheld from the American people. It takes a long time, under present regulations, to obtain the tin in order to put it on the market as a way of holding down increased tin prices. These raised tin prices can only be a justification for what we do not want—increased steel prices.

I place this situation in the RECORD, and compliment my friend from Delaware, who is a watchdog of the people's money in this instance as well as in others.

I agree with him that in the future we should handle the whole problem of stockpiling more in the public interest than it has been handled in the past.

Mr. WILLIAMS of Delaware. I thank the Senator. The stockpiling program is an essential project, but the materials that are stockpiled should be bought on the basis of our actual need. The program is not to be operated as a price-support program, nor is it supposed to be operated to create a speculator's paradise or to regulate markets.

Mr. SYMINGTON. As chairman of the Stockpiling Subcommittee of the Committee on Armed Services, I have tried for many years to get the facts of this program declassified, but am always told that the agencies involved did not want to declassify said information. When I talk personally with these agencies, however, they say they today have no objection, in fact some volunteer it would be a good idea that stockpile information be declassified. If it were declassified that would make it impossible for some of the actions to happen which the Senator from Delaware and the Senator from Missouri have been talking about. If that were done, many of these things would not have happened in the past, and would not occur in the future.

Mr. WILLIAMS of Delaware. In the light of what they are doing, I suppose we should not blame them for trying to keep the information classified, because if the American people found out about these operations, these people would not stay in office very long.

I agree fully that there is entirely too much secrecy surrounding this kind of operation. For instance, I was told that it would be a great disservice to our national security to tell me how many feathers we have in the stockpile. I suppose they think Mr. Khrushchev could win the cold war if he found out how many feathers we have in the stockpile. How much more ridiculous can one get in this kind of situation? Are they expecting us to engage in a pillow fight over Berlin? Anyone can take the figures presently appearing in the commerce journals on any of these commodities and get a fairly accurate estimate of our inventory. I could tell them within 5 percent of what they have on hand in the stockpile. Anyone else can do the same thing if he wants to take the trouble to run down the figures.

Certainly there is nothing world shaking about the amount of feathers they have on hand. They are reducing the stockpile requirements from 5 years to 3 years, and cutting the required amount by 4 million pounds of feathers. Yet they say they cannot tell anyone how many they have on hand. I should like to read one sentence from this report:

> However, I believe the information you want would be the difference in the inventory amount between the two dates.

Much of this secrecy is apparently nothing more than an excuse to hide their mismanagement. I read further from the Comptroller's report, at page 38:

> GSA–EPS failed to reduce the price on 63,922 pounds of feathers and down to applicable ceilings, which resulted in the Government incurring excessive costs of $22,161.50.

I will not go through all of this report. However, Mr. President, here is an

agency of the U.S. Government, during the period when we were at war, when we had price controls, violating their own price controls and operating in the black market, while at the same time they were criticizing the American people for any participation in the black market, and called them unpatriotic. It was indefensible on the part of this agency to violate these laws. Again I quote from the Comptroller General's report on the feather procurement program:

Our investigation developed information of possible violations by the contractor of 18 United States Code 1001 by reason of false statements made to OPS in applying for authority to effect deliveries at above-ceiling prices, and a potential violation by the contractor of the price warranty clause under the contract and the amendment. These matters were referred to the Office of Price Stabilization and to the Department of Justice on March 23, 1953.

How can they explain their buying of feathers at such exorbitant prices during the war, prices which were in excess of the ceiling prices? They even bought a product which did not meet standards at the time they were bought. They bought the inferior product at exorbitant prices on the advice of a committee which was composed of the very people who were selling them the product.

Mr. SYMINGTON. Mr. President, I ask unanimous consent that at this point there be printed in the RECORD a letter dealing with this subject matter, written by OCDM to the Senator from Delaware, signed by the Honorable Frank Ellis, Director of the Office of Civil and Defense Mobilization.

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

SEPTEMBER 7, 1961.

Hon. JOHN J. WILLIAMS,
U.S. Senate, Washington, D.C.

DEAR SENATOR WILLIAMS: This is to confirm information given you over the telephone by Mathias W. Niewenhous of my staff in reference to your letter of August 28, 1961, and additional information requested by telephone concerning the proposed sale of excess feathers and down in the stockpile.

1. To give you inventory on dates requested would reveal stockpile objectives which have a secret classification. However, I believe the information you want would be the difference in the inventory amounts between the two dates which was 1,406,000 pounds less as of June 30, 1961.

(a) The stockpile was set up on a basis of 60 percent feathers and 40 percent down. The average cost of feathers in the stockpile was $2.25 a pound and the average cost of the down was $6 per pound. The average costs of feathers and down combined was $4.15 a pound.

2. No feathers and down were purchased during the past 3 years.

3. The quantity of feathers and down from the stockpile sold for Government use during the past 3 years amounted to 1,532,600 pounds.

4. All the feathers and down in the stockpile were purchased during the years 1952, 1953, and 1954. No purchase have been made since the middle of 1954.

5. No plans are contemplated to replace the feathers and down sold or to be sold.

6. In December 1959, GSA was authorized to prepare a plan for the disposal of 1,900,000 pounds of feathers and down which was excess of mobilization needs. This was deteriorated material which did not meet specification requirements. All but 75,000 pounds have been sold. The last sale took place in August 1961, and the price paid to the Government averaged $1.04 a pound for the feathers and $3.37 for the down. The great bulk of this material (1,532,600 pounds) was transferred to the Quartermaster Department of the Army by GSA for governmenal use.

7. The Government should recover $2 million-plus for the feathers and down to be sold under the pending bill. It is difficult of course to forecast market prices in the future, as the proposed sale may take place over a period of months.

Enclosed is a summary of sales and delivery figures.

If any further information is desired, I will be glad to discuss the matter with you personally.

Sincerely,

FRANK ELLIS, *Director.*

Summary of sales and delivery figures

	Pounds
Reduction in inventories between Jan. 1, 1958, and June 30, 1961 (deliveries on sales)	1,406,000
Sales from inventories between December 1959 and August 1961	1,875,000

(There were no sales or deliveries between Jan. 1, 1958, and Dec. 31, 1959.)

Sales and deliveries January 1960 through August 1961

	Pounds	Actual deliveries, pounds
Sales for Government use	1,532,000	1,152,000
Sales for commercial use	293,000	254,000
Total	1,825,000	1,406,000

Mr. SYMINGTON. The letter states that:

All the feathers and down in the stockpile were purchased during the years 1952, 1953, 1954. No purchases have been made since the middle of 1954.

There may have been some reason for purchases being made in 1952, when we were in a war in Korea; and also during part of 1953. That feathers should have been purchased after the Korean truce, in 1954, however, especially under the conditions the able Senator from Delaware has presented this morning, is incredible.

With respect to these figures, of course the Senator from Delaware is entitled to know what the classified figures on feathers are in the stockpile. I have them with me, and would be very glad to show them to him at his convenience.

Mr. WILLIAMS of Delaware. I appreciate the Senator's statement. The only explanation for the purchase of these feathers in 1953 and 1954 was that it was a bailout operation. The war was over and market prices would naturally decline so the Government took over the dealers' inventory at the inflated prices. They took the entire inventory on hand, and what had been contracted for.

The fact that part of the merchandise was an inferior product did not in the least bother these bureaucrats spending taxpayers' money.

An examination of the billion-dollar operation of this agency is long overdue.

The PRESIDING OFFICER. The question is on the third reading of the bill.

The bill was ordered to a third reading, was read the third time, and passed.

THE WILDERNESS BILL

Mr. CHURCH. Mr. President, I ask unanimous consent that a summary of the major provisions of S. 174, the wilderness bill, be printed in the RECORD at this point.

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

SUMMARY OF THE MAJOR PROVISIONS OF S. 174—THE WILDERNESS BILL

1. What is the purpose of the bill? To establish a national wilderness preservation system for the permanent good of the whole people, before our shrinking wildlands entirely disappear.

2. What may be included in the wilderness system? The system would be limited to Federal land already withdrawn for recreational use; made up from the following components:

(a) Areas in national forests classified as "wilderness," wild, or canoe, on effective date of act.

(b) Areas in national forests classified as primitive, on effective date of act.

(c) Areas in national parks and monuments, embracing at least 5,000 acres without roads, on effective date of act.

(d) Selected portions of wildlife refuges and game ranges established prior to effective date of act.

3. When and how would these areas become part of the wilderness system? Each of the four categories listed above are treated separately under the bill. Thus:

(a) Wilderness, wild, or canoe areas would become part of the system upon enactment of the bill.

(b) Primitive areas would be temporarily incorporated into the system upon enactment of the bill. However, the Forest Service would review each of these areas, during the 10 years following enactment, to exclude any part found to be more suitable for lumbering, mining, or other commercial use. Those parts having predominant wilderness values would then be recommended by the President to Congress for permanent retention in the system. Either the House or Senate could veto any such recommendation.

(c) Roadless areas within national parks and monuments will be incorporated into the system, during the 10 years following enactment, as recommended by the President to Congress, subject to veto by either House or Senate.

(d) Selected portions of wildlife refuges and game ranges will be incorporated into the system, during the 10 years following enactment, as the President may recommend to Congress, subject to the same congressional veto.

Once the wilderness system has been established as above provided, no new additions may be made to it, except by an affirmative act of Congress.

4. What restrictions would apply within the wilderness system? Subject to existing rights, there would be no commercial enterprise within the system, no roads, no buildings, and no use of motor vehicles, motorboats, or aircraft. However, these restrictions are subject to the following special exceptions:

(a) Aircraft and motorboats may continue to be used, wherever the practice has become established.

(b) Guides, with their pack strings, boats, and camping equipment, may continue to

furnish their services for recreational purposes.

(c) Within national forest and public domain areas included within the wilderness system:

1. The grazing of livestock shall continue, wherever well established.

2. The President may authorize, within specific areas, prospecting, mining, reservoirs, water conservation works, transmission lines, and such roads as may be essential to develop and use them, wherever he determines such use will better serve the public interest than its denial.

5. What general exceptions are made by the bill? The bill expressly allows for the following:

(a) Such measures may be taken within the wilderness system as may be necessary in the control of fire, insects, and disease.

(b) The jurisdiction of the States with respect to fish and wildlife in the national forests is left untouched by the bill.

(c) Within national forest and public domain areas in the wilderness system, any activity, including prospecting, for the purpose of gathering information about mineral or water resources, will be lawful, if carried on in a manner not incompatible with the preservation of the wilderness environment.

(d) Application of State water laws within the wilderness system are not affected by the bill.

(e) The jurisdiction of the Federal Power Commission to license dam construction is not affected by the bill.

EMPLOYMENT OF CERTAIN ADULT INDIANS ON OR NEAR INDIAN RESERVATIONS

Mr. CHURCH. I am about to ask the Chair to lay before the Senate certain amendments of the House of Representatives to Senate bills.

Mr. MANSFIELD. Mr. President, have these matters been cleared with the minority leadership?

Mr. CHURCH. Yes; they have all been cleared with the minority leadership.

I ask first that the Chair lay before the Senate the amendment of the House to Senate bill 200.

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 200) to amend the act entitled "An act relative to employment for certain adult Indians on or near Indian reservations", approved August 3, 1956, which was, to strike out all after the enacting clause and insert:

That section 2 of the Act entitled "An Act relative to employment for certain adult Indians on or near Indian reservations", approved August 3, 1956 (70 Stat. 986), is amended by striking out "$3,500,000" and inserting in lieu thereof "$7,500,000" and by striking out "$500,000" and inserting in lieu thereof "$1,000,000".

Mr. CHURCH. Mr. President, as passed by the Senate, the bill would have repealed the $3.5 million annual authorization to carry out vocational training and on-the-job training programs and make the amount of the annual appropriation subject to the normal budgetary process. The House has amended the Senate version by striking all after the enacting clause and inserting language to increase the present $3.5 million limit to $7.5 million, and increase the $500,000 limit on administrative costs to $1 million.

It had been my hope that we could have an open-end authorization on this program because it has been one of the most useful and worthwhile programs in the Bureau of Indian Affairs, and I feel confident that more and more Indians will wish to take advantage of this kind of training as time goes on. However, there are at this time more applicants for training than there is money available, and we are very anxious that an authorization bill be enacted in this session so that additional funds may be obtained through the supplemental appropriations bill.

The Department of the Interior assures me that the bill in its amended form is satisfactory.

Mr. President, I move that the Senate concur in the House amendments.

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

The motion was agreed to.

Mr. CHURCH. Mr. President, I now ask the Chair to lay before the Senate the amendment of the House to Senate bill 1719.

AMENDMENT OF TITLE 23, UNITED STATES CODE, RELATING TO INDIAN RESERVATION ROADS

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 1719) to amend title 23 of the United States Code with respect to Indian reservation roads, which was, on line 10, after "roads" insert "and bridges".

Mr. CHURCH. Mr. President, the purpose of this bill is to amend title 23 of the United States Code to authorize the Secretary of the Interior to accept the cooperation of any State, county, or local subdivision in connection with the construction of Indian reservation roads. The House has amended the bill to include bridges. I believe this is a desirable addition to the bill and conforms with the appropriate section of title 23. It is also acceptable to the Department of the Interior which initiated this legislation in an executive communication.

Mr. President, I move that the Senate concur in the House amendment.

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

The motion was agreed to.

Mr. CHURCH. I now request that the Chair lay before the Senate the amendment of the House to Senate bill 1768.

RESTORATION TO INDIAN TRIBES OF CERTAIN PAYMENTS OF TRIBAL TRUST FUNDS

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 1768) to provide for the restoration to Indian tribes of unclaimed per capita and other individual payments of tribal trust funds, which were, on page 1, line 8, after "law," insert "and any interest earned on such share that is properly creditable to the individual"; on page 2, line 6, after "share" insert "and interest", and on page 2, after line 8, insert:

SEC. 2. The Secretary shall not restore to tribal ownership or deposit in the general fund of the Treasury any funds pursuant to this Act until sixty calendar days (exclusive of days on which either the Senate or the House of Representatives is not in session because of an adjournment of more than three days to a day certain) after he has submitted notice of his proposed action to the Committees on Interior and Insular Affairs of the Senate and House of Representatives unless each of said committees has theretofore notified him that it has no objection to the proposed action.

Mr. CHURCH. Mr. President, the purpose of this legislation is to restore to Indian tribes unclaimed per capita and other individual payments from tribal trust funds and certain other sources that are still in the Federal Treasury—there by reason of the fact that owners cannot be located. The bill provides that the funds will go to the tribes.

As amended by the House, the bill would also cover interest earned on amounts to which the individual Indians may have been entitled, and also provides that prior to restoring unclaimed funds to tribal ownership or depositing them in the general fund of the Treasury, a 60-day notification shall be given to the Committees on Interior and Insular Affairs of the House and the Senate. I understand this amendment is satisfactory to the Department of the Interior which initiated this legislation and it is also acceptable to me.

Mr. President, I move that the Senate concur in the House amendments.

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

The motion was agreed to.

Mr. CHURCH. I ask that the Chair lay before the Senate the amendment of the House to Senate bill 1807.

DISPOSITION OF CERTAIN LAND AT CHILOCCO, OKLA.

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 1807) to authorize the disposition of land no longer needed for the Chilocco Indian Industrial School at Chilocco, Okla., which was, on page 1, line 3, strike out all after "That" down through and including "The" in line 11, and insert "the".

Mr. CHURCH. Mr. President, the primary purpose of S. 1807 was to authorize the Secretary of the Interior to dispose of lands no longer needed for the Chilocco Indian Industrial School at Chilocco, Okla. The bill also permitted two homestead sites in the same area to be conveyed to the homesteaders when their contracts are completely paid in 1963 and 1965 respectively.

The House has amended the Senate bill by deleting the authority for the Secretary to dispose of the surplus acres at the school and restricting it to an authorization for the Secretary to convey title to the two homesteads. I understand there is a desire on the part of some House Members to hold hearings on the desirability of permitting the lands at the school site to be disposed of. Under the circumstances, I am agreeable to

the amendments, and I understand that the Department of the Interior, which submitted this legislation to the Congress, has no objection.

Mr. President, I move that the Senate concure in the House amendments.

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

The motion was agreed to.

Mr. CHURCH. I request the chair to lay before the Senate the House amendment to Senate bill 2241.

DONATION OF CERTAIN LAND TO THE JICARILLA APACHE TRIBE OF THE JICARILLA RESERVATION, N. MEX.

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 2241) to donate to the Jicarilla Apache Tribe of the Jicarilla Reservation, N. Mex., approximately 391.43 acres of federally owned land, which was on page 3, after line 4, insert:

SEC. 2. The Indian Claims Commission is directed to determine in accordance with the provisions of section 2 of the Act of August 13, 1946 (60 Stat. 1050), the extent to which the value of the title conveyed by this Act should or should not be set off against any claim against the United States determined by the Commission.

Mr. CHURCH. Mr. President, the House has amended this legislation by adding a new section 2, directing the Indian Claims Commission to determine, in accordance with the Indian Claims Commission Act of 1946, the extent to which the value of the title conveyed by this act should or should not be set off against any claim the tribe may have. This language has been adopted consistently by the Senate in bills making gifts of Federal lands to Indian tribes. I know of no objection to its inclusion in this piece of legislation, and it is satisfactory to the sponsor, the junior Senator from New Mexico [Mr. ANDERSON].

Mr. President, I move that the Senate concur in the House amendment.

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

The motion was agreed to.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate resume the consideration of executive business.

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

TREATY OF FRIENDSHIP, ESTABLISHMENT, AND NAVIGATION BETWEEN THE UNITED STATES OF AMERICA AND THE UNITED KINGDOM OF BELGIUM, TOGETHER WITH A RELATED PROTOCOL—TREATY OF AMITY AND ECONOMIC RELATIONS BETWEEN THE UNITED STATES OF AMERICA AND THE REPUBLIC OF VIETNAM

The PRESIDING OFFICER. The hour of 10:50 o'clock having arrived, the Senate will proceed in executive session to the further consideration of the two treaties.

Mr. MANSFIELD. Mr. President, on the vote on the treaties, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. MANSFIELD. 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.

The PRESIDING OFFICER. The question is, Will the Senate advise and consent to the resolutions of ratification of Executive J—87th Congress, 1st session—a Treaty of Friendship, Establishment, and Navigation Between the United States of America and the United Kingdom of Belgium, Together With a Related Protocol, and Executive L—87th Congress, 1st session—a Treaty of Amity and Economic Relations Between the United States of America and the Republic of Vietnam?

Under the unanimous-consent agreement, the resolutions of ratification will be deemed to be agreed to, respectively, by the same vote.

The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. HUMPHREY. I announce that the Senator from Virginia [Mr. BYRD], the Senator from Arizona [Mr. HAYDEN], the Senator from Oklahoma [Mr. KERR], the Senator from Missouri [Mr. LONG], the Senator from Oregon [Mrs. NEUBERGER], and the Senator from Massachusetts [Mr. SMITH] are absent on official business.

I also announce that the Senator from New Mexico [Mr. ANDERSON] and the Senator from New Mexico [Mr. CHAVEZ] are absent because of illness.

I further announce that, if present and voting, the Senator from New Mexico [Mr. ANDERSON], the Senator from Virginia [Mr. BYRD], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Arizona [Mr. HAYDEN], the Senator from Oklahoma [Mr. KERR], the Senator from Missouri [Mr. LONG], the Senator from Oregon [Mrs. NEUBERGER], and the Senator from Massachusetts [Mr. SMITH] would each vote "yea."

Mr. KUCHEL. I announce that the Senator from New Hampshire [Mr. BRIDGES] is absent because of illness.

The Senators from Iowa [Mr. HICKENLOOPER and Mr. MILLER] are absent on official business.

The Senator from Maryland [Mr. BEALL], the Senator from Nebraska [Mr. CURTIS], the Senator from New York [Mr. JAVITS], and the Senator from Vermont [Mr. PROUTY] are necessarily absent.

The Senator from Maryland [Mr. BUTLER] and the Senator from Kansas [Mr. SCHOEPPEL] are detained on official business.

If present and voting, the Senators from Maryland [Mr. BEALL and Mr. BUTLER], the Senator from New York [Mr. JAVITS], the Senator from Iowa [Mr. MILLER], and the Senator from Vermont [Mr. PROUTY] would each vote "yea."

The yeas and nays resulted—yeas 83, nays 0, as follows:

[Ex. No. 1]

YEAS—83

Aiken	Fulbright	Morse
Allott	Goldwater	Morton
Bartlett	Gore	Moss
Bennett	Gruening	Mundt
Bible	Hart	Muskie
Boggs	Hartke	Pastore
Burdick	Hickey	Pell
Bush	Hill	Proxmire
Byrd, W. Va.	Holland	Randolph
Cannon	Hruska	Robertson
Capehart	Humphrey	Russell
Carlson	Jackson	Saltonstall
Carroll	Johnston	Scott
Case, N.J.	Jordan	Smathers
Case, S. Dak.	Keating	Smith, Maine
Church	Kefauver	Sparkman
Clark	Kuchel	Stennis
Cooper	Lausche	Symington
Cotton	Long, Hawaii	Talmadge
Dirksen	Long, La.	Thurmond
Dodd	Magnuson	Tower
Douglas	Mansfield	Wiley
Dworshak	McCarthy	Williams, N.J.
Eastland	McClellan	Williams, Del.
Ellender	McGee	Yarborough
Engle	McNamara	Young, N. Dak.
Ervin	Metcalf	Young, Ohio
Fong	Monroney	

NAYS—0

NOT VOTING—17

Anderson	Curtis	Miller
Beall	Hayden	Neuberger
Bridges	Hickenlooper	Prouty
Butler	Javits	Schoeppel
Byrd, Va.	Kerr	Smith, Mass.
Chavez	Long, Mo.	

The PRESIDING OFFICER. Two-thirds of the Senators present having voted in the affirmative, the resolutions of ratification are agreed to.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the President be immediately notified of the approval of these treaties.

The PRESIDING OFFICER. Without objection, the President will be notified forthwith.

LEGISLATIVE SESSION

Mr. MANSFIELD. 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.

MEXICAN FARM LABOR PROGRAM

The PRESIDING OFFICER. Under the unanimous-consent agreement entered on Friday, the Chair now lays before the Senate House bill 2010.

The Senate resumed the consideration of the bill H.R. 2010 to amend title V of the Agricultural Act of 1949, as amended, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Minnesota [Mr. MCCARTHY]. Under the agreement, 20 minutes are available for the consideration of this amendment, to be divided equally.

Mr. MANSFIELD. Mr. President, I should like to ask the Senator from Minnesota how he intends to use the time under his control.

Mr. McCARTHY. On this amendment, 10 minutes are available to each side. However, the agreement relates to both my amendment and the amendment of the Senator from New York [Mr. KEATING], and the question is, Which is to be considered first? I think there was no agreement as to that on Friday; but I shall be glad to have my amendment considered first, and to have it followed by consideration of the amendment of the Senator from New York.

Mr. MANSFIELD. Mr. President, will the Senator from Minnesota yield 2 minutes to me?

Mr. McCARTHY. I yield.

Mr. MANSFIELD. Mr. President, some confusion has become evident as to whether the proposed amendment to section 505, the amendment of the Senator from Minnesota [Mr. McCARTHY], would confer upon the Secretary of Labor the authority to fix wages for either domestic or Mexican national agricultural workers.

This amendment, rather than conferring authority upon the Secretary of Labor in the area of agricultural wages, is a limitation upon the broad authority he presently has under Public Law 78. Under section 503 of that act he may now prescribe wage criteria, which he finds necessary, in the determination of whether the employment of Mexican nationals in an area will adversely affect the wages and working conditions of our agricultural workers similarly employed. He now has authority to prescribe the same test of adverse effect as is proposed by this amendment.

Secretary Goldberg stated before the Senate Committee on Agriculture and Forestry that he does presently possess such authority. He is, however, advocating that a congressional standard be written into the law to relieve him from the litigation and the pressures and protests of users of Mexican labor whenever he has taken any steps to give meaning and effect to the mandate of the Congress that he must not permit the employment of Mexican workers in any area unless he has assured himself that their employment will not adversely affect the wages, hours, and working conditions of our own workers.

The Secretary of Labor believes that congressional guidelines are necessary for effective and fair administration of this authority.

If this amendment is not adopted, let there be no future criticism of the Secretary of Labor if he prescribes similar tests administratively. The Secretary of Labor has advised the Congress that he has found clear indications of adverse effect and will feel constrained in carrying out his statutory responsibilities to take steps beyond those already taken. It should also be remembered that this amendment would affect only users of Mexican labor.

I personally believe that this Mexican labor program cannot be continued unless wage standards are incorporated which will eliminate the wage depression it imposes on U.S. migratory workers. The McCarthy amendment consists of such wage standards.

RETURN TO THE SENATE OF SENATOR CARLSON, OF KANSAS, AFTER ILLNESS

Mr. KUCHEL. Mr. President, will the Senator yield me 30 seconds without its coming out of the allotted time?

Mr. McCARTHY. I yield for that purpose.

Mr. MANSFIELD. Mr. President, I object. There is a time limitation in effect. I suggest that the Senator from Minnesota yield 30 seconds to the Senator from California out of his time.

Mr. McCARTHY. I yield 30 seconds to the Senator from California.

Mr. KUCHEL. Mr. President, I inform the Senate that the junior Senator from Kansas [Mr. CARLSON] has returned to the Senate. He had an operation which was successful. He is one of us, and I am sure all of us are delighted to welcome him back. [Applause, Senators rising.]

Mr. McCARTHY. Mr. President, I am glad the Senator from Kansas is back, and I hope his first official act will be to vote for my amendment.

MEXICAN FARM LABOR PROGRAM

The Senate resumed the consideration of the bill H.R. 2010 to amend title V of the Agricultural Act of 1949, and for other purposes.

Mr. McCARTHY. Mr. President, I thank the majority leader for having placed in the RECORD the views of the Secretary of Labor with respect to workers of Mexican nationality who are brought into this country under contract.

There seems to be a point of great significance to many Members of Congress, and I believe it has been taken up by outside groups who are opposed to this amendment as the key point in their opposition.

They are arguing that the amendment gives the Secretary of Labor authority to fix wages for farmworkers and that this is a new departure and that this establishes a precedent.

As a matter of fact, this is not the case at all. The Secretary of Labor now has authority to fix wages for Mexican nationals who are brought into this country under contract. He has authority, by agreement with the Mexican Government, to provide that a grower cannot pay such Mexican workers less than 50 cents an hour. In addition, the Secretary has the responsibility of fixing the wages of those workers on the basis of the prevailing wage for similar work in the same area. So he does have authority.

Those who are opposing the amendment on principle do not, therefore, have an argument. All my amendment does is establish a somewhat different base, and a clearer base, upon which the Secretary of Labor can determine what wage shall be paid to Mexican laborers brought into this country under contract. Instead of using the base of the prevailing wage for similar work, the amendment provides that he would use as the criterion 90 percent of the average wage paid to farmworkers in the entire State or Nation, whichever is lower. But, in terms of basic authority, there is no difference in the proposal from that which exists in the present law. The only difference is in the standard or criteria which are to be used. That is the point of my amendment.

As a matter of fact, those who are opposed to my amendment on principle should know that section 505 as reported in the committee bill contains a departure in a limited way. Under the committee bill as reported, the Secretary of Labor is given authority to fix wages of American farmworkers; this he has not had in the past. It does not give him much authority, but under present practice, an American worker chopping cotton in Arkansas, let us say, can be paid 30 cents an hour. That is the prevailing wage for chopping cotton in certain counties in Arkansas, according to reports. Mexican nationals cannot be employed at a rate of 30 cents an hour, because under the agreement with the Mexican Government they must be paid a minimum of 50 cents an hour. Under the existing situation of Mexicans being paid 50 cents an hour and American workers being paid 30 cents an hour, the Secretary of Labor has no power to fix the wage of the American cotton chopper getting 30 cents an hour today.

The bill as reported from the committee has this language, in section 505: "pays to both domestic and foreign workers not less than the prevailing wage paid in the area to domestic workers engaged in similar work".

So the language of the bill itself would give the Secretary authority to require an employer to pay Americans at least 50 cents an hour. Both types of workers would have to be paid the prevailing wage, and the American worker could not be paid less than the Mexican worker would be paid.

So those who are concerned about establishing a principle and precedent ought to be more concerned about the language of section 505 in the bill as reported by the committee than they should be over my amendment. My amendment applies only to Mexican nationals and it provides that they must be paid 90 percent of the average farm wage being paid in the State or Nation, whichever is lower.

This should simplify the problem. If those who oppose the provision are concerned about the principle involved, they ought to be against the language of the committee. If they are concerned about growers paying adequate wages, then they should vote for the bill. But they should not use the argument of principle in voting against my amendment since the committee amendment involves the same question of principle to a greater extent than my amendment.

Let me point out that the amendment would not affect the States which have been paying, in a relative sense, decent wages to American migrant workers and Mexican migrant workers. It would chiefly affect those States in which, on the record, growers have been paying 50 cents, 55 cents, and 60 cents an hour, and in consequence of that fact, have forced their own people to move farther

north, west, or east, in search of better conditions of employment.

Texas employs approximately 123,000 Mexican nationals. I do not have the exact figures, because exact statistics are not available, but about the same number of Texans are moving out of Texas seeking work in other States. As a matter of fact, if we were to be realistic about this question, we probably ought to have an airlift from Mexico, let us say, to Michigan. This would save the tragedy of dislocations across the country.

We have not come to that point yet. I am hopeful that, if the amendment is adopted, the result will be to require Texas growers who are now using Mexican workers at about 50 cents an hour to pay them about 70 cents an hour.

This might encourage them to hire their own people, to hire Texans. If there were a shortage in some other place in the country, we could provide direct transportation from Mexico to these areas in other States, and thus avoid the dislocation which takes place all the way across many Western and Mountain States in consequence of this practice.

The PRESIDING OFFICER (Mr. PELL in the chair). The time of the Senator from Minnesota has expired.

Mr. KUCHEL rose.

The PRESIDING OFFICER. Does the Senator from California desire to speak?

Mr. KUCHEL. The Senator from North Carolina controls the time, I believe, but I would appreciate it if he would yield to me.

Mr. JORDAN. Mr. President, have the 10 minutes allotted to the other side been used?

The PRESIDING OFFICER. The 10 minutes allotted to the Senator from Minnesota have expired.

Mr. JORDAN. I yield to the Senator from California.

Mr. KUCHEL. Mr. President, according to the 1960 census recently concluded, I represent the most urbanized State in America. Eighty-six percent of the residents of California live in urbanized areas. Yet, California is also the leading agricultural State in our Nation. Since 1950, California continuously has ranked first among the States in the value of agricultural commodities produced which go to all parts of our Nation and the world. Farming in my State is almost a $3 billion annual business.

I am deeply concerned about the welfare of workers not only in industry but in agriculture. For a long time, I have been shocked by the plight in which the so-called "excluded American," the domestic migrant worker, finds himself. Consequently I have favored the passage by the Senate of those bills recently reported by the Senate Subcommittee on Migratory Labor dealing with agricultural child labor, migrant worker education, crew leader registration, migrant health standards, and the establishment of a National Citizens Council on Migratory Labor. I believe that much more remains to be done. I favor a national agricultural minimum wage, congressionally sanctioned, which would apply equally to all areas of our land regardless of the prevailing wage which might exist in a particular area.

As each of us knows, Mr. President, if we have dealt in any detail with agriculture, there is not just a farm problem, but rather there are many farm problems depending on the commodity we are talking about and the section of the country in which it is grown. So, too, there is not one farm labor problem, but there are many farm labor problems. Each demands treatment appropriate to its nature.

Before us is a measure to extend once again, this time for a period of 2 years, Public Law 78, which authorizes the Mexican farm labor program. This program originated because of a need to provide supplemental labor which could not be procured domestically to prepare and to harvest crops during relatively short periods of time. To delay for a day in certain field or fruit crops can mean a loss of millions of dollars not only to the farmer but to consumers throughout America. We all know that the farmer cannot control his production as can the industrial manager. One does not roof over a field whether it ranges in extent from a few acres to many thousands of acres and then control the environment underneath.

California is second only to Texas in its need for and the use of foreign labor under Public Law 78. California pays the highest wages in America for domestic and foreign farm labor. In 1960, the California average hourly farm wage rate without room or board was $1.23. The national average was 97 cents. The most common wage for those workers brought in under Public Law 78 was $1 an hour, the highest in the Nation.

We have heard a lot about the fact that less than 2 percent of the farms in the United States use some foreign labor. What is important is that 52 percent of our farms use no hired labor, either domestic or foreign, because of the nature of their operations.

And next, we must ask the question, What percentage and what type of the Nation's agricultural produce are represented by the 2 percent of the Nation's farms which use foreign labor? In the case of California, the expansion of field crops is the most important agricultural development which has occurred in my State in the last three decades. Total output has more than doubled since the 1930's. California now ranks second to Texas in cotton production. In 1958, California contributed 8.2 percent of the national total of cash receipts from farming with only 2.6 percent of the farms and 3.3 percent of all the land in farms. We grow over 140 crops. More than a third of our farming is in perishable crops. We supply 30 percent of the Nation's fresh market vegetables and melons, 38 percent of the principal processing vegetables; 37 percent of the tree fruits, nuts, and grapes and two-fifths of strawberries and over one-tenth of the potatoes. Truly astounding is that California leads all other States in the production of 32 perishable crops and that we account for "over 90 percent of the Nation's production in 14 of these crops, 50 to 90 percent of another 11, and 25 to 50 percent of the remaining 7," according to the United States and California Departments of Agriculture.

Above all, we do not have an agriculture dominated by absentee landlords. Whereas three-quarters of California's farms were operated by owners and part owners in the 1930's by the decade of the 1950's this ratio had increased to almost nine-tenths. The farmer's continued livelihood is dependent on his ability to harvest his crop and his ability to attract both domestic and foreign workers to aid him in that task.

I do not believe that a single foreign worker should be imported into this country if it adversely affects our domestic work force. I congratulate the Senate Committee on Agriculture for reporting out an extension of this program with amendments which would tighten up loopholes which are known to exist in the present program. The committee has specified that Mexican workers will not be available in any area unless reasonable efforts have been made to attract domestic workers at wages, standard hours of work, and working conditions comparable to those offered to Mexican workers. Mexican workers, under the bill now before the Senate, will not be available for employment in other than temporary or seasonal occupations or to operate or maintain power-driven machinery, unless a determination is made by the Secretary of Labor that to do otherwise would invoke an undue hardship. Particularly important is the provision that Mexican workers will not be made available unless the employer pays both domestic and Mexican workers not less than the prevailing wage paid in the area to domestic workers engaged in similar work. The bill also prohibits the furnishing of Mexican workers for some processing activities.

If, in the implementation of the Mexican labor program, domestic workers are being adversely affected, then there is something wrong not with the Congress but with the administration of that program by the Department of Labor. The Secretary of Labor is not to certify and authorize the use of foreign labor if such importation would adversely affect the employment opportunities for domestic workers. I believe that the amendment offered by the able Senator from Minnesota [Mr. MCCARTHY] would not remedy what needs to be remedied in the farm labor area.

Article 15, "Wages," of the Migrant Labor Agreement of 1951, as amended, entered into between the Governments of Mexico and the United States of America, already provides, in part:

> The employer shall pay the Mexican worker not less than the prevailing wage rate paid to domestic workers for similar work at the time the work is performed and in the manner paid within the area of employment, or at the rate specified in the work contract, whichever is higher. The determination of the prevailing wage rate shall be made by the Secretary of Labor.

The action of the Senate Committee on Agriculture in amending this legislation reinforces these provisions.

The passage of the amendment offered by the Senator from Minnesota [Mr. McCARTHY] would not establish a minimum wage for agriculture with equal application across the United States. The passage of that amendment would mean a pseudo-minimum wage only where foreign labor is utilized. The passage of that amendment would mean the adoption of an escalator device through use of the Mexican labor program which would maintain the present farm wage inequalities which exist in various parts of our land.

While the addition of such an amendment would not hurt California economically, indeed, would not even affect it, I think that the adoption of the procedure suggested by the Senator from Minnesota is not appropriate in terms of what it seeks to achieve. I think it would mark a setback and an excuse for inaction in which is truly needed, which is a nationwide minimum wage standard for agriculture. As I stated, I support such a national agricultural minimum wage. The Republican Party of California in its last statewide convention announced its support of a national agricultural minimum wage of $1 an hour. What is needed is to remove the exemption for agriculture from the Fair Labor Standards Act. This is a matter which should be rapidly and, in my opinion, favorably considered by the Senate Committee on Labor and Public Welfare.

Why should the Secretary of Labor be permitted to set wages for the farmworker through the vehicle of the Mexican labor program, when he cannot set them for the industrial sector of our economy under the Fair Labor Standards Act? While it is true that Congress has given the Secretary the authority to determine the prevailing wage for an area under the Davis-Bacon Act when Federal construction contracts are involved and for an industry under the Walsh-Healey Act when Federal supply contracts are involved, it is also true that it has not given the Secretary of Labor the authority to set minimum wages in the guise of an escalated percentage formula.

What is needed besides appropriate action by the Committee on Labor and Public Welfare is a more carefully defined criteria of adverse effect by the Department of Labor and its Bureau of Employment Security so that the hundreds of local employment office officials who must participate in the process of authorizing the importation of foreign labor would have a clearer idea of what is meant by the term. Are local domestic workers adversely affected based merely on the total number of unemployed in a particular area or in an adjacent State? There is substantial evidence to indicate that domestic workers willing to work are hired and the number of foreign laborers in an area reduced when the domestic workers become available.

I agree with the Senator from New York [Mr. KEATING] that it is inconceivable that we treat foreign workers better than we treat our domestic farmworkers. I would add that to me it is inconceivable that we treat domestic farmworkers differently than we treat industrial and service workers of comparable education, experience, and skill. I would hope that the Senate might tackle this great problem on its own merits and explore it in the manner in which it deserves to be explored following the necessary hearings and action by the Committee on Labor and Public Welfare. Such action will have my wholehearted support. But, meanwhile, the amendment before us ought to be voted down.

Mr. JORDAN. Mr. President, I yield two minutes to the Senator from Louisiana.

Mr. ELLENDER. Mr. President, I cannot agree with the statement of the distinguished majority leader as to what the amendment would provide. The amendment would give full authority to the Secretary of Labor to fix wages to be paid to Mexican workers at 90 percent of the average for the State or 90 percent of the average for the Nation.

I wish to say that we have tightened up the law in the bill, in that no Mexican laborer can be employed to run tractors or to run any kind of machines. If employers were to pay the Mexican laborer 90 percent of what the average farmworker is paid in the State where the Mexican laborer is employed, this would mean it would be necessary to take into consideration the amount paid for tractor work and for other work with machines, which the Mexican laborer is prohibited from pursuing.

Mr. President, under the bill the Secretary of Labor must make a decision that there are not enough local people to do the stoop labor. He cannot let the Mexican laborers come in unless he finds that local labor will not do the stoop work.

On the other hand, no Mexican worker can be brought in under the program unless the Secretary of Labor states that the labor is needed.

Succinctly stated, Mr. President, there is provision for only supplementary work. The decision as to a need for laborers must be made by the Secretary of Labor before any Mexican labor can come in.

All of this comes about under an agreement between our Government and the Government of Mexico. Who pays all the expenses? The employer pays them. The employer is taxed at up to the rate of $15 per person and must assume all expenses, except for a small amount for compliance activities.

I hope the amendment will be rejected, because if it is adopted it will kill the bill.

Mr. JORDAN. Mr. President, I yield 1 minute to the Senator from Kentucky [Mr. COOPER].

Mr. COOPER. Mr. President, I am a member of the subcommittee of the Committee on Agriculture and Forestry which considered the bill. I oppose the amendment offered by the Senator from Minnesota.

This problem does not affect substantially my State, for in 1960 only 76 Mexican workers were employed in Kentucky, by individuals, and about 190 by associations.

I oppose the amendment because I believe the Secretary of Labor has adequate authority to provide for the welfare of the Mexican workers under the present law, and to protect domestic farm labor against the unnecessary use of Mexican labor if he will exercise that power.

I oppose the amendment also because I believe this would be the first step toward giving the Secretary of Labor the power to fix wages for American farmworkers, because it will have an effect upon such wages.

I have supported minimum wage laws for industrial workers. I cannot say that at some time in the future the Congress will consider its application to agriculture workers, but I oppose delegating the authority to fix farm wages to the Secretary of Labor. I should like to see one group in this country, the farmers, remain free and out from under the control of the Government. I look upon this amendment as a first step toward authorizing the Secretary of Labor to fix wages for farm labor, and I oppose it.

The PRESIDING OFFICER. The time of the Senator from Kentucky has expired.

Mr. JORDAN. Mr. President, how much time remains?

The PRESIDING OFFICER. The Senator from North Carolina has 2 minutes remaining.

Mr. JORDAN. Mr. President, I conducted the hearings on the bracero bill. We held 2 days of hearings. I think I know the subject pretty well.

North Carolina does not use any Mexican labor, so this is not a personal matter with me in any respect whatsoever. The larger States of California, Texas, and some others use most of the labor, and a few States use a moderate amount of it.

We would liberalize the present law to give to the Secretary of Labor the right to provide equal labor standards for both Mexicans and Americans, because none of us wishes to see the American migrant laborer mistreated or underpaid or anything like that.

There is a vast difference in the approach. The Mexican laborer can only be used after the Secretary of Labor determines that there are not sufficient American laborers to do whatever must be done. These Mexican farm laborers work the berry crops, work in the fields of Arizona harvesting the lettuce, and they work in Oregon, Washington, Kansas, and other States. These laborers can only be brought to the United States because of the fact that there is not a sufficient domestic labor supply to do the work.

As has been said, the bill provides that the laborers must be paid an equal wage for the same kind of work in the same area.

If we were to give the Secretary of Labor the right to fix wages on the escalator basis which is proposed in the McCarthy amendment, we would fix the farm wage at 90 percent of the lower of the State average or the National average. That average would take in machine operators, including tractor drivers, who make considerably higher wages than those engaged in stoop labor, which is the main kind of labor that Mexicans are used for.

The bill would eliminate the practice of using Mexican nationals for that purpose and make it compulsory that the Secretary of Labor not permit Mexicans to operate tractors or trucks, to maintain them, or engage in like work. In other words, the Mexicans would be confined strictly to nonmachine labor. They would be removed from the labor of packing. In effect the amendment would give the Secretary of Labor the power to fix the price of labor on the basis of a constantly rising average. I do not think Congress ever intended to give the Secretary of Labor or anyone else the power to fix the wages of any particular group of people.

Any farmer would be foolish to hire Mexican labor if he could find sufficient domestic labor available to harvest his crop, because he is required to pay the transportation of Mexicans from Mexico, the premiums on insurance, and the cost of returning the Mexicans after he is through harvesting his crop. There is a great deal of difference between that type of labor and domestic labor which is available nearby a farmer's operation, labor which is free to come and go at will.

Another provision of the Mexican farm agreement referred to a few moments ago is that under the contract Mexican laborers must perform the duties prescribed for them or they are sent back to Mexico.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. JORDAN. I hope the Senate will reject the amendment of the Senator from Minnesota.

The PRESIDING OFFICER. All time for debate has expired. The question is on agreeing to the amendment of the Senator from Minnesota. The yeas and nays having been ordered, the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. LAUSCHE (when his name was called). Mr. President, on this vote I have a pair with the Senator from Oklahoma [Mr. KERR]. If the Senator from Oklahoma were present, he would vote "nay." If I were at liberty to vote, I would vote "yea." I therefore withhold my vote.

The rollcall was concluded.

Mr. LONG of Louisiana (after having voted in the negative). On this vote I have a pair with the junior Senator from Oregon [Mrs. NEUBERGER]. If she were present, she would vote "yea." If I were at liberty to vote, I would vote "nay." I therefore withdraw my vote.

Mr. MANSFIELD (after having voted in the affirmative). On this vote I have a pair with the senior Senator from New York [Mr. JAVITS]. If he were present, he would vote "yea." If I were at liberty to vote, I would vote "nay." I therefore withdraw my vote.

Mr. HUMPHREY. I announce that the Senator from Arizona [Mr. HAYDEN], the Senator from Oklahoma [Mr. KERR], the Senator from Missouri [Mr. LONG], the Senator from Oregon [Mrs. NEUBERGER], and the Senator from Massachusetts [Mr. SMITH] are absent on official business.

I also announce that the Senator from New Mexico [Mr. ANDERSON] and the Senator from New Mexico [Mr. CHAVEZ] are absent because of illness.

On this vote, the Senator from Massachusetts [Mr. SMITH] is paired with the Senator from Arizona [Mr. HAYDEN]. If present and voting, the Senator from Massachusetts would vote "yea," and the Senator from Arizona would vote "nay."

Mr. KUCHEL. I announce that the Senator from New Hampshire [Mr. BRIDGES] is absent because of illness.

The Senators from Iowa [Mr. HICKENLOOPER and Mr. MILLER] are absent on official business.

The Senator from Maryland [Mr. BEALL], the Senator from Nebraska [Mr. CURTIS], the Senator from New York [Mr. JAVITS], and the Senator from Vermont [Mr. PROUTY] are necessarily absent.

The Senator from Maryland [Mr. BUTLER] is detained on official business.

On this vote, the Senator from Maryland [Mr. BEALL] is paired with the Senator from Nebraska [Mr. CURTIS]. If present and voting, the Senator from Maryland would vote "yea," and the Senator from Nebraska would vote "nay."

On this vote, the Senator from Vermont [Mr. PROUTY] is paired with the Senator from Iowa [Mr. HICKENLOOPER]. If present and voting, the Senator from Vermont would vote "yea," and the Senator from Iowa would vote "nay."

The result was announced—yeas 42, nays 40, as follows:

[No. 193]

YEAS—42

Aiken	Gore	Metcalf
Bartlett	Gruening	Monroney
Bible	Hart	Morse
Boggs	Hartke	Moss
Burdick	Hickey	Muskie
Bush	Humphrey	Pastore
Byrd, W. Va.	Jackson	Pell
Cannon	Keating	Proxmire
Carroll	Kefauver	Randolph
Case, N.J.	Long, Hawaii	Symington
Clark	Magnuson	Wiley
Dodd	McCarthy	Williams, N.J.
Douglas	McGee	Williams, Del.
Fong	McNamara	Young, Ohio

NAYS—40

Allott	Ervin	Saltonstall
Bennett	Fulbright	Schoeppel
Byrd, Va.	Goldwater	Scott
Capehart	Hill	Smathers
Carlson	Holland	Smith, Maine
Case, S. Dak.	Hruska	Sparkman
Church	Johnston	Stennis
Cooper	Jordan	Talmadge
Cotton	Kuchel	Thurmond
Dirksen	McClellan	Tower
Dworshak	Morton	Yarborough
Eastland	Mundt	Young, N. Dak.
Ellender	Robertson	
Engle	Russell	

NOT VOTING—18

Anderson	Hayden	Long, La.
Beall	Hickenlooper	Mansfield
Bridges	Javits	Miller
Butler	Kerr	Neuberger
Chavez	Lausche	Prouty
Curtis	Long, Mo.	Smith, Mass.

So Mr. McCARTHY's amendment was agreed to.

Mr. McCARTHY. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

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

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

Mr. KUCHEL. I ask for the yeas and nays on the motion to lay on the table.

The yeas and nays were ordered.

Mr. KUCHEL. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. KUCHEL. Will the Chair state the question upon which the yeas and nays have now been ordered?

The PRESIDING OFFICER. The yeas and nays have been ordered on the question of laying on the table the motion to reconsider the vote by which the Senate adopted the McCarthy amendment.

Mr. KUCHEL. So if a Senator wishes an opportunity to vote on the merits of the question, he will vote "nay" on the motion to lay on the table.

The PRESIDING OFFICER. The Senator is correct.

Mr. McCARTHY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. McCARTHY. As I understood the inquiry of the Senator from California, it was that if a Senator wished to vote on the merits of the amendment, he would vote "nay." That is not a parliamentary inquiry.

Mr. KUCHEL. I said no such thing. I said if one wanted to vote——

Mr. MANSFIELD. Mr. President, I call for the regular order.

The PRESIDING OFFICER. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. LAUSCHE. On this vote I have a pair with the Senator from Arizona [Mr. HAYDEN.] If he were present, he would vote "nay." If I were at liberty to vote, I would vote "yea." I therefore withhold my vote.

Mr. HUMPHREY. I announce that the Senator from Arizona [Mr. HAYDEN], the Senator from Oklahoma [Mr. KERR], the Senator from Missouri [Mr. LONG], the Senator from Oregon [Mrs. NEUBERGER], the Senator from Massachusetts [Mr. SMITH], and the Senator from Utah [Mr. MOSS], are absent on official business.

I also announce that the Senators from New Mexico [Mr. ANDERSON and Mr. CHAVEZ] are absent because of illness.

On this vote, the Senator from Oklahoma [Mr. KERR] is paired with the Senator from Utah [Mr. MOSS]. If present and voting, the Senator from Oklahoma would vote "nay," and the Senator from Utah would vote "yea."

I further announce that, if present and voting, the Senator from Oregon [Mrs. NEUBERGER], and the Senator from Massachusetts [Mr. SMITH] would each vote "yea."

Mr. KUCHEL. I announce that the Senator from New Hampshire [Mr. BRIDGES] is absent because of illness.

The Senators from Iowa [Mr. HICKENLOOPER and Mr. MILLER] are absent on official business.

The Senator from Maryland [Mr. BEALL], the Senator from Nebraska [Mr. CURTIS], the Senator from New York [Mr. JAVITS], and the Senator from Ver-

mont [Mr. PROUTY] are necessarily absent.

The Senator from Maryland [Mr. BUTLER] is detained on official business.

If present and voting, the Senator from New York [Mr. JAVITS] would vote "yea."

On this vote, the Senator from Maryland [Mr. BEALL] is paired with the Senator from Nebraska [Mr. CURTIS]. If present and voting, the Senator from Maryland would vote "yea," and the Senator from Nebraska would vote "nay."

On this vote, the Senator from Vermont [Mr. PROUTY] is paired with the Senator from Iowa [Mr. HICKENLOOPER]. If present and voting, the Senator from Vermont would vote "yea," and the Senator from Iowa would vote "nay."

The result was announced—yeas 42, nays 41, as follows:

[No. 194]

YEAS—42

Aiken	Gore	McGee
Bartlett	Gruening	McNamara
Bible	Hart	Metcalf
Boggs	Hartke	Monroney
Burdick	Hickey	Morse
Bush	Humphrey	Muskie
Byrd, W. Va.	Jackson	Pastore
Cannon	Keating	Pell
Carroll	Kefauver	Proxmire
Case, N.J.	Long, Hawaii	Randolph
Clark	Long, La.	Symington
Dodd	Magnuson	Williams, N.J.
Douglas	Mansfield	Williams, Del.
Fong	McCarthy	Young, Ohio

NAYS—41

Allott	Ervin	Saltonstall
Bennett	Fulbright	Schoeppel
Byrd, Va.	Goldwater	Scott
Capehart	Hill	Smathers
Carlson	Holland	Smith, Maine
Case, S. Dak.	Hruska	Sparkman
Church	Johnston	Stennis
Cooper	Jordan	Talmadge
Cotton	Kuchel	Thurmond
Dirksen	McClellan	Tower
Dworshak	Morton	Wiley
Eastland	Mundt	Yarborough
Ellender	Robertson	Young, N. Dak.
Engle	Russell	

NOT VOTING—17

Anderson	Hayden	Miller
Beall	Hickenlooper	Moss
Bridges	Javits	Neuberger
Butler	Kerr	Prouty
Chavez	Lausche	Smith, Mass.
Curtis	Long, Mo.	

So the motion to lay on the table was agreed to.

Mr. McCARTHY. Mr. President, I ask for the regular order.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. KEATING. Mr. President, I call up my amendments designated "8-29-61—A." I ask unanimous consent that their reading be dispensed with.

The PRESIDING OFFICER. Without objection, the reading will be dispensed with; and without objection, the amendments will be printed in the RECORD.

The amendments are as follows:

On page 2, line 7, after the term "working conditions", add the words "and other terms and conditions of employment".

On page 2, line 8, after the term "foreign workers", add the following:

"For the purposes of this section the term 'other terms and conditions of employment comparable to those offered foreign workers' includes only—

"workmen's compensation or insurance against occupational hazards reasonably comparable to those afforded Mexican workers;

"guarantee of the opportunity to work during at least three-quarters of the workdays in the agreed term of employment;

"provision of basic subsistence when the opportunity to work is not available for extended periods;

"provision of transportation (for the worker only) from place of recruitment and return, or provision of reimbursement for such cost, in the ratio that the number of weeks worked bears to the total agreed term of employment and not to exceed a maximum of $3 per week of employment."

The PRESIDING OFFICER. Debate on the amendment is limited to 10 minutes to each side.

Mr. KEATING. Mr. President, I shall try to be very brief. The time on this amendment is limited to 10 minutes to each side, but it may not be necessary to use all the time.

I yield myself 5 minutes.

The PRESIDING OFFICER. The Senator from New York is recognized for 5 minutes.

Mr. KEATING. Mr. President, this amendment is very simple. It is backed by both the present administration and the previous administration, and is strongly urged by the Secretary of Labor, Mr. Goldberg, and by the former Secretary of Labor, Mr. Mitchell.

In substance, the amendment gives to U.S. workers the same privileges, insofar as working conditions are concerned, as those provided for Mexican workers, with the exception that the amendment does not provide for housing for American workers, which is provided for in the case of Mexican workers. With this exception, the amendment provides that as regards other working conditions, American workers are to receive the same treatment that Mexican workers receive. Specifically, there are four categories: The first is comparable insurance of workmen's compensation; the second is a work guarantee for an agreed term of employment, to which both the employee and the employer must adhere; the third is a guarantee of basic subsistence when no work is available; and the fourth is transportation of not to exceed $3 a week per worker for work for any one employer.

In my opinion it is only simple justice that we offer American workers the same conditions of work that are required to be offered to Mexican workers under Public Law 78.

This amendment is strongly back by a large number of organizations, including the following: The National Council of Churches of Christ of the U.S.A. and many Protestant denominations; National Catholic Rural Life Conference and many other Catholic organizations; the AFL-CIO and its affiliated unions; the National Farmers Union; the Unitarian Fellowship for Social Justice, National Child Labor Committee; the National Consumers League; Department of Rural Education, National Education Association; National Advisory Committee on Farm Labor; National Council on Agricultural Life and Labor.

This proposal is not new. It grew out of the work of former Secretary of Labor Mitchell. I introduced it with his help in 1960 as an amendment to Public Law 78, which was extended for 6 months at that time. In offering it today—I have the support of the junior Senator from Minnesota, Senator McCARTHY, who also recommended this proposal as a part of the Mexican farm-labor bill supported by the new administration.

Why do we need to amend Public Law 78? This program was originally passed in a period of labor shortage during the Korean war. Since then it has been extended with no real revisions. The number of Mexicans working in the United States has in fact increased significantly. To a large part, this has simply meant bringing into the country a captive labor force that depresses the wages of American migrant farmworkers. Both Labor Secretary Goldberg and former Secretary Mitchell testified to this effect.

Who is hurt? American farmworkers are hurt. They are mostly Negroes. Many have limited educations. They have no homes and no roots. They are oppressed and mistreated in many instances.

Who else is hurt? American farmers in many parts of the country are hurt. They are producers in areas in which farmworkers receive better treatment and more protection. The higher costs of these advantages make it difficult to compete with regions in which wages are unrealistically low because of the Mexican program. Many eastern farmers, including farmers in New York State, suffer because of the competitive advantage of regions in which a readily available supply of Mexican workers forces down wage rates. Wages for migrants in parts of the South and Southwest are as low as 30 cents per hour. The most common rate in Texas, Arkansas, and Tennessee is 50 cents per hour. In these States, foreign workers represent about 30 percent of total seasonal employment. Average wages in the Rochester, N.Y., area are 80 cents to $1 per hour. The Middle Atlantic States average is 89 cents; New England, $1.

My amendment is not a sweeping mandate for Federal control. I repeat that it affects only farmers who use Mexicans. It is limited to four conditions. It completely excludes housing, which Mexicans get free of charge. It places a reasonable ceiling of $3 per employer per week on transportation costs.

Mr. President, I am firmly convinced this amendment should be adopted if Public Law 78 is allowed to continue.

Mr. President, this amendment has nothing to do with fixing wages. Senators who were opposed to the preceding amendment said it would cause the Government to intrude into the matter of fixing wages. But all that the pending amendment does is provide that American workers shall be entitled to the same working conditions—except one—that Mexican workers are entitled to.

It is difficult for me to understand why this amendment would not receive strong support, and I hope it does.

Mr. President, I reserve the remainder of the time available to me.

Mr. McCARTHY. Mr. President, will the Senator from New York yield?

Mr. KEATING. I yield.

Mr. McCARTHY. I wish to join the Senator from New York in urging the Senate to adopt this amendment, which really proposes that American workers be treated about half as well as Mexican workers are treated.

Mr. KEATING. The Senator from Minnesota has stated the matter better than I have. Very frankly, knowing the opposition to any change in Public Law 78, we have framed this amendment in such a way that, as the Senator from Minnesota has said, the amendment would do only about half as much for American workers as now is done under this law for Mexican workers. Actually, I believe that American workers should have every bit as much protection as Mexican workers have. It is only because of the practicalities of the situation that the amendment has been drawn in the way it is.

Mr. JORDAN. Mr. President, how much time remains available?

The PRESIDING OFFICER. The Senator from New York has used only 5 minutes of the time under his control.

Mr. JORDAN. Does the Senator from New York wish to yield further time on his amendment?

Mr. KEATING. Mr. President, I think perhaps the Senator from North Carolina, who has charge of the time available to those in opposition, would like to use some of that time now. I have reserved the remainder of my time.

Mr. JORDAN. Perhaps the Senator from New York should continue to use his time.

The PRESIDING OFFICER. The Senator from New York is not compelled to use his time at this point.

Mr. JORDAN. Mr. President, from the time available to those in opposition to the amendment, I yield 1 minute to the Senator from California.

Mr. KUCHEL. First, I should like to ask the Senator from North Carolina whether this amendment was considered in the Committee on Agriculture and Forestry.

Mr. JORDAN. No, it was not.

Mr. KEATING. Mr. President, will the Senator from North Carolina yield?

Mr. JORDAN. I yield.

Mr. KEATING. I understood that the amendment was considered during the deliberations of the Committee on Agriculture and Forestry.

Mr. McCARTHY. Yes, that is right. It was incorporated as one of the major amendments to my bill, S. 1945, which was considered as part of the hearings, and there was testimony on it.

Mr. KEATING. That is my understanding.

Mr. JORDAN. The amendment of the Senator from New York was not specifically considered there.

Mr. KEATING. As offered by me, it was not. But it happens to be identical to a bill which I introduced this year and last at the request of Secretary Mitchell. It was offered in the committee by the Senator from Minnesota [Mr. McCARTHY], and he was the one who pushed it in the Agricultural Committee, of which I am not a member. But, as I understand, it was considered by the Committee on Agriculture and Forestry.

Mr. JORDAN. It was partially considered. The provisions of S. 1945 were somewhat different from this amendment.

Mr. McCARTHY. The question of consideration of the amendment may depend on what is considered to be consideration. There was discussion of it and there was testimony on it.

Mr. KUCHEL. Mr. President——

Mr. JORDAN. I yield.

Mr. KUCHEL. Mr. President, in the State from which I come there are many small farmers who do not find available American citizens to do the stoop labor and the other necessary farmwork during the short harvest seasons. Under the law, they are not permitted to obtain any temporary employment from abroad unless the Secretary of Labor determines there are no American citizens available for the work. That will continue to be the law if we have, in some fashion, a continuation of Public Law 78. But to tie down the additional requirements that the Senator from New York would write into this legislation, in the amendment before us, could conceivably almost prevent the small American farmer in the State from which I come, for example, from harvesting his crops. No one wants cheap domestic labor coming into this country from abroad. We in my State pay $1.23 an hour, if my recollection serves me correctly, for agricultural employees.

The amendment should be voted down.

Mr. JORDAN. Mr. President, I yield 2 minutes to the Senator from Texas [Mr. TOWER].

Mr. TOWER. Mr. President, at this very moment Hurricane Carla is making her capricious and devastating way to our Texas coast. She will lay waste farms and counties that rely substantially on bracero labor. It will take a year to rebuild the farms. Now it is proposed to further hamstring these farmers in their efforts by amending the bracero bill in such a way that it will have the effect of killing the bill and killing the bracero program. We shall be doing a heartless thing to these farmers if we adopt the amendment of the Senator from New York.

Mr. KEATING. I yield half a minute to the Senator from Minnesota [Mr. McCARTHY].

Mr. McCARTHY. Mr. President, I do not think the hurricane in the Galveston area really has great bearing on the consideration of the bill. I would be glad to support a relief measure for Galveston, but I do not think we ought to provide for the exploitation of American and Mexican labor.

Mr. JORDAN. Mr. President, the possibilities of working out provisions somewhat along the lines of those contained in the Keating amendment were discussed, not only in the subcommittee, but in the full committee. The Committee on Agriculture and Forestry could not arrive at a solution of how the amendments could work.

The members of the Committee on Agriculture and Forestry and those who are supporting the bill certainly have no desire to hurt American migrant labor. Nobody thinks they are getting as much as they should or that their living conditions are all that they should be. But that has nothing to do with this bill. The bill before the Senate is a Mexican migratory labor bill which deals with Mexicans only. The Secretary of Labor must certify that American labor is not available before Mexican workers can be certified to work in this country.

One further thing should be pointed out as to what the amendment of the Senator from New York would do. Domestic labor can now come from 1 mile, 10 miles, or 1,000 miles away. There is no telling where they come from. A great many come in their own automobiles. Some travel in trailers and bring their whole families. Some come in busloads and travel from farm to farm. Domestic migrant laborers do not operate under contract, as Mexicans do. Mexicans are under contract with whoever hires them, in cooperation with the U.S. Government and employment agencies of the States, and they work for fixed sums. If the Mexican fails to live up to the terms of the contract which he has entered into, he is returned to Mexico. He has no choice about it. But farmers in this country do not make contracts with domestic migrant laborers. They are the type of people who help neighbors on their farms. They may go to an adjoining farm. But they are under no obligation to remain any definite period of time. So it would be impossible for those farmers to take out insurance and comply with the other conditions set forth in the amendment of the Senator from New York. The Secretary of Agriculture or the Secretary of Labor could not arrive at regulations to handle that situation.

Most of the States have adopted regulations which concern sanitation, housing, insurance, transportation, and a great many other conditions. Recently we passed in the Senate five bills introduced by the Senator from New Jersey [Mr. WILLIAMS] which will go a long way toward remedying some of the conditions under which migratory domestic laborers operate. We know those conditions are bad. We do not argue that they are not. One bill will provide schools in areas where migrant laborers may stop for 1 day, or a week, or whatever time they may be there. We have gone a long way.

However, I do not think the Secretary of Labor, the Secretary of Agriculture, or the State authorities could possibly operate a program such as is proposed by the Keating amendment, and I think it would be a detriment to domestic labor to put the amendment into effect.

I oppose the amendment.

Mr. KEATING. Mr. President, how much time remains?

The PRESIDING OFFICER. The Senator from New York has 4 minutes remaining.

Mr. KEATING. I shall not consume the entire 4 minutes. I wish to answer the argument made by the distinguished Senators from California and Texas. The argument made by the Senator from North Carolina is natural, because he is defending the bill. In my judgment, it is lacking in substance, though I have deep affection for the Senator from North Carolina.

The arguments made by the Senator from Texas and by the Senator from California were that this amendment would hit at the small operators. Those who employed braceros, for the most part, are the large corporate farms. The number of small farmers who employ braceros is very small indeed. They are employed mostly by the large corporate farms and associations.

Second, any farmer who employs braceros now must go through the process of first making a showing that he cannot get domestic workers. He must file an order for U.S. workers with the U.S. employment office. There must be known in some detail the terms of the job, along with the available housing, transportation facilities, the wage, and the content and duration of the job. If the amendment is adopted, it would not impose any further additional burdens upon any farmer, large or small.

The amendment would do one thing which it is difficult for me to see how the Congress of the United States can refuse to do, and that is give to U.S. workers on these farms the same consideration as to working conditions that are given to Mexican workers. The Senator from Minnesota has said it gives them half as much as the Mexican workers. Perhaps it is more than that, but it does not provide for domestic workers with regard to housing or wage rates.

If Members of the Senate will examine the amendment, they will see that it refers to four specified working conditions, every one of which we provide to Mexican workers.

All I ask is the same consideration for domestic workers that is given the foreign workers.

Mr. JORDAN. Mr. President, I yield 2 minutes to the Senator from Florida [Mr. HOLLAND].

Mr. HOLLAND. Mr. President, I oppose strongly the pending amendment. I recognize the good motives of the Senator who proposed it, but he simply does not know his subject. If Senators will look at the first condition applicable to the employment of domestic workers at the bottom of the first page, the language requires "workmen's compensation or insurance against occupational hazards reasonably comparable to those afforded Mexican workers." This is an impossible condition because the domestic migratory farmworker is not employed for a definite period of time. He picks beans today on one farm, on another farm the next day, and on a third farm the next day. He goes wherever he wishes to go. He is not under a contract which holds him in one place, subject to being sent home if he does not observe the contract.

This is a perfectly impossible condition placed in the amendment.

The second provision is equally impossible. It says that the farmer must furnish a "guarantee of the opportunity to work during at least three-quarters of the workdays in the agreed term of employment."

Mr. President, there is not any agreed term of employment. There is simply the employment, from day to day, of such workers as may be available to supplement the regular Mexican workers whom the Government, in its wisdom, has permitted the particular farmer to employ.

There is no way in the world to work out that particular condition, when there is no fixed agreement and there is not a fixed term of employment.

The able Senator places in the amendment the provision of a guarantee of the opportunity to work during at least three-quarters of the workdays in the agreed-upon term of employment, before domestic workers can be secured. Mr. President, the Senator, with all good motives and every good intention, has presented an amendment which is simply impossible of performance because of the nature of the workers and the nature of the work they perform.

I hope the Senate will reject the amendment.

Mr. KEATING. Mr. President, how much time remains on this side?

The PRESIDING OFFICER. The Senator from New York has 1 minute remaining.

Mr. KEATING. Mr. President, the answer to the argument made by the distinguished Senator from Florida is simply that both conditions—all four of the conditions—are already required for the Mexican workers.

If these provisions are not workable with respect to U.S. workers, then they are not workable with respect to Mexican workers.

In order to take advantage of the program the employers must provide for the Mexican workers the workmen's compensation or insurance against occupational hazards. They must provide for the Mexican workers a guarantee of the opportunity to work during at least three-quarters of the workdays. They must provide for the Mexican workers basic subsistence when the opportunity to work is not available.

All I ask is that there be provided for the U.S. workers what is to be provided for the Mexican workers.

Mr. HOLLAND. Mr. President, will the Senator yield for a question?

The PRESIDING OFFICER. The time of the Senator from New York has expired. The Senator from North Carolina has 1 minute remaining.

Mr. JORDAN. Mr. President, I yield 1 minute to the Senator from Florida.

Mr. HOLLAND. I should like to ask the Senator from New York if he does not realize that the Mexican workers come to the United States for a fixed term of employment under a contract which is, in effect, a contract between the Government of Mexico and our Government. Of course such things as workmen's compensation and an agreement that the workers will be paid for at least three-fourths of the time covered by the contract may be worked out in those circumstances. However, there are such things as peonage laws in our country. There is no assurance at all that any worker employed on a farm one day doing seasonal work—picking beans, hoeing cotton, hoeing corn—will be there the next day.

The amendment simply does not fit in with the American way of dealing with domestic farm employees, who can come and go as they wish, and who do exactly that.

Mr. KEATING. Mr. President, then the amendment would not apply. If there were not an agreed term of an employment the amendment would not apply.

The PRESIDENT OFFICER. All time for debate has expired.

The question is on agreeing to the amendment offered by the Senator from New York [Mr. KEATING]. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. DIRKSEN (when his name was called). On this vote I have a pair with the distinguished Senator from New York [Mr. JAVITS]. If he were present and voting he would vote "yea." If I were at liberty to vote I would vote "nay." I withhold my vote.

The rollcall was concluded.

Mr. HUMPHREY. I announce that the Senator from Arizona [Mr. HAYDEN], the Senator from Oklahoma [Mr. KERR], the Senator from Missouri [Mr. LONG], the Senator from Oregon [Mrs. NEUBERGER], and the Senator from Massachusetts [Mr. SMITH] are absent on official business.

I also announce that the Senator from New Mexico [Mr. ANDERSON], and the Senator from New Mexico [Mr. CHAVEZ] are absent because of illness.

On this vote, the Senator from Arizona [Mr. HAYDEN] is paired with the Senator from Massachusetts [Mr. SMITH]. If present and voting, the Senator from Arizona would vote "nay," and the Senator from Massachusetts would vote "yea."

On this vote, the Senator from Oklahoma [Mr. KERR] is paired with the Sentor from Oregon [Mrs. NEUBERGER]. If present and voting, the Senator from Oklahoma would vote "nay," and the Senator from Oregon would vote "yea."

Mr. KUCHEL. I announce that the Senator from New Hampshire [Mr. BRIDGES] is absent because of illness.

The Senators from Iowa [Mr. HICKENLOOPER and Mr. MILLER] are absent on official business.

The Senator from Maryland [Mr. BEALL], the Senator from Nebraska [Mr. CURTIS], the Senator from New York [Mr. JAVITS], and the Senator from Vermont [Mr. PROUTY] are necessarily absent.

The Senator from Maryland [Mr. BUTLER] is detained on official business.

If present and voting, the Senator from Nebraska [Mr. CURTIS], and the Senator from Iowa [Mr. HICKENLOOPER] would each vote "nay."

On this vote, the Senator from Maryland [Mr. BEALL] is paired with the Senator from Vermont [Mr. PROUTY]. If present and voting, the Senator from Maryland would vote "yea," and the Senator from Vermont would vote "nay."

The result was announced—yeas 35, nays 49, as follows:

[No. 195]

YEAS—35

Boggs	Carroll	Douglas
Burdick	Case, N.J.	Fong
Bush	Clark	Gruening
Byrd, W. Va.	Dodd	Hart

Hartke	McCarthy	Randolph
Hickey	McGee	Saltonstall
Humphrey	McNamara	Scott
Jackson	Metcalf	Smith, Maine
Keating	Morse	Symington
Long, Hawaii	Pastore	Williams, N.J.
Magnuson	Pell	Young, Ohio
Mansfield	Proxmire	

NAYS—49

Aiken	Ervin	Mundt
Allott	Fulbright	Muskie
Bartlett	Goldwater	Robertson
Bennett	Gore	Russell
Bible	Hill	Schoeppel
Byrd, Va.	Holland	Smathers
Cannon	Hruska	Sparkman
Capehart	Johnston	Stennis
Carlson	Jordan	Talmadge
Case, S. Dak.	Kefauver	Thurmond
Church	Kuchel	Tower
Cooper	Lausche	Wiley
Cotton	Long, La.	Williams, Del.
Dworshak	McClellan	Yarborough
Eastland	Monroney	Young, N. Dak.
Ellender	Morton	
Engle	Moss	

NOT VOTING—16

Anderson	Dirksen	Miller
Beall	Hayden	Neuberger
Bridges	Hickenlooper	Prouty
Butler	Javits	Smith, Mass.
Chavez	Kerr	
Curtis	Long, Mo.	

So Mr. KEATING's amendment was rejected.

Mr. KUCHEL. Mr. President, I move that the vote by which the amendment was rejected be reconsidered.

Mr. DIRKSEN. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The committee amendment in the nature of a substitute is open to further amendment. If there be no further amendment to be proposed, the question is on agreeing to the committee amendment, as amended.

The committee amendment, as amended, was agreed to.

The PRESIDING OFFICER. The question now is on the engrossment of the amendment 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.

Mr. GORE. Mr. President, I ask for the yeas and nays on the passage of the bill.

The yeas and nays were ordered.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass? On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. HUMPHREY. I announce that the Senator from Arizona [Mr. HAYDEN], the Senator from Oklahoma [Mr. KERR], the Senator from Missouri [Mr. LONG], the Senator from Oregon [Mrs. NEUBERGER], and the Senator from Massachusetts [Mr. SMITH] are absent on official business.

I also announce that the Senators from New Mexico [Mr. ANDERSON and Mr. CHAVEZ] are absent because of illness.

I further announce that, if present and voting, the Senator from New Mexico [Mr. ANDERSON], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Arizona [Mr. HAYDEN], the Senator from Oklahoma [Mr. KERR], the Senator from Oregon [Mrs. NEUBERGER], and the Senator from Massachusetts [Mr. SMITH] would each vote "yea."

Mr. KUCHEL. I announce that the Senator from New Hampshire [Mr. BRIDGES] is absent because of illness.

The Senators from Iowa [Mr. HICKENLOOPER and Mr. MILLER] are absent on official business.

The Senator from Maryland [Mr. BEALL], the Senator from Nebraska [Mr. CURTIS], the Senator from New York [Mr. JAVITS], and the Senator from Vermont [Mr. PROUTY] are necessarily absent.

The Senator from Maryland [Mr. BUTLER] is detained on official business.

If present and voting, the Senator from Maryland [Mr. BEALL], the Senator from Nebraska [Mr. CURTIS], the Senator from New York [Mr. JAVITS], and the Senator from Vermont [Mr. PROUTY] would each vote "yea."

The result was announced—yeas 76, nays 9, as follows:

[No. 196]

YEAS—76

Aiken	Fulbright	Morse
Allott	Goldwater	Morton
Bartlett	Gruening	Moss
Bible	Hart	Mundt
Boggs	Hartke	Muskie
Burdick	Hickey	Pastore
Bush	Hill	Pell
Byrd, Va.	Holland	Proxmire
Byrd, W. Va.	Hruska	Randolph
Cannon	Humphrey	Robertson
Capehart	Jackson	Saltonstall
Carlson	Johnston	Smathers
Carroll	Jordan	Smith, Maine
Case, N.J.	Kefauver	Sparkman
Case, S. Dak.	Kuchel	Stennis
Church	Lausche	Symington
Clark	Long, Hawaii	Thurmond
Dirksen	Long, La.	Tower
Dodd	Magnuson	Wiley
Douglas	Mansfield	Williams, N.J.
Dworshak	McCarthy	Williams, Del.
Eastland	McClellan	Yarborough
Ellender	McGee	Young, N. Dak.
Engle	McNamara	Young, Ohio
Ervin	Metcalf	
Fong	Monroney	

NAYS—9

Bennett	Gore	Schoeppel
Cooper	Keating	Scott
Cotton	Russell	Talmadge

NOT VOTING—15

Anderson	Curtis	Long, Mo.
Beall	Hayden	Miller
Bridges	Hickenlooper	Neuberger
Butler	Javits	Prouty
Chavez	Kerr	Smith, Mass.

So the bill (H.R. 2010) was passed.

Mr. JORDAN. Mr. President, I ask unanimous consent that the bill as passed be printed with the Senate amendments.

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

Mr. JORDAN. Mr. President, I move that the Senate insist upon its amendments, ask for a conference thereon with the House, and that the Chair appoint conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. JORDAN, Mr. ELLENDER, Mr. JOHNSTON, Mr. HOLLAND, Mr. AIKEN, Mr. YOUNG of North Dakota, and Mr. HICKENLOOPER conferees on the part of the Senate.

AID TO SCHOOLS IN FEDERALLY IMPACTED AREAS

Mr. MANSFIELD. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MANSFIELD. What is the pending business before the Senate?

The PRESIDING OFFICER. There is no unfinished business.

Mr. MANSFIELD. I move that the Senate proceed to the consideration of Calendar No. 719, S. 2393.

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

The LEGISLATIVE CLERK. A bill (S. 2393) to extend for 1 year the temporary provisions of Public Laws 815 and 874 relating to Federal assistance in the construction and operation of schools in federally impacted areas and to provide for the application of such laws to American Samoa.

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

Mr. MORSE. Mr. President, in view of the interest in the impacted areas legislation and the expectation that a number of Senators will participate in the debate on both sides of the aisle, I ask unanimous consent that all staff members of the Senate Committee on Labor and Public Welfare be admitted to the floor to assist Senators. I further ask unanimous consent that Dr. Samuel Halperin, consultant to the Subcommittee on Education, be given floor privileges to assist me.

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

The PRESIDING OFFICER. The question recurs on the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the bill.

CLARIFICATION OF STATUS OF CIRCUIT AND DISTRICT JUDGES RETIRED FROM REGULAR ACTIVE SERVICE

The PRESIDING OFFICER laid before the Senate a message from the House of Representatives announcing its disagreement to the amendments of the Senate to the bill (H.R. 5255) to clarify the status of circuit and district judges retired from regular active service, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. EASTLAND. I move that the Senate insist upon its amendments, agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. EASTLAND, Mr. JOHNSTON, and Mr. HRUSKA conferees on the part of the Senate.

THE MOTION PICTURE "THE ANGRY SILENCE"

Mr. GOLDWATER. Mr. President, in their persistent and unrelenting assault on many of our Nation's most cherished traditions, American liberals have unceasingly sung the praises of "nonconformity." They have defended every effort to transform our most precious and venerable institutions with the loud

assertion that these manifestations of "nonconformity" must be protected if free thought, intellectual vigor, and mental initiative are to survive in the United States.

Interestingly enough, this enthusiastic zeal for the preservation of "nonconformity" never seems to extend to any proposition or activity that is contrary to any well-established liberal shibboleth. One of the most cherished of these shibboleths is that labor unions and labor union leaders are generally—except for a few atypical specimens like Jimmy Hoffa—on the side of the angels; that what they do is good, and that those who oppose or even criticize them are moved by evil or sinnister motives.

Mr. President, my purpose in speaking at this time is to call the attention of the Senate, and of the public, to a motion picture which has just opened at the Ontario Theater in Washington. At the beginning of the year this film had run for a few weeks in New York City and had received the universal plaudits of the critics. Its reception in the Capital has been equally enthusiastic in the local press.

The picture is called "The Angry Silence." It was produced in Great Britain and is performed by actors unknown to me—at any rate, the cast includes no big-name film stars. It deals with an episode in the life of a British rank-and-file union member and his relations with his union. He is the hero of the film, and he is a true nonconformist. In what does his nonconformity exist? Does he shout the defeatist slogan "Better Red than dead?" No. Is he demanding an increase or expansion of socialized medicine? No. Is he loudly advocating any of the usual causes so dear to the liberal heart? No.

To the contrary, he opposes a strike involving his union. He refuses to believe that his employer is an unqualified devil, and those who lead his union, the most perfect of saints or angels. He is what the liberals and labor bosses would call a "scab." This is the hero of "The Angry Silence," a hero who because of his nonconformity suffers what most of us would call martyrdom, inflicted by his union, its leaders, and the most fanatical adherents.

I think all of us should see this film as a necessary corrective to the stereotyped image of labor unionism which the liberals have fostered and have attempted to impose on the country.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD reviews of "The Angry Silence" which have been published in the local press—yes, even that pillar of liberal and conformist "nonconformity," the Washington Post.

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

[From the Washington Post, Sept. 8, 1961]

"ANGRY SILENCE" AT ONTARIO—TIGHT LITTLE TEAM CREATES GOOD DRAMA

(By Leo Sullivan)

As a screenplay, "The Angry Silence" is sort of Reginald Rose out of John Galsworthy. The British import at the Ontario poses the individual against the mob in a setting of labor union strife. It takes time, but once the story's forces of conflict come into focus, the film becomes a gripping, even exciting drama.

Admirably put together, the production seems to be the work of a tight little creative team. It has been coproduced by Richard Attenborough, who also costars with Pier Angeli, and Bryan Forbes, who wrote the script from an original story by Richard Gregson and one of the film's featured players, Michael Craig. It has been directed by Guy Green, the strength of whose work comes from terse editing which gradually accelerates the film's pacing.

Perhaps the unpretentiousness of "The Angry Silence" is the result of this absence of filmdom's big guns. Certainly the occasionally sticky earnestness of its conviction as to the rights of the individual can be explained by the closeness of this small, dedicated group.

THE LONE DISSENTER

What happens is this: when the union at a small English tool factory pulls out its men on strike, one member refuses to stop work. Tom is not alone at first. Several older workers share his view and continue to report for a few days. Before long, however, his allies fall away, leaving him the sole "scab."

His reasons are as simple as his action is brave. Tom's wife Anna has just told him that their third child is on the way, so he can't afford a period of unemployment. Besides, the strike is a "wildcatter," since the union bosses have refused to sanction it.

That the man, standing upon his rights, has no higher principle than this and, in fact, seems hardly intelligent enough to think through his purpose, strikes me as a weakness in the script. However, one is hard put not to admire his courage.

A DOSE OF COVENTRY

The punishment for such independence, ordained by the works committee, is silence. Tom is sent off to Coventry, as his coworkers put it. Even after the strike is temporarily halted and the men return to the shop, they refuse to speak to Tom. He is ignored, unheard, unseen.

Only when a couple of juvenile delinquents in the plant take it upon themselves to "get" him does Tom falter. His household is threatened, his son harmed and, finally, he himself is almost fatally injured before the workers come to their senses.

Attenborough is wholly believable as Tom. Stockily built, attired in flannel shirt and cord pants, he plays the inarticulate factory worker quietly, surely. And Miss Angeli is greatly appealing as his Italian wife who already had felt the chill of loneliness as a foreigner even before Tom's action made her an outcast.

In fact, it is a splendid cast, with each actor furthering the aim of writer and director to turn a flaring light on management, labor, press—even a "Commie" infiltrator down from London.

Arthur Ibbetson's camera is ever probing through the cold light of overcast days to capture the look of anger. Filmed in Ipswich, the picture offers American audiences a different view of an English factory town from that of the usual midlands.

What's more, "The Angry Silence" is constructed on a plot which should appease those disappointed by the rather similar "Saturday Night and Sunday Morning."

[From the Washington Daily News, Sept. 8, 1961]

ONTARIO'S "THE ANGRY SILENCE" REALLY DESERVES YOUR ATTENTION

(By James O'Neill, Jr.)

"The Angry Silence," at the Ontario, is an honest, searching, and dramatic account of what happens in a labor-management dispute when union leadership is weak and stupid, management is blind, and the evil influence of Communists perverts issues, endangers life, and generally commits its historic abuses to civilization.

British-made, the film exudes an honesty and a determination, which makes it entirely believable as it lines out parallel evils in both management and labor—though certainly the abuses of organized labor, in this instance, are the greater of the two.

Richard Attenborough, a fine young English actor, coproduced the picture with screenwriter Bryan Forbes, and if "The Angry Silence" is any indication, this pair should stay in business. They could teach some of our embryonic American producers a few things about the making of intelligent films.

THE SETTING

The picture is set in a dreary industrial city in England, where the majority of the factory hands seem dejected, tired, and extremely angry.

Mr. Attenborough, a young man with two children and an expectant wife, refuses to be bullied into a strike which is senseless, Communist-inspired, and led by a local union cretin who has a lead ring in his nose.

The labels "scab" and "black-leg" are applied to Mr. Attenborough, and his life, and that of his family, is made a living hell. Putting a man "in Coventry," they call it English, but here it would be recognized as "the silent treatment." His coworkers refuse to talk to him, and when this painful silence fails to have a punishing effect on him, more forceful and brutal tactics are used.

THE PLOT

The plot has to do with the settling of this unfortunate matter, which is not helped by the presence of some homicidal teenage types in motorcycle jackets and sideburns.

The acting is uniformly good and the production, while rather stark, fits the story perfectly. There is a defeatist attitude in these people, and while there is a lot of things wrong with their society and their mode of living, violence, and baseless labor disputes are not the way to right these wrongs.

The dialog is extremely good, and while it may be picturesquely broad, it is necessary to set the mood and demonstrate the backgrounds of protagonist and antagonist.

"The Angry Silence" is an extremely thoughtful, forceful, and dramatic motion picture. It deserves your attention.

SOLUTION OF JUVENILE DELINQUENCY CONTROL PROBLEMS

Mr. HILL. Mr. President, I ask that the Chair lay before the Senate the amendment of the House of Representatives to S. 279.

The PRESIDING OFFICER (Mr. PELL in the chair) laid before the Senate the amendment of the House of Representatives to the bill (S. 279) to provide Federal assistance for projects which will demonstrate or develop techniques and practices leading to a solution of the Nation's juvenile delinquency control problems, which was, to strike out all after the enacting clause and insert:

That this Act may be cited as the "Juvenile Delinquency and Youth Offenses Control Act of 1961".

FINDINGS AND POLICIES

SEC. 2. (a) The Congress hereby finds and declares that juvenile delinquency and youth offenses diminish the strength and vitality of the people of our Nation; that such delinquency and offenses are increasing in both urban and rural communities;

that such delinquency and offenses occur disproportionately among school dropouts, unemployed youth faced with limited opportunities and with employment barriers, and youth in deprived family situations; and that prevention and control of such delinquency and offenses require intensive and coordinated efforts on the part of private and governmental interests.

(b) The policy of the Federal Government is to assist in developing techniques for the prevention and control of juvenile delinquency and youth offenses, and to encourage the coordination of efforts among governmental and nongovernmental educational, employment, health, welfare, law enforcement, correctional, and other agencies concerned with such problems.

DEMONSTRATION AND EVALUATION PROJECTS

SEC. 3. (a) For the purpose of demonstrating improved methods for the prevention and control of juvenile delinquency or youth offenses (which, for the purposes of this Act, includes treatment of juvenile delinquents and youthful offenders), the Secretary of Health, Education, and Welfare (hereinafter in this Act referred to as the "Secretary") is authorized to make grants for projects for the evaluation, or demonstration of the effectiveness, of techniques and practices which in the Secretary's judgment hold promise of making a substantial contribution to the prevention or control of juvenile delinquency or youth offenses, including techniques and practices for the training of personnel and for developing or securing more effective cooperation among public and other nonprofit agencies, organizations, and institutions.

(b) Such grants may be made to any State, local, or other public or nonprofit agency, organization, or institution; and to the extent he deems it appropriate, the Secretary shall require the recipient of any grant to contribute money, facilities, or services for carrying out the project for which such grant was made.

(c) The Secretary is further authorized to enter into contracts for any such projects with public or other agencies, organizations, or institutions, and with individuals.

(d) The full amount (as determined by the Secretary) of any grant for a project made under this section shall be reserved from the appropriation for the fiscal year in which the grant is made; and payments on account of such grant in that and subsequent fiscal years may be made only from the amount so reserved.

(e) Payments under this section may be made in installments, and in advance or by way of reimbursement, as may be determined by the Secretary, and shall be made on such conditions as he finds necessary to carry out the purposes of this section.

TRAINING OF PERSONNEL

SEC. 4. (a) For the purpose of training personnel employed or preparing for employment in programs for the prevention or control of juvenile delinquency or youth offenses, the Secretary is authorized to make grants for programs for such purpose which in his judgment hold promise of making a substantial contribution to the prevention or control of juvenile delinquency or youth offenses. Such programs may include, among other things, the development of courses of study, and the establishment of short-term traineeships with such allowances for travel and subsistence expenses, as the Secretary may determine to be necessary.

(b) Such grants may be made to any Federal, State, local, or other public or nonprofit agency, organization, or institution; and to the extent he deems it appropriate, the Secretary shall require the recipient of any grant to contribute money, facilities, or services for carrying out the program for which such grant was made.

(c) The Secretary is further authorized to enter into contracts for any such programs with public or other agencies, organizations, or institutions, and with individuals.

(d) The full amount (as determined by the Secretary) of any grant for a program made under this section shall be reserved from the appropriation for the fiscal year in which the grant is made; and payments on account of such grant in that and subsequent fiscal years may be made only from the amount so reserved.

(e) Payments under this section may be made in installments and in advance or by way of reimbursement, as may be determined by the Secretary, and shall be made on such conditions as he finds necessary to carry out the purposes of this section.

TECHNICAL ASSISTANCE SERVICES

SEC. 5. (a) The Secretary is authorized to make studies with respect to matters relating to the prevention or control of juvenile delinquency or youth offenses, including the effectiveness of projects or programs carried out under this Act, to cooperate with and render technical assistance to State, local or other public or private agencies, organizations, and institutions in such matters, and to provide short-term training and instruction in technical matters relating to the prevention or control of juvenile delinquency or youth offenses.

(b) The Secretary is authorized to collect, evaluate, publish, and disseminate information and materials relating to studies conducted under this Act, and other matters relating to prevention or control of juvenile delinquency or youth offenses, for the general public or for agencies and personnel engaged in programs concerning juvenile delinquency or youth offenses, as may be appropriate.

AUTHORIZATION OF APPROPRIATIONS

SEC. 6. There is hereby authorized to be appropriated to the Secretary for the fiscal year ending June 30, 1962, and each of the two succeeding fiscal years, the sum of $10,000,000 for carrying out this Act.

MISCELLANEOUS

SEC. 7. (a) (1) The Secretary is authorized to appoint such technical or other advisory committees to advise him in connection with prevention or control of juvenile delinquency or youth offenses as he deems necessary.

(2) Members of any such committee not otherwise in the employ of the United States, while attending meetings of their committee, shall be entitled to receive compensation at a rate to be fixed by the Secretary, but not exceeding $75 per diem, including travel time, and while away from their homes or regular places of business they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by law (5 U.S.C. 73b-2) for persons in the Government service employed intermittently. The provisions of section 1003 of the National Defense Education Act of 1958 shall apply to members of such committees.

(b) The Secretary shall consult with the President's Committee on Juvenile Delinquency and Youth Crime on matters of general policy and procedure arising in the administration of this Act, and shall consider the recommendations, if any, of such Committee on program applications submitted under section 3 or 4 and on proposed studies or other actions to be undertaken pursuant to section 5.

(c) As used in this Act, the term "State" includes the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, and American Samoa.

Mr. HILL. Mr. President, the purposes of S. 279 and the House amendment are substantially identical. The differences are in the amount of appropriations, the length of the program and the administrative devices which are used.

First. Both programs authorize demonstration and study projects in the juvenile delinquency field. These projects would be made in the form of grants to States and municipalities and other public or private nonprofit agencies. The Secretary of Health, Education, and Welfare, who has general supervision over the program, is empowered to require matching funds.

Second. Both programs provide for the training of personnel employed or preparing for employment in juvenile delinquency programs. The Secretary would be empowered to develop courses of study and establish short-term traineeships with expense allowances. The training programs would be made in the form of grants to governmental or nonprofit private agencies or institutions. The Secretary may also require matching funds.

Third. Both bills authorize the Secretary to make studies, investigations and reports under the heading of "Technical Assistance Services" based upon the information derived from the other programs authorized by the bill.

The Senate bill was a 4-year program, the House amendment is for 3 years. The Senate bill provided an allocation of $2,500,000 for the demonstration projects and $2,500,000 for the training of personnel. Amounts of money for the technical assistance services were to be appropriated under the general funds to the Department of Health, Education, and Welfare authorized by the Congress.

The House amendment contains an authorization for all the programs spelled out in the bill at $10 million per year. The total amount contemplated by the House amendment is therefore $30 million. The total amount contemplated by the Senate bill would be $20 million plus additional amounts for administration and technical services not specifically authorized by the bill.

The Senate bill would have established a National Advisory Council on Juvenile Delinquency which specifically would channel all grants requested by local public or private agencies to the Secretary with the Council's recommendations. The House amendment authorizes the Secretary to appoint technical or advisory committees and requires that the Secretary shall consult with the newly formed President's Committee on Juvenile Delinquency and Youth Crime. The Secretary is required to consider the recommendations of the President's Committee on program applications. The report of the House committee in its analysis of section 7 reads as follows:

> It is contemplated that such technical and other advisory committees will review the projects, programs, and studies under the act and make recommendations.

Mr. President, I move that the Senate concur in the amendment of the House.

The motion was agreed to.

Mr. CLARK subsequently said: Mr. President, earlier today the Senate concurred without debate in the House amendment to S. 279, which in effect is the administration's bill to authorize

the appropriation of the relatively small amount of money to search for cures to the problem of juvenile delinquency.

Two years ago the Senator from Alabama, the chairman of the Committee on Labor and Public Welfare [Mr. HILL] and I jointly introduced and had passed by the Senate a bill to accomplish approximately the same purposes. Our bill was passed as S. 279 early in this session.

I am happy to note the passage by the House and now by the Senate of the bill, known as the Juvenile Delinquency and Youth Offenses Control Act of 1961, which will now go to the White House for signature.

There is very little difference between the House amendment and the bill passed by the Senate. I am happy my colleague from Alabama accepted the House version, which caused the bill to be approved by the Senate without debate.

The purposes of each proposal were: First, to authorize the appropriation of money for demonstration and study projects in the field of juvenile delinquency. Second, to provide for the training of those now engaged in the field of juvenile delinquency programs, or to be employed in it. Third, to render technical assistance to local, State, and private agencies which are endeavoring to cope with this problem, which is bothering not only the cities but also the towns and rural districts as well.

The only difference between the House amendment and the Senate bill is that the Senate bill provided an authorization of $5 million a year for 4 years whereas the House bill provided an authorization of $10 million a year for 3 years. The money is to be distributed by grants to Federal, State, local, or other public or nonprofit agency, organization, or institution, as determined by the Secretary of Health, Education, and Welfare, upon recommendation by his advisory committee.

I am happy indeed that the bill is now on its way to the White House. I am confident it will soon be enacted into law. I believe the Congress has taken a perceptible step forward in the effort to assist in the solution of this most difficult problem of juvenile delinquency.

HEALTH CARE FOR THE AGED

Mr. HILL. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on H.R. 4998, the Community Facilities bill.

The PRESIDING OFFICER (Mr. PELL in the chair) laid before the Senate a message from the House of Representatives announcing its disagreement to the amendments of the Senate to the bill (H.R. 4998) to assist in expanding and improving community facilities and services for the health care of aged and other persons, and for other purposes, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. HILL. I move that the Senate insist upon its amendments, agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. HILL, Mr. YARBOROUGH, Mr. WILLIAMS of New Jersey, Mr. PELL, Mr. JAVITS, and Mr. CASE of New Jersey conferees on the part of the Senate.

RESUMPTION OF NUCLEAR TESTING

Mr. DODD. Mr. President, as President Kennedy has stated, the Soviet decision to resume nuclear testing left us with no alternative but to resume testing, ourselves. I am sure this decision enjoys the unanimous support of both parties and of the overwhelming majority of the American people.

In resuming nuclear tests, it is my earnest hope that we shall not resume them on a business-as-usual or testing-as-usual basis. We have lost 3 precious years of technological leadtime in the critical field of nuclear weapons. The rapid fire series of tests which the Kremlin is now conducting is proof positive that it has been conducting clandestine tests from the very first day of the moratorium.

I believe it can be taken as axiomatic that the new weapons they are now testing are not crude prototypes, based on nothing but theory, but are weapons that have been developed and perfected through underground testing.

Mr. President, the moratorium on nuclear testing may not only have cost us our technological lead in nuclear weapons; it may have enabled the Soviets to achieve a technological lead which will gravely imperil our national security.

I am not reassured by the knowing statements of scientists and of scientific panels, which have repeatedly assured us that there is no evidence the Soviets have jumped into the lead or have staged any major technological breakthrough. The hard fact is that neither our scientists nor our intelligence predicted that the Kremlin would have the A-bomb when it did, nor predicted that it would have the H-bomb when it did. In the case of the H-bomb, top-ranking scientific advisers, such as Dr. Hans Bethe, took the stand, almost until the last minute, that it "could not be made and should not be made."

We have to face the frightening fact that the Kremlin has shown an ability to conduct massive developmental programs without the knowledge of our scientific community or of our intelligence community. In the light of this fact, any assurance that the Soviets have not staged a major technological breakthrough in nuclear weapons is as meaningless as it is presumptuous.

Mr. President, now that the Soviets have openly resumed testing in the atmosphere, I hope that we shall commit ourselves to our own testing program with all the earnestness and all the expedition at our command. We must spare no effort. We must place no limit on costs. We have 3 years of lost time to make up, and our survival as a nation may be at stake.

The importance of nuclear technology to our national security is forcefully described in an article, in the current issue of Reader's Digest, by Adm. Lewis L. Strauss, former Chairman of the U.S. Atomic Energy Commission. No one is more qualified to speak on this subject than is Admiral Strauss. Although his article was written before the resumption of testing by both sides, it retains all of its validity, both as a guide to future policy and as a critical examination of our recent follies.

Mr. President, I ask unanimous consent that the article by Adm. Lewis L. Strauss, entitled "Why Nuclear Testing Is a Must for Freedom," be printed at this point in the RECORD.

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

WHY NUCLEAR TESTING IS A MUST FOR FREEDOM

(By Lewis L. Strauss, former Chairman, U.S. Atomic Energy Commission)

In 1957 an official British white paper on defense stated, "The free world is today mainly dependent for its protection upon the nuclear capacity of the United States." At the time, this was a valid assumption. The American lead in the development of nuclear strength was commanding. This superior position was the bulwark of the safety not only of ourselves and our allies but of the neutral nations as well.

Today the nuclear capacity of the United States has been impaired by 3 years of voluntary suspension of U.S. nuclear testing. While the present relative strength of the United States and the Soviet Union is unknown, the test moratorium certainly has not worked to the advantage of the free world.

This is true whether or not the Soviets have been testing nuclear weapons clandestinely—which has been their consistent custom since 1949. The important point is that world peace and security now depend upon a stockpile of U.S. nuclear weapons some of which are 3 or more years old, and have not been proof-tested. Their "readiness" is therefore unknown.

Let me cite a parallel from recent history. When I reported for duty in the U.S. Navy Bureau of Ordnance in March 1941, I was astonished to learn that the torpedoes in our stockpile were in most respects the same sort of torpedoes we had used in World War I. The Navy had been so stinted for funds that not a single torpedo with a live warhead had been fired in more than 20 years.

After Pearl Harbor, U.S. submarines in the Pacific fired these untested torpedoes against enemy ships. Through their hydrophones our men could hear them strike Japanese hulls. But the torpedoes failed to explode. This was a serious setback in our early operations in the Pacific.

I think the moral is plain: No stockpile of weapons can be considered dependable unless random specimens are taken from it and subjected to periodic tests.

The United States was maneuvered into the suspension of nuclear testing largely by world opinion—skillfully manipulated by Soviet propaganda—which confused suspension with actual nuclear disarmament and control. Now world opinion is being engulfed by another wave of Soviet propaganda, directed this time against the resumption of nuclear tests by the United States.

The U.S. position on real nuclear disarmament has been clearly and consistently stated since 1954. Shortly after the first atomic bombs were used against Japan,

President Truman announced the willingness of the United States to place atomic energy under the rigid control of an international authority. This policy was endorsed by our British and Canadian allies.

On June 14, 1946, Bernard M. Baruch, as head of the U.S. delegation, placed the American proposal before the United Nations Atomic Energy Commission, opening his address with the somber statement: "We are here to make a choice between the quick and the dead." The proposal called for the creation of an International Atomic Development Authority "to which should be entrusted all phase of the development and use of atomic energy." The Authority was to have ownership of raw materials; control or ownership of all atomic-energy activities potentially dangerous to world security; power to inspect and license all other activities, including the development of the beneficial uses of atomic energy; and responsibility for developing means to enable it to detect misuse of atomic energy. Baruch called this "a program not composed merely of pious thoughts but of enforcible sanctions—an international law with teeth in it."

Viewed as history, this daring proposal, made at a time when the Western allies had a monopoly on atomic weapons, appears as an act of altruism without parallel. It was made in good faith, and it was clearly intended to avert a disastrous arms race. But the Soviets, for all their professed interest in disarmament and the control of atomic energy, would have no part of any plan which required inspection and control. They opposed the U.S. proposal in the U.N. General Assembly and then, when it passed to the Security Council, exercised their veto.

For the next few years the Western World felt secure under what was considered a U.S. atomic monopoly. Many responsible people thought that this security might even last for a generation. The development of the atomic weapon, they maintained, would have been impossible but for our advanced science and technology and highly developed industrial resources—all of which the Soviets lacked.

This comfort I found impossible to share. In 1947, shortly after being appointed to the newly formed U.S. Atomic Energy Commission, I suggested to my colleagues that some kind of system should be set in motion to monitor possible atomic-weapons tests within Soviet territory. They agreed that this could be accomplished by aircraft equipped with devices for sampling the atmosphere well outside the Soviet borders. Since such an operation was beyond the statutory responsibility of the AEC, I proposed the program to my friend James Forrestal, then Secretary of the Navy, who was shortly to become our first Secretary of Defense.

The plan was eventually put into operation, and in August 1949 our monitors detected what was, so far as we know, the first Soviet atomic explosion. We detected further Soviet tests of atomic weapons in 1951.

Meanwhile, against bitter opposition within our own Government and among its scientific advisers, we had gone ahead with the development of the far more potent thermonuclear weapon (the H-bomb), which was tested successfully in November 1952. Less than 1 year later, in August 1953, the Soviet Union tested its own thermonuclear weapon.

The Soviet atomic-weapons program benefited initially from the espionage activities of Alan Nunn May, the Rosenbergs, Pontecorvo, Maclean, Burgess, and others. Klaus Fuchs, who worked on British atom projects and in our Los Alamos laboratory, apparently gave the Soviets the facts about the thermonuclear bomb.

When President Eisenhower took office in 1953, he was determined to make every effort to banish the specter of atomic war. On December 8, 1953, he went before the General Assembly of the United Nations and offered his atoms for peace plan. The atom, he said, "must be put into the hands of those who will know how to strip its military casing and adapt it to the arts of peace." The Soviet delegation joined in the enthusiastic applause. But when Secretary of State Dulles began conversations with the Russians, it soon became evident that they wanted nothing of the sort. It took from 1953 until 1957 to get the International Atomic Energy Agency organized, with the Russians delaying and sabotaging the project at every step. Thanks to Moscow, the IAEA is today a denatured body, unlikely to execute the major part of the atoms for peace plan.

Meanwhile, the Soviet Union, although engaged actively in testing of atomic and thermonuclear weapons, was exploiting an ingenious new propaganda line. The keynote was fallout—the alleged contamination of the earth's atmosphere with supposedly lethal radiation resulting from nuclear testing.

The nightmare of fallout had been with us ever since the first atomic bomb was exploded in a test at Alamogordo, N. Mex., in 1945 atop a steel tower. The heat of the explosion vaporized the steel tower, and wind carried radioactive debris until it fell upon a herd of cattle grazing a few miles away. The cattle at first lost some hair from their backs. Later, they were moved to Oak Ridge for observation. There they lived and reproduced—to the fifth or sixth generation, when I last saw them—and the progeny were normal animals.

But the propagandists found more abundant material with the advent of the thermonuclear weapon. In March 1954 we tested, in the Pacific Proving Ground, several thermonuclear weapons, one of which had a larger yield of radioactive material than anticipated. Some of the material, carried downwind, fell upon two inhabited atolls and upon a Japanese fishing vessel, the *Lucky Dragon*, which had disregarded published warnings and sailed into the zone of possible fallout.

The islanders developed no casualties; the women had no stillbirths, bore no abnormal children. The fishermen aboard the *Lucky Dragon*, however, became a cause celebre—in connection with which there have been two puzzling factors. American scientists were not permitted to inspect the vessel or the crew until weeks after the incident had occurred. And at no time were we allowed to interrogate the skipper, a man who had never been in command of the ship before. There are still those who believe that the *Lucky Dragon* was sent into the forbidden area for reasons other than fishing.

A cry was heard round the world that fallout from U.S. nuclear tests was jeopardizing the future of the human race. In 1954 the Atomic Energy Commission arranged for an independent investigation of radiation and its effect on human life to be made under the auspices of the National Academy of Sciences, an agency completely indepedent of the Government, financed by the Rockefeller Foundation. A simultaneous study was made in Great Britain by the Medical Research Council. The findings agreed.

The National Academy of Sciences reported that the average individual, over a 30-year period, receives a dose of 4.3 roentgens from inescapable natural radiation (cosmic rays, radioactivity in the soil, etc.), plus an additional dose of 3 roentgens from medical and dental X-rays. The NAS report further stated—and this was the nub of it—that if the nuclear testing done during the period 1951–56 were continued at the same rate indefinitely, the average person's 30-year dose of radiation would be increased by only one-tenth of a roentgen or less.

Despite the publication of this evidence, the outcry over fallout and radioactivity continued. Then, in June 1957, while this hysteria was at fever pitch, Dr. Edward Teller, the late Dr. Ernest O. Lawrence, and the late Dr. Mark M. Mills, all distinguished scientists, came to Washington with gratifying news. The laboratories at Los Alamos, N. Mex., and at Livermore, Calif., had been working on a nuclear-weapon design which would reduce radioactive fallout by about 95 percent. Given 4 or 5 years of testing, they hoped to construct a weapon from which radioactive fallout would be negligible.

This was a momentous development. Among many other things, it would make possible powerful defensive weapons—such as antiaircraft and anti-missile-missiles—which could be used over our own or friendly territory without subjecting the inhabitants to the hazards of fallout. The scientists testified before the U.S. Congress Joint Committee on Atomic Energy, and later described their work to President Eisenhower. The President arranged a press conference at which Drs. Teller, Lawrence, and Mills told their story. The weapon became known popularly as the "clean bomb."

But some scientists and Congressmen ridiculed the proposed weapon as an impossibility. Others were convinced that the scientists had dreamed up the "clean" weapon for the sole purpose of scuttling the movement to outlaw nuclear testing permanently.

Meanwhile, the Russians had been testing their nuclear bombs since 1951 with increasing frequency. They tested secretly, without advance announcement, and excluded international observers from the testing sites. Occasionally, news came from Moscow only after the United States had detected the Soviet explosion and announced the event. Yet the outcry against nuclear testing was directed not against the U.S.S.R. but against the United States.

President Eisenhower resolutely resisted the increasing pressure to suspend nuclear tests unilaterally. And he knew that even if a suspension of testing could be achieved by agreement with the Russians, there was still no method of control or detection available to insure against clandestine testing. Nuclear explosions on the earth's surface, in the atmosphere or underseas can be detected by fairly reliable methods; but explosions below the earth's surface or in outer space cannot be reliably detected even today.

Late in 1957 a development connected with one of our tests in the Nevada desert caused considerable controversy. A small nuclear charge was detonated in a tunnel dug in a mountain, and a seismic station in College Point, Alaska, 2,300 miles away, registered the shock wave on its seismograph. Some people who were determined that U.S. nuclear testing must stop seized upon this fragment of evidence as proof of absolute detectability.

Appearing before a Senate committee in 1958, I testified, however: "I am informed by the experts that this signal would have been reported as a small earthquake had not the Atomic Energy Commission given advance notification of the location and probable burst time." I also stated the reasons for my absolute conviction that weapons could be tested secretly and without much possibility of detection by any nation determined to do so.

Early in 1958 the Soviets, after concluding a lengthy series of nuclear tests, announced that they were then prepared to suspend testing if the United States would do likewise. President Eisenhower proposed a Geneva conference of United States, Soviet, British, French, and Canadian technicians

to discuss detection and inspection systems. By August these experts agreed that it was possible to set up a system capable of detecting underground bursts as small as five kilotons. On October 31, 1958, the United States announced the voluntary suspension. of nuclear testing for 1 year, and called upon the Soviet Union to do likewise.

Negotiations looking toward a treaty banning nuclear tests permanently had just begun in Geneva when news arrived from Washington. Underground tests in the recently completed Hardtack series showed that even a 20-kiloton nuclear explosion might be seismically indistinguishable from an earthquake. Seismic signals from weapons tests could be greatly reduced or even effectively concealed.

The Geneva negotiations soon demonstrated that the Soviets had no desire to reach any agreement that would provide real control and inspection. For example, the technical experts on both sides had agreed in August that any seismic event recorded by the control stations and suspected of being a nuclear explosion would have to be inspected on the site. More than 100 such events—which could be either earthquakes or the tests of sizable weapons—occur within Soviet territory every year.

The Soviets haggled over the number of suspicious events that might be inspected each year. We made concession after concession, finally offering to settle for as few as 12 onsite inspections per year. Abruptly, without accepting our offer, the Soviets introduced a new condition, calling for a three-man control commission (the "troika") to consist of one Russian, one neutral and one representative of the West. But no inspection could be undertaken except by a uanimous vote of this commission. Thus, the Russians would have a veto of any inspection.

By late 1959 the Geneva negotiations had been going on for 14 months, and still no agreement was in sight. Whereas the United States made constant concessions, the Russians countered with increasingly impossible demands. On December 29 President Eisenhower expressed his impatience. "We will resume negotiations," he announced, "[but] the voluntary moratorium on testing will expire on December 31. Although we consider ourselves free to resume nuclear-weapons testing, we shall not resume tests without announcing our intentions in advance of any resumption."

In the autumn of 1960, President Eisenhower told various members of his administration that, in his opinion, the time had come to resume nuclear tests, either underground or in outer space, where there would be no fallout problem. However, he added, such action would necessarily extend beyond his administration, and he considered it proper to leave the incoming President a free hand.

This was the decision that President Kennedy faced when he took office last January. In his Vienna talks with Khrushchev in June, the new President tried to persuade the Soviet premier to end the Geneva deadlock, but failed. Two weeks later, through the Soviet delegate at Geneva, Khrushchev issued to the United States what was virtually an ultimatum. We must accept the Soviet "troika," with its built-in veto on inspections, or else merge the nuclear-test cessation talks with the even less promising negotiations on general disarmament.

What the Soviets obviously were seeking was an indefinite continuance of the nuclear-test moratorium without inspection. President Kennedy rejected the Soviet note in an emphatically worded reply. "For almost 3 years," he said, "the United States has been willing to assume the risk of not testing nuclear weapons without the certainty that the Soviet Union has likewise stopped its testing. The national security and the defense of the free world do not allow this risk to be assumed indefinitely."

Now, specifically, why is the resumption of nuclear testing by the United States so vital to the free world at this time?

First, if there is any validity to the belief that the U.S. stockpile of nuclear weapons is the free world's only effective deterrent to Soviet aggression, then the weapons in that stockpile must be in a state of constant readiness—which can only be ascertained by periodic testing.

Second, nuclear science—its peaceful applications as well as weapons development—will not stand still; yet advances cannot be made without nuclear testing.

Several sophisticated new nuclear weapons were on the drawing boards when we suspended nuclear testing in 1958. Whereas earlier weapons were indiscriminate in their destruction, these new devices are designed for specific types of targets—enemy missiles in the atmosphere or in outer space, missile-launching sites deep underground, lurking submarines, etc.

The basic point, however, is this: Ultimately, the destructive potentials of nuclear energy must be placed in the custody of an absolute and foolproof international authority—a goal which the United States has advocated consistently since the dawn of the atomic era, and which the Soviet Union has as doggedly resisted. Until such an authority is created, the United States and the Western democracies must be free to develop all the potentialities of nuclear power—for its control can make the deserts bloom or, in Communist hands, could end freedom on earth.

RACIAL PROBLEMS NO GEOGRAPHIC MONOPOLY

Mr. MORSE. Mr. President, the Catholic Sentinel of Portland, Oreg., has published in its issue of September 7, 1961, an editorial entitled "Interracial Justice—North and South." It accurately describes some of the racial problems of the North and the failure of many northern communities to deal adequately with them. I ask unanimous consent to have it printed in the RECORD.

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

INTERRACIAL JUSTICE—NORTH AND SOUTH

Two events reported in Oregon newspapers on the same day last week underline an important fact: the race problem is not limited to the South. The events:

1. Black Muslims organize activities in Portland;

2. Atlanta, Ga., high schools integrate without incident.

For too long it has been the fashion for newspapers in the North to play up the racial tensions in the South and ignore serious problems at home. There is discrimination in Oregon. Some cities (legally or illegally) exclude Negroes completely. Others let them know that they are not wanted.

In Portland, the home of the vast majority of Oregon Negroes, most colored people are crowded into the Williams Avenue Ghetto. The tragic fact is that religion seems to have little to do with people's attitudes toward members of racial minorities. Pious people, active in their churches, too often follow the same patterns of racial prejudice as their unchurched neighbors. The Christian who refuses to be stampeded by the rumor, or the fact, of a nonwhite family's moving into the neighborhood, is still too rare a phenomenon.

The Negro Muslim group is a symptom of racial bias. It is a reaction to the myth of "white supremacy." The Muslims maintain the opposite myth of "black supremacy." They apparently do not approve of the word "Negro." (As a matter of fact their entire terminology is more than a bit confusing to one who is searching for accuracy in reporting. The word "Muslim" is a variant spelling of "Moslem," which is the preferred title for a follower of the religion of Islam taught by Mohammed. The Black Muslims have no connection with any Moslem group in the United States; the attitude of international Islam toward them has not been clarified.)

Responsible interracial groups, such as NAACP and the Urban League, are in agreement that the Black Muslims are a fringe group and that they represent a very small minority of the Negro community. Nevertheless their existence witnesses to a growing impatience among Negroes with the slow progress of racial justice in the North.

The second item is of equal significance. The city of Atlanta in the Deep South State of Georgia has demonstrated that southerners can face the racial facts of life. The mayor and other civic leaders of Atlanta deserve the support of all those who are concerned about human rights. We in the North have been quick to shake our heads over mobs in Little Rock and New Orleans. Now we must be as eager to shake the hands of those who represent the responsible majority of decent white people south of the Mason-Dixon line.

Even though religious people have not lived up to their belief in the brotherhood of man in the past, there is hope for the future. The struggle for human decency in the South has been led by religious leaders. The consciences of Sunday Christians have been disturbed. It has become increasingly difficult for a Christian to convince himself that Christ would approve of discrimination.

Discrimination takes various forms in different parts of the country. Every Christian, no matter where he lives, must reexamine his conscience in the light of Christ's commandment of universal love.

COINAGE OF MEDAL IN RECOGNITION OF DISTINGUISHED SERVICES OF SPEAKER SAM RAYBURN

Mr. YARBOROUGH. Mr. President——

Mr. MORSE. I yield to the Senator from Texas, provided I may do so without losing my right to the floor.

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

Mr. YARBOROUGH. Mr. President, I thank the distinguished Senator from Oregon for yielding to me. On September 7 I introduced Senate Joint Resolution 133, which proposed that there be coined a medal in recognition of the distinguished services of SAM RAYBURN, Speaker of the House of Representatives. The resolution is cosponsored by 49 other Senators; in short, it is sponsored by a total of 50 Senators.

The chairman of the Senate Banking and Currency Committee, the Senator from Virginia [Mr. ROBERTSON] has advised me that he had planned to hold a hearing on this measure tomorrow.

Mr. President, I am in receipt of a telegram from the Speaker of the House, the Honorable SAM RAYBURN, of Bonham, Tex., in which he states:

I appreciate your friendship and the generosity displayed by you in this matter—

But he states—

it would be embarrassing to me if it were passed, and I trust you will regard my wishes in this matter.

Mr. President, in view of the wishes of the distinguished Speaker of the House, we have transmitted that information to the chairman of the Banking and Currency Committee; and he has stated that the hearing planned for tomorrow will not be held.

I ask unanimous consent to have printed at this point in the RECORD a copy of Senate Joint Resolution 133, with the names of the 50 Senators who have joined in sponsoring it. I know, from statements made, that other Senators had planned to join in sponsoring it, in addition to these 50. The telegram from Speaker RAYBURN is but a further illustration of the modesty of this great American.

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

SENATE JOINT RESOLUTION 133—87TH CONGRESS, 1ST SESSION

Joint resolution to provide for the coinage of a medal in recognition of the distinguished services of SAM RAYBURN, Speaker of the House of Representatives

Mr. YARBOROUGH (for himself, Mr. KERR, Mr. ANDERSON, Mr. BARTLETT, Mr. BIBLE, Mr. BOGGS, Mr. BRIDGES, Mr. BURDICK, Mr. BUTLER, Mr. BYRD of West Virginia, Mr. CAPEHART, Mr. CARLSON, Mr. CARROLL, Mr. CASE of New Jersey, Mr. CASE of South Dakota, Mr. CHAVEZ, Mr. CHURCH, Mr. CURTIS, Mr. DODD, Mr. ENGLE, Mr. FULBRIGHT, Mr. HART, Mr. HICKEY, Mr. HOLLAND, Mr. JACKSON, Mr. JAVITS, Mr. JOHNSTON, Mr. JORDAN, Mr. KEATING, Mr. KEFAUVER, Mr. LONG of Missouri, Mr. LONG of Hawaii, Mr. LONG of Louisiana, Mr. MAGNUSON, Mr. MCCARTHY, Mr. MCGEE, Mr. MONRONEY, Mr. MORTON, Mr. MOSS, Mr. MUSKIE, Mr. PELL, Mr. PROUTY, Mr. RANDOLPH, Mr. SALTONSTALL, Mr. SCOTT, Mr. SMATHERS, Mr. SPARKMAN, Mr. SYMINGTON, Mr. WILLIAMS of New Jersey, and Mr. YOUNG of Ohio) introduced the following joint resolution; which was read twice and referred to the Committee on Banking and Currency:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That, in recognition of the distinguished public service and outstanding contribution to the general welfare of SAM RAYBURN, Speaker of the House of Representatives, the Secretary of the Treasury is authorized and directed to cause to be struck and presented to Speaker SAM RAYBURN a gold medal with suitable emblems, devices, and inscriptions to be determined by the Secretary, but to include the phrase "For services rendered to the people of the United States". There is authorized to be appropriated the sum of $2,500 to carry out the purposes of this section.

SEC. 2. The Secretary of the Treasury is authorized and directed to cause duplicates in bronze of such medal to be struck and sold, under such regulations as he may prescribe, at a price sufficient to cover the cost thereof (including labor). The proceeds of the sale of such bronze medals shall be reimbursed to the appropriation then current for the expenditure of the Bureau of the Mint chargeable for the cost of the manufacture of medals.

PREPARATIONS IN CONNECTION WITH HURRICANE CARLA

Mr. YARBOROUGH. Mr. President, as we read the news item about Hurricane Carla and its impact on the gulf coast, the people, and the economy of Texas, I believe that thanks are in order to the Federal agencies which have tracked this powerful hurricane across the Gulf of Mexico and have given so much advance warning to the people of Texas and Louisiana. But for the Federal tracking agencies, the warning agencies, the Navy fliers who penetrated the eye of this very powerful hurricane—the most powerful in the 20th century, and the reporting services to the people, the loss of life would already have gone into the thousands, whereas up to the latest report, no single loss of life has been reported from the coast of Texas, despite the fact that the winds have reached a speed of 170 miles an hour, and the tides have ranged higher than any ever before known, at some points on the Texas gulf coast.

Mr. President, last Saturday I was in contact with the Director of Civil Defense, Mr. Frank Ellis, and with the State disaster control headquarters, at Austin, who reported the steps being taken and the agencies coordinating. There is complete coordination between the State and local authorities, and between the headquarters here and the State disaster control center at Austin, and also coordination in connection with the availability of Government relief of various types, the availability of surplus food from the Department of Agriculture, and the availability of help through the armed services for the evacuation and treatment of people. All these Federal agencies have operated with the utmost efficiency up to this time, and I commend them for it.

Terrific losses to the economy of Texas are in prospect. The rice crop was ready for harvest, and it is estimated to have a value of $100 million. The State faces the loss of the entire rice crop and the loss of large portions of other crops. The agricultural loss alone to Texas will probably amount to some $200 million for the crops in the field. It is estimated that for each dollar value of a crop in the field, there is an additional $7 value to the State's economy through manufacturing, because the agricultural products are largely processed in the State. The largest single segment of the Texas manufacturing economy is comprised of the processing of agricultural products, and their value raw from the fields before processing, each year, is about $2,400 million. So this loss will be a staggering blow to the economy of Texas.

In listening to the various news reports and from direct contacts I have had with persons in Texas, I have everywhere been impressed with the unsung hero of this hurricane, and that hero is the American citizen. About half a million people have been evacuated from their homes in Texas, but there have been no reported instances of looting or attempted looting, and there has not been a single instance of panic or reported panic. The evacuation has been done with the utmost calm and discipline, without the wringing of hands or the shedding of tears over the fact that the life savings—sometimes the savings of generations—of the people there are at stake, and threatened with destruction within 24 hours. I think the people have shown the calmness of which all Americans are proud, and it is in keeping with the traditions of our people through the centuries, as they have moved westward. The disasters which have befallen the American people have not stopped their forward progress, and this disaster will not stop the growth and progress of the coastal areas of Texas.

Mr. President, at the disaster control office in Austin, Tex., there are representatives of the Federal and the State Governments. Yesterday, I sent telegrams there, and also to the mayors of Houston, Beaumont, Freeport, Galveston, Port Arthur, Texas City, Orange, Baytown, Corpus Christi, Post Lavaca, Palacios, Aransas Pass, Port Aransas, Port Isabel, and Port Neches, advising them that I had appointed as my two representatives in Texas, Larry Goodwyn and Tom Black, of Austin, Tex., to work with the State disaster control headquarters, at Austin, in helping meet all needs in this emergency. Throughout the storm they will be my coordinating representatives in the State of Texas, with other State and Federal officials, in rendering all possible assistance. My own office in Washington remained open yesterday and last night to help secure any needed cooperation, both before and after the disaster strikes.

A valuable piece of work has been done in this connection, helpful in all civil disasters, by the Committee on Government Operations. At the request of the distinguished senior Senator from Minnesota [Mr. HUMPHREY] the Government Operations Committee printed, as a committee print of the first session of the 86th Congress, the Federal Disaster Relief Manual. It was printed on August 19, 1959; and this morning I mailed copies of it to mayors, county judges and other representatives of governmental units. The manual shows the various fields in which Federal aid is available. That information is greatly needed at this time. While a few of the cities have had all their communications facilities cut off and no mail is being delivered, in most of the cities the mail can still be delivered; and when cleaning up operations are begun, after this hurricane, this manual will be found to be very helpful, indeed.

Mr. President, as shown in this document and the laws of the land, a good deal of aid will be available when the rehabilitation starts, about tomorrow. The Farmers Home Administration Division of the Department of Agriculture makes loans of different types, emergency loans to help farmers tide themselves over the winter and help them get new crops in the ground. The U.S. Department of Commerce has authority to provide funds for reconstruction loans for roads and bridges and for primary and secondary highways on which Federal aid was used. The Small Business Administration makes available loans to rebuild business places that will be wiped out by this storm. It is possible that some of the smaller cities will not have a business house or residence standing. Departments under the FFHA can make available loans for the rebuilding of homes. I shall not go into the many special types of disaster relief

available under the commodity stabilization program and many other Federal programs. Surplus food stocks are already built up.

Reports from the Air Force of less than 15 minutes ago were to the effect that winds had reached 100 miles an hour at Austin, 160 miles from the coast. All air transportation has been cut off there.

The Coast Guard and other agencies are doing a fine job. Each of them is living up to the finest traditions of their branch of service. On behalf of the people of my State, I thank them for their great services.

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

Mr. YARBOROUGH. The Senator from Oregon has the floor.

Mr. MORSE. I yield to the Senator with the understanding that I do not lose the floor.

Mr. HUMPHREY. Mr. President, I merely wanted to say to the Senator that I am sure his local officials will find that manual very helpful. The manual, which was prepared by the Subcommittee on Reorganization of the Committee on Government Operations, came about as a result of what we found to be a lack of information on the part of local officials as to what was available from their Federal Government in such an emergency as the Senator has referred to which exists in Texas, Louisiana, and other parts of the country. We found that when flood conditions took place, frequently our local and governmental officials and private citizens had no real information as to what was available under present law. Therefore, the manual was prepared. The Library of Congress was very helpful in getting the information together, as were other agencies of Government. The manual is very helpful.

I am glad the Senator has sent the manual to the mayors whose cities will be so terribly affected by the storm moving in on Texas and parts of Louisiana.

May I make one further suggestion to the Senator? I hope when the executive department representatives review this colloquy, a careful reexamination will be made as to the adequacy of the emergency funds, particularly in the Department of Agriculture, because, if the reports of this storm are accurate—and I imagine they are—the loss of property will be tremendous and there will be a need for prompt emergency assistance, particularly in the form of loans, for the areas that will be so seriously damaged by the impact of the storm.

I hope the Senator himself, as well as the executive agencies that have emergency authority, will examine into the adequacy of the provisions that relate to loans and other forms of assistance.

Mr. YARBOROUGH. I thank the distinguished Senator from Minnesota for his suggestion in that regard. We had contemplated doing that. We contemplate going to Texas just as soon as the winds diminish to the point that the damage can be surveyed. The Air Force informs us that we could not land at Austin, which is located 160 miles from the coast, at this time.

We plan to ask for a disaster survey and for all types of assistance available. If there is any lack in the present authority, we will ask for a supplemental appropriation bill, or emergency measures for supplemental authority.

We are also sending copies of the manual to individuals in the affected areas, so this information will be available to those portions of counties not included within incorporated areas.

This disaster relief manual is an extremely helpful manual, listing 75 or more types of assistance available under Federal Law. For example, under the U.S. Coast Guard, even while these disasters are impending and going on, more than 15 types of measures can be taken, for relief. One for example, authorizes the Coast Guard to reduce contamination in the water supply.

This is one of the most valuable disaster manuals ever compiled in this country. The civil defense authorities are using it.

The Senator from Minnesota may be interested in knowing that the civil defense authorities in Washington and the southwestern control headquarters at Denton, Tex., where they have their underground control, and at the State control headquarters at Austin, use this manual, and it is proving invaluable in the disaster which is striking us.

U.S. MILK LEGISLATION

Mr. HUMPHREY. Mr. President, will the Senator from Oregon yield?

Mr. MORSE. Mr. President, I yield to the Senator from Minnesota with the understanding that I do not lose my right to the floor.

Mr. HUMPHREY. Mr. President, I am a sponsor, along with my colleague the Senator from Minnesota [Mr. McCARTHY] and the Senators from Wisconsin [Mr. PROXMIRE and Mr. WILEY], of Senate bill 212 relating to nationwide standards for milk sanitation. The importance of this bill lies in the fact that it would eliminate the use of arbitrary health standards as trade barriers against the shipment of high quality milk in interstate commerce. The House has been holding hearings on this bill and the Senate will commence hearings in January.

The Minneapolis Star, one of the great metropolitan newspapers in the country, points out editorially in its September 2, 1961, issue the wisdom of nationwide milk sanitation standards as criteria for the elimination of artificial health barriers. I ask unanimous consent that this editorial be printed at this point in the body of the RECORD.

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

U.S. MILK LEGISLATION

When Orville Freeman was Governor of Minnesota he strongly supported Federal legislation to set up nationwide standards for milk. This would do away with the artificial health barriers erected by some cities and States to keep out milk from other areas, such as Minnesota.

When Freeman became Secretary of Agriculture he indicated he would have to take another look at such matters. There was speculation that he would reverse his position and oppose a Federal measure. But now, over eastern protests, he has endorsed a bill which would allow dairy farmers to ship their milk anywhere.

This seems a sensible view for either a Minnesota Governor or an Agriculture Secretary. Some additional markets should be opened for milk from Minnesota and other surplus regions if the bill becomes law.

But the effect is likely to be small while Federal milk marketing orders remain in effect. These orders, covering most of the large markets, say that milk distributors must pay the same price whether the milk is produced in New York State or Minnesota. Thus there is no inducement for a distributor to seek Minnesota milk.

These orders not only exclude Minnesota fluid milk from eastern markets; they tend to restrict the outlet for manufacturing milk, used in butter, dried skim, etc.

Farmers near the big city markets keep pushing up production to take advantage of the high price for class 1 (fluid) milk. During some periods of the year they produce more than the fluid market will absorb. The amount left over goes into manufacturing milk at a price sometimes lower than is paid for the same kind of milk in Minnesota.

Also, if the eastern markets become more receptive to outside milk, Minnesota may not benefit greatly. For there is much surplus milk produced between here and New York City, say, which could be transported at a lower cost than Minnesota milk.

But the bill Freeman favors is a step in the right direction. If it passes, the next move should be further examination of Federal marketing orders which do as much as artificial health standards to put an embargo on milk from a distance.

STATESMANSHIP AT TUNIS

Mr. HUMPHREY. Mr. President, in this morning's Washington Post there appears an excellent editorial commending President Bourguiba of Tunisia for his statesmanlike action in offering to withdraw the objections of his country to continued French use of the naval base near Bizerte "during the present world crisis."

I was deeply saddened by the violent dispute which arose recently between the French and the Tunisians over the issue of French evacuation of the Bizerte naval base. It is indeed tragic that two such fine and democratic countries should be at sword's point at a time when the entire free world is being severely challenged and threatened by the Soviet Union.

Our Ambassador to the United Nations, Adlai Stevenson, appealed to both sides to negotiate their differences in the interest of world peace. I am most heartened, therefore, at President Bourguiba's conciliatory move, which would indicate that he is willing to extend the hand of friendship and to negotiate.

I want to say, in behalf of President Bourguiba, that this particular move of conciliation should be looked upon as a real contribution to the cooperation of the free countries in the present crisis. He has performed a very statesmanlike act. It is well understood that President Bourguiba is under great pressure in his own country to have the French out of the naval base.

The President of Tunisia has strong legal grounds for his claim of requiring French evacuation.

It is my hope, therefore, that France will accept Tunisia's offer, and work toward a just solution to this dispute. The critical world crisis demands that the free-world nations stand united. Every effort must be made to heal differences which may exist between such nations in this trying time.

Mr. President, I ask unanimous consent that the Washington Post and Times Herald editorial to which I have referred be inserted at this point in the RECORD. Also, that an article by Mr. Thomas F. Brady in the New York Times, entitled "Bourguiba Eases Stand on Bizerte," be printed.

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

[From the Washington Post]

STATESMANSHIP AT TUNIS

There is statesmanship in President Habib Bourguiba's offer to withdraw the objections of Tunisia to continued French use of the base near Bizerte "during the present world crisis." President de Gaulle of France had prepared the way for compromise in his recent news conference when he spoke of negotiations on use of the base "during the dangerous period through which the world is passing." Such a formula would allow both countries to save face and to serve the common interest by strengthening Western defenses.

A large measure of conciliation on both sides will still be necessary to work out the details of an accord. The first step taken is an exchange of prisoners captured during the tragic clash between French and Tunisian forces. The next step may be evacuation of the city of Bizerte. It is to be hoped too that normal diplomatic relations will soon be reestablished and that an amicable agreement can be reached on the period during which French forces shall continue to use the base.

President Bourguiba reasonably insists that the decision as to when the emergency ends cannot be left wholly to the discretion of France. Some means will have to be found for the achievement of a joint decision or arbitration of this issue. The Tunisian President is very unrealistic, however, when he suggests that the international crisis which justifies continued use of the base may not last more than a few weeks. No informed observer of the international scene seems to share that optimism.

The greatest hope for solution of the tragic Franco-Tunisian flareup would seem to lie in a firm commitment for use of the base as long as the present emergency lasts and an equally firm commitment for withdrawal of the French as soon as the emergency has passed. It is especially significant that President Bourguiba, who recently returned from the Conference of the uncommitted powers at Belgrade and who was ardently wooed by Moscow during his troubles with the French, is once more thinking in terms of defense of the free world.

[From the New York Times]

BOURGUIBA EASES STAND ON BIZERTE—TUNISIAN TERMS DE GAULLE TALK "POSITIVE"—SEES NEW HOPE OF AGREEMENT

(By Thomas F. Brady)

TUNIS, September 6.—President Habib Bourguiba returned to Tunis tonight from the Belgrade Conference of uncommitted nations in an unexpected mood of conciliation toward President de Gaulle of France. It suggested the possibility of a negotiated solution of the Bizerte impasse.

In an interview with the Tunis radio recorded in the Yugoslav capital but broadcast after his arrival here, Mr. Bourguiba said:

"It appears that General de Gaulle has finally recognized the principle of evacuation of Bizerte. * * * Thus it is possible for us to come to an understanding on an evacuation timetable. We have never asked for evacuation today or tomorrow."

FRENCH NOTE REPORTED

The tone of optimism was particularly surprising after General de Gaulle's tough declaration on the Bizerte question yesterday and after incidents in the city itself in which at least three Tunisians were killed when French troops opened fire.

The change in the Tunisian line was linked with a report of a conciliatory note from the French Foreign Ministry delivered here this morning by the Swiss Chargé d'Affaires, who has looked after French interests since Tunisia broke off diplomatic relations in July, following fighting in Bizerte.

The most important element, according to observers here, was the probable decision by Mr. Bourguiba that the Bizerte crisis had cost Tunisia too dearly in lives and in economic and educational dislocation.

Mr. Bourguiba's optimistic statement was apparently based on General de Gaulle's declaration yesterday that someday it would be necessary to negotiate the withdrawal of French troops, but that the present world situation did not permit France to do so now.

Nevertheless, the rest of General de Gaulle's comment on Bizerte was extremely disobliging to Tunisia and to Mr. Bourguiba personally. The first reaction here had been one of extreme antagonism and discouragement.

General de Gaulle said that when he had seen Mr. Bourguiba in France last spring, "I told him in the clearest way that the situation being what it was, France could not and would not quit Bizerte."

"After our conversations," General de Gaulle continued, "he spread himself in friendly declarations about us. Then, for reasons which probably concern what goes on in the Arab universe, the Tunisian Republic changed its tone and its song. There were menaces and demands and then the aggression."

The fact that 24 hours later, Mr. Bourguiba decided to base his reaction on the positive elements of General de Gaulle's declaration was seen as an indication of a return to the old policy known as Bourguibism, or gradual achievement of goals by diplomatic means.

But the Tunisian leader warned that the situation at Bizerte remained grave and that the Tunisians would be "obliged to respond to provocations by French military forces."

President Bourguiba flew home from the Belgrade Conference 24 hours ahead of schedule to deal with the Bizerte issue.

Tension in the northern seaport town was said to be extremely high today, after yesterday's shooting.

Mr. HUMPHREY. Mr. Bourguiba was one of those in attendance at the meeting at Belgrade, Yugoslavia, of the so-called uncommitted or neutral nations. According to the reports we have received, this fine man, the President of Tunisia, a friend of freedom, who has been a good friend of the United States, was one of the forceful voices in behalf of the position of this Government. He was one of those who took strong exception to the resumption of nuclear tests by the Soviet Union.

These actions of some of our friends all too often go unnoticed. The actions of those with whom we disagree seem to gain the headlines all too often. We seem to enjoy reading the bad news in this country rather than, occasionally, taking encouragement and hope from some of the good news from some of our good friends.

I think the RECORD of the U.S. Senate at least ought to carry a word of appreciation to friends of the United States who stand up for us when they believe we are right and who have the courage of their convictions when they believe we are wrong. A good friend is not necessarily one who always says "Yes," though the facts do not justify such a response. A good friend is, one who in difficult times, will go out of his way to try to heal differences, to breach a gap which might exist between nations, and to stand up for what is right in the conferences in which the United States is all too often under severe attack.

I for one, wish to express my appreciation to this statesman who recently visited our shores, who was received by President Kennedy and who addressed the Congress, who has demonstrated a quality of leadership much needed in the present world.

Mr. President, I have one other item, and I thank the Senator from Oregon for permitting me to use this time.

SETTLEMENT OF DUTCH FARMERS IN BRAZIL

Mr. HUMPHREY. Mr. President, one of the most encouraging developments which has come to my attention in the field of successful agricultural development projects in Latin America is the program for the settlement of Dutch farmers in Brazil.

I know the Senator from Oregon [Mr. MORSE], and the Senator from Vermont [Mr. AIKEN], are much interested in this, because of their leadership in respect to Latin American affairs.

The pattern of Dutch agriculture is such that many of the younger sons of Dutch farmers find it impossible to continue farming in the Netherlands because of the severe shortage of farmland. Yet these young farmers want to make a career of farming, and they are highly trained and highly skilled people.

I said to one of the parliamentarians who recently visited us from the Netherlands that the greatest export of the many fine exports from Holland—the best of all—was their people. We in America, and I am happy to say we in the State of Minnesota, have had the privilege of receiving many of these fine people from the Netherlands. They have strengthened our Nation and strengthened our respective communities. They are good people.

The Dutch Government, therefore, has wisely developed a positive emigration program, which has the effect of a vigorous technical assistance program for those countries fortunate enough to secure the settlement of these Dutch farming families.

While our attention is focused on the current political situation in Brazil, it may be well to point out that there are many positive, constructive and hopeful developments at the grassroots in Brazil which should not be forgotten.

First. There are at present seven settlements of Dutch farmers in Brazil. Carambei—Parana—is the oldest. The others were organized since 1948. Carambei, Castrolanda—Parana—and Holambra—São Paulo—are the largest. Monte Alegre—Parana—Nao me toque—Rio Grande do Sul—and Tronco—Parana—are much smaller. In development are Arapoti—Parana—and Holambra II—São Paulo.

The total number of the people accommodated by the settlements is still limited. Including Brazilians who in the course of the years have joined the settlements, the number is approximately 3,000. Completion of Arapoti and Holambra II in the coming years will increase the number to approximately 8,000.

The procedure of establishing a settlement is usually as follows: A "cooperativa agro-pecuaria" is organized. The cooperative purchases a suitable tract of land. The cooperative develops the land, puts in roads, clears and improves it with drainage and irrigation, and subdivides it in family sized farms on which necessary buildings are erected. The settler purchases his farm from the cooperative.

The cooperative plays a prominent role in the economic and social system of the settlement. Purchasing of supplies and equipment; stockraising of purebred cattle; processing and packing of agricultural products, and social and educational services are organized by the cooperative, or by rather independent sections or subsections thereof.

Small as the numbers of settlers are, the impact on technical, economic, and social development in a wide area is spectacular.

Technical: The Dutch settlers are introducing modern agricultural production methods which so far were practically unknown in the areas. This includes introduction of new crops, diversification and rotation of crops, proper use of chemical fertilizers, modern machinery, introduction of better livestock and expert stockbreeding, pest and insect control, application of proper drainage and irrigation methods, et cetera. They establish a close working contact with Brazilian agricultural research and extension services. Their methods are followed on an increasingly large scale by Brazilian farmers, who so far mainly depended on old-fashioned and uneconomical farming methods.

Mr. President, this is technical assistance, but it is the kind of technical assistance which is enduring. The technicians of whom I speak are the farmers themselves, who come not only with their technical know-how and great competence in agriculture but also with their families. They stay and they build communities. I believe this is good news for the cause of freedom.

Recently we have heard much bad news. I wished to brighten up this day by reciting a little good news. All is not lost. Much is being done that is very, very good.

Mr. AIKEN rose.

Mr. HUMPHREY. I yield to the Senator from Vermont.

Mr. AIKEN. I am interested in what my colleague from Minnesota is saying. We do need all the good news we can get. The Senator has given us good news.

I believe in the future more good news will come from the south, particularly from Brazil. After the resignation of President Quadros I could not become too much alarmed over the situation, because I knew the Brazilian people would work out their problem without interference from other countries and would work it out so as to be of the greatest future benefit to the future of Brazil.

Brazil is already one of the greatest countries of the world. The population is almost 70 million today, and is growing.

Brazil has financial troubles, but the financial troubles are due to growing pains and the necessity for financing, up to now, long-term development programs with short-term money.

One of the things which makes Brazil's future so bright is the readiness with which immigrants assimilate into the affairs of the country, taking part in the social and political affairs as well as the economic affairs of that great country.

When one goes to see the Brazilian Congress, one finds people of different nationalities and even different colors serving in the Legislative Assembly. They become people of that country and work for the good of that country.

Although Brazil has troubles and will continue to have troubles, the greatest trouble is that Brazil is not yet able to develop the tremendous resources she possesses as fast as they are needed. We hope the future holds more in store for the people of Brazil. Agriculturally, Brazil has tremendous possibilities.

They have water. They do not make the fullest use of the water on the land in many places and in as large areas as they would like. They are adopting modern agriculture as rapidly as possible. One can go into that country and see great 100-acre and 500-acre plantations of coffee growing in the open. Such plantations used to be under trees. Of course, they have overproduced coffee and must develop new markets for it.

I am in full accord with what the Senator from Minnesota has said about the Dutch. They, along with the Danes, are among the finest farmers in the world. I should include the farmers in some of the other smaller countries of Western Europe. But they have the same troubles that we have here. In order to provide increasing social standards and higher levels for their families, they must have more land, and they do not have it. So those people are migrating to other countries, where land is readily available. I am sure they will do their part in feeding and clothing the populations of the future, which are bound to increase greatly, unless some weak heads of state, such as Russia appears to have had, get us into trouble. I shall not discuss Russia today except to say that if Mr. Khrushchev wants to prove himself a strong man and a good man he should abandon the course that leads inevitably to war. Any fool in his official position can start a war, but it takes a strong man and a good man to work for peace. I have been worried about that situation, but that is getting too far away from the subject.

Mr. HUMPHREY. I wish to say to the Senator from Vermont that what he has said is very much on the subject. His words are the kind that should be stated in the Senate Chamber.

Mr. AIKEN. If Mr. Khrushchev is a strong man, he will cease taking steps that will lead inevitably to war. If he is a weakling, he will continue along the course which he is now traveling.

Mr. HUMPHREY. I thank the Senator.

Mr. President, I was mentioning that at the time of purchase the land is normally used for grazing purposes, giving a low yield per acre, or it is deteriorated plantation land. The intensive soil improving agriculture introduced by the Dutch increases the yield per acre many times over, thus adding to the economic growth of Brazil. The introduction of cooperative purchasing, processing and selling gives the producer a greater margin of profit and allows the settlements to make the necessary capital goods available to the settlers. The cooperative approach enabled the producers to extend their markets over a much wider area. They even opened their own sales offices hundreds of miles away, that is, in Curitiba, Campinas, São Paulo, and Rio de Janeiro. Because of quality their products are sold at a premium. They export coffee to Europe at the highest world market price. The purebred cattle is shipped for stock improvement to all the States of Brazil.

Social and educational: In close cooperation with the authorities the settlements organize general educational systems, agricultural and home economics courses, art classes, and establish mutual social and health services.

The total impact of these settlements is clearly visible in a wide area. Brazilians are taking over agricultural methods, joining the cooperatives, are settling in or as close as possible to the settlement, so that often the original border of the settlement cannot be distinguished any more. They make use of educational and social provisions resulting from the establishment of the settlements. Great numbers of authorities from other Brazilian areas visit the settlements to study their methods for application elsewhere. State authorities are organizing courses in the settlements in other areas.

The settlements demonstrate the value of a strong cooperative organization combined with private ownership of the individual farms, thereby stimulating the incentive to produce the best.

They also demonstrate that the family farm unit is possible and probably the best answer to many of the serious problems of Brazilian rural development.

The family farm concept—a farm big enough to provide a decent standard of living and not bigger than can be managed by a farmer and his family with a hired man—is rapidly showing its great advantages in Brazil, both from a productive and social point of view.

The establishment of agricultural settlements is consistent with the President's program as expressed in his message, "Alliance for Progress," and more recently confirmed by the Congress of the United States in Public Law 87–41, inter-American social and economic cooperation program, in which it specifically authorizes the extension of credits for agricultural settlement in Latin America.

The joining of Dutch and Brazilian farmers in the same agricultural settlements fulfills the desire to promote technical, economic and social development of Brazil, hence it is consistent with the view of the United States, Brazilian, as well as the Netherlands Governments.

The total number of settlers is still too small to assure sufficient economic and spiritual growth. A regular expansion through the intake of new Dutch settlers is imperative because only in this way can sterility, which threatens every small and isolated community, be prevented.

In order for these agricultural settlements to provide the greatest assistance in technical, economic and social development of Brazil, as well as for the settlers themselves, they must undertake an expansion program for many years to come. Expansion is also necessary to provide new and challenging frontiers for the present settlers and their children and to provide the nucleus to stimulate the population to develop the surrounding areas.

Thus the pattern of expansion, selection of the people, and the financing, have to be developed on a sound basis.

Every new settlement should be sufficiently close to an existing settlement, so that the older settlement can provide experience, marketing, purchasing, and other facilities through the established cooperatives. Moreover, the new settlement will then be in a position to support the older one with new blood, new ideas, and increased production, and help to maintain and strengthen the ties with the Western World.

This pattern would create a string of settlements through the country, thus stimulating the development in an ever increasing area.

Each settlement should consist of at least 60 families, preferably more. For the settlement of each family, an initial investment of approximately $15,000 per farm is required for preliminary investigation; purchase of land; clearing and soil improvement; road construction; water supply; drainage; construction of necessary buildings; purchase of stock and equipment, seed, fertilizers, and fodder; and expenses for the settlers' subsistence during the first months.

Heretofore the selection of new settlers has been based to a large degree on the financial requirement that each Dutch family have at least $6,000 available. Additional funds were provided by the Brazilian and United States Governments.

The $6,000 requirement excludes from consideration a great number of people, both Dutch and Brazilians, who are otherwise eminently qualified—for instance, the second, third, and so forth, son of a family farmer. The limited financial resources of many young Dutch farmers are not surprising as about 60 percent of the farms are between 2½ and 25 acres only, and 52 percent of the total farm area in the Netherlands is rented and not owner occupied. On the whole, farmers with considerable means are also less inclined to migrate than those with ability but who, because of lack of capital and general shortage of land in the Netherlands, are unable to purchase their own farms in the Netherlands.

Sufficient land for carrying out such a program is available, as large low-producing land tracts are frequently offered for sale.

An additional difficulty so far has been, however, that no funds were earmarked in advance for this program. Consequently, when a suitable tract of land was available for purchase, the required funds still had to be found. To arrange for the financing of the purchase often took too much time and the options expired.

An established financing policy should make funds available whenever a purchase opportunity presents itself.

To promote the extremely successful and viable settlements as mentioned above, it will be necessary to find sources of financing which will make possible a selection of new settlers on ability and potential, and not on the accidental financial capability.

As mentioned above, an initial investment of approximately $15,000 is required to purchase a farm in a settlement. Figures supplied by existing settlers prove that the settler can repay the investment of his farm within 15 to 20 years.

It is clear, therefore, that the Netherlands Government is already making a contribution to Dutch emigrants by supplying free services and facilities and bearing part of the cost of transportation.

I understand that the Netherlands Government will also be prepared, in addition to this assistance, to investigate the possibility of a limited participation in the financing of the settlements themselves if cooperation could be obtained from the Inter-American Development Bank and then through the extended use of local currency funds generated by Public Law 480 in Brazil, in order to finance the initial required investment of up to $15,000 per family.

I would think that such a cooperative effort would be precisely what the American Government would find most encouraging. The more multilateral and joint, combined operations which can be undertaken by the advanced nations of the West in order to help the underdeveloped nations, the better.

I would wish to encourage the pursuit of this cooperative effort, and I am calling this matter to the attention of the Secretary of State.

My only purpose in bringing this program to the attention of the Senate is to arouse a greater interest on the part of our State Department and our aid administration, the Inter-American Bank, in this kind of program. I offered in the Senate an amendment to the foreign aid bill that we should utilize wherever possible and practical the cooperative approach on some of these agricultural problems to try to encourage credit unions to make available low-cost credit in the amounts that many people require, and also to promote loan associations, so far as possible.

I serve notice in a most friendly and cooperative manner that I intend to pursue this subject matter until we see results. I wish to make sure that we get our aid program down to the people in the rural areas of these countries, the people who really need it. I wish to make sure that the business enterprises in the smaller communities or, indeed, in the larger cities, are given an opportunity for credit and development. That is the spirit of America, and we need very much to get that idea very clearly inplanted in our foreign aid program and our Inter-American Bank program.

I have a feeling that unless some of us in the Senate are willing to keep at it relentlessly and pursue a course of constant vigilance to oversee activities in the respective agencies, we may fall back into the old pattern of doing too little too late and ignoring the real basic needs of the people whom we say we are trying to help.

I cannot help but recall that only a few months ago we were told that the State Department did not have a single person working in that cooperative area. I wish to make sure that that does not happen again. As one who is rather persistent and occasionally a little stubborn and even relentless and persevering, I wish to give a friendly and cooperative warning that there will be a watchful eye on these matters, even when the Senate is not in session.

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

Mr. HUMPHREY. I yield.

Mr. AIKEN. I wish to endorse the Senator's remarks with regard to the promotion of cooperatives and loan associations, because they hold a hope that the ordinary people, the people who do not have the means to establish themselves in business or agriculture by themselves, will have an opportunity to do so in company with others.

While I am on my feet, I wish to express regret at the rumors that have been prevalent lately that Mr. Henry Labouisse is not to be the head of the AID agency, because when we approved the foreign aid bill, confidence of Senators and Representatives in Congress in Mr. Labouisse had much to do with the enactment of that legislation in as good shape as it finally came through. I think it came through in pretty good shape. We shall not know finally until the appropriation bill clears both Houses of Congress and is signed by the President. But I think it is coming through in pretty good shape after all. I was terribly disturbed that the administration did not wait for the appropriation to get through before announcing that Mr. Labouisse, in whom we all have a great deal of confidence, was to be replaced.

Mr. HUMPHREY. I have a great deal of confidence in Mr. Labouisse. I consider him to be one of the outstanding Americans. He has shown remarkable qualities as a Government official. He has a great quality which I think the aid programs need, namely, a spirit of understanding. I see that the Senator from Vermont has put his hand over his heart. He has the quality of heart as well as mind.

Mr. AIKEN. I think he has a heart and is strictly honest.

Mr. HUMPHREY. I fully agree. Our aid programs must now be directed toward the people we seek to help. The aid programs are designed primarily to help people in the Latin American areas, the African areas, the Asian areas, and in areas where there is mass poverty, great illiteracy, severe problems of disease, and where social development has been held up or retarded.

If we are to make an impact, the impact that we seek to make, it will not be done merely on the big loans with the big people, but it will have to be made in the social development with the people themselves. I know that I speak for many Members of the Senate when I say that we look upon the foreign aid program now as an effort to get in touch with the people, to help people lift themselves to a better life, particularly in some of the areas of the world where the problems of poverty are almost beyond human comprehension or understanding.

Mr. MORSE. I wish to associate myself with the remarks made during the past 5 minutes by the Senator from Vermont [Mr. AIKEN] and the Senator from Minnesota [Mr. HUMPHREY], in respect to two subject matters upon which they commented.

The first is the need for a greater development of our cooperative movement as a part of our foreign aid program, including the development of a building and loan association program in many parts of the world, particularly with respect to the problems in Latin America.

I have been working very closely, as has the Senator from Vermont and the other members of the Subcommittee on Latin American Affairs, with various building and loan association officials in our country, particularly one project under the leadership of Mr. Courshan, of Hollywood, Fla., who is president of one of the building and loan associations in that State, and who did two very important special jobs for the ICA in regard to the matter of homeownership in connection with the development of building and loan associations, one in Africa and one in Latin America. I do not know of any aid we could possibly make available in either Africa or Latin America which would be more effective in stemming the tide of communism as would a program which ends up with people owning the roof over their heads. We do not have to worry about people supporting economic freedom if they have cause to support it, and they have cause to support economic freedom when they are the beneficiaries of economic and political benefits of a free system of economic and political freedom.

Mr. President, it is very interesting that there should be woven into these discussions the statement of the Senator from Minnesota with regard to Brazil and the large number of young Dutch farmers who are interested in devoting themselves to the life of farming.

Given private homeownership in the city and family farm homeownership in the country, we do not have to worry whether people in that kind of society will come over to the cause of freedom and support it. The sad fact is that we have not done it in Latin America. We have not done enough of it in Africa. The sad fact is that a majority—and I wish Senators to note what I say—a majority of the agricultural producers of Latin America do not own a square foot of the soil they cultivate. The sad fact is that much of Latin America is a serfdom as far as the workers and the soil are concerned. They are living under a feudal system.

Unless we insist on land reform in the country and those reforms in the city which will make it possible for the people to own their home, the Alliance for Progress program is doomed to failure. In my judgment the Alliance for Progress program has no hope of success in Latin America unless it is able to bring about economic and political and legislative reforms necessary to give the people of Latin America land reform, carrying with it the opportunity to own the soil they till and the opportunity in the cities, through building and loan associations, through co-ops, through credit unions, through what the Senator from Minnesota has talked about, at least a chance to own their homes.

That brings us right into grips with this whole problem of insisting on putting the loan program on the basis of interest rates that the people can afford to pay. The usurious, shakedown financial system of Latin America has to go. If we want to fight for economic freedom in Latin America, we cannot hope to win the people over to the cause of freedom if they have to pay 12 percent, 13 percent, 14 percent, and, yes, as high as, in some spots, 24 percent interest. It is a shocking thing. There is no chance of homeownership and there is no chance of farm homeownership until the governments of Latin America rise to some of their responsibilities. That means, of course, they will have to be strong enough to withstand the influence of the great powerful families of Latin America. It is true that a large percentage of the wealth of Latin America is owned by such a few. But frequently the few have not demonstrated the great social conscience approach that the Senator from Minnesota has been talking about and that the Senator from Vermont has been talking about.

I wished to make these additional comments on the subject the Senators have discussed this afternoon, because I believe their approach is unanswerably correct, and is one which will have to be made if we are to win the cause of freedom through the Alliance for Progress program in Latin America.

The Senator from Vermont disturbs me very much. I do not know where I have been, but I was not aware that there is a probability that Mr. Labouisse will not continue to be Director of ICA. As a member of the Committee on Foreign Relations—and the Senator from Vermont is a member of that committee also—and I see on the floor the Senator from Wisconsin [Mr. WILEY] who is also a member of the committee—I wish to say that if what the Senator from Vermont has alluded to is correct—and I am sure it is, or it would not come from the lips of the Senator from Vermont, and he must have a good basis for the announcement he made a few moments ago—my recommendation is that the Committee on Foreign Relations had better have a consultation at a very early hour with the State Department on this subject.

The Senator from South Dakota [Mr. CASE] has just handed me a clipping which shows where I have been. I have not been reading the papers on this subject.

Mr. AIKEN. Mr. President, the report is that Mr. Labouisse is to be replaced by Mr. Woods, of the First Boston Corp., who received considerable publicity at the time of the Dixon-Yates involvement with the Federal Government. It is very interesting to note that the newspapers of last week announced that finally the Dixon-Yates matter had been "laid to rest."

Mr. MORSE. What does the Senator mean by "laid to rest"?

Mr. AIKEN. I suggest that the Senator ask the person who wrote the story.

Mr. MORSE. If that is what the report states, then the matter has just been resurrected again. Over the weekend I have been pursuing my agricultural pursuits, and I was unaware of this matter. I shall not comment on it further until I have talked to the State Department about it. Certainly, I urge my colleagues on the Committee on Foreign Relations that we have a consultation in committee in regard to this matter. I agree with the Senator from Vermont that Mr. Labouisse made a very favorable impression on us throughout all of our hearings in connection with the ICA program.

I had a feeling that we could count on Mr. Labouisse to go into those parts of the world where ICA has not been doing too well, where some abuses have developed, where the evidence is quite clear that there is shocking waste, and that we could count on him to take the necessary reform steps to make certain that ICA would carry out its intended purposes to a greater degree than in some instances it has been carrying them out.

Then, too, we were impressed by the sound arguments he made for an extended program, for a time program which would permit him, at least in the hiring of personnel, to commit himself beyond a year, which I thought was so important, and which I think is possible under the provisions of the bill we passed. I felt the case he made for strengthening the personnel of ICA, after he had been given the administrative authority to make appointments and had been

given some assurance of tenure beyond a year, was a very hopeful sign, too.

I was very much disturbed to hear the Senator from Vermont indicate that we might lose the services of this very able Government official, who I think has made a remarkably fine impression in the short time he has been with the administration. I am now doubly disturbed both by the statement of the Senator from Vermont and the statement of the Senator from South Dakota [Mr. CASE], who has handed me a newspaper clipping which I have just scanned. I wish to be very careful to make certain that I have all my facts before I say anything further, so I shall withhold further comment until I have studied the subject.

Mr. AIKEN. I am certain the Senator from Oregon will have something further to say after he finishes his reading on the subject; but I reiterate that it was confidence on the part of the committee members, including myself, that Mr. Labouisse would do his utmost to make certain that the aid money which Congress would provide would reach the people for whom it was intended, that enabled us to pass as good a bill as we did. I have repeatedly said that we should not legislate for the man, but for the program. In spite of that, we did legislate to a considerable extent for Mr. Labouisse, but if he is not to occupy the position, then I feel that my decision to oppose the long-term borrowing authority has been fully justified.

Mr. CASE of South Dakota. Mr. President, will the Senator from Oregon yield?

Mr. MORSE. I yield.

Mr. CASE of South Dakota. I would not expect or ask the senior Senator from Oregon to comment upon the newspaper item to which reference has been made. However, I should like to ask unanimous consent, if I may do so with the Senator's indulgence, that following his remarks the article may be printed in the RECORD, in order that the substance of it may appear in orderly fashion for reference purposes.

Mr. MORSE. I think it should be placed in the RECORD at this point.

Mr. CASE of South Dakota. Very well.

Mr. President, I ask unanimous consent that the article entitled "Naming of Woods May Reopen Scars," written by Marshall McNeil, and published in the Washington Daily News of recent date, may be printed at this point in the RECORD.

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

DIXON-YATES CASE—NAMING OF WOODS MAY REOPEN SCARS

(By Marshall McNeil)

A replay of the old Dixon-Yates conflict-of-interest story is in prospect in the Senate if President Kennedy nominates George David Woods of New York as head of his new Foreign Aid Agency.

Mr. Woods, 60, a Republican, is chairman of the First Boston Corp., one of the country's leading security houses. He is nationally known as an investment expert and internationally known as a banker and conciliator.

In 1953, as head of First Boston, he offered to send into the U.S. Budget Bureau his vice president, Adolphe Wenzell. Joseph Dodge, then Budget Director, wanted advice from a banker and utility expert about proposed expansion of the Tennessee Valley Authority. He hired Mr. Woods' nominee.

Mr. Wenzell's two-hat operation—one for his company, the other for the Government—led to a Senate investigation and charges of conflict of interest.

These charges were upheld last January by the U.S. Supreme Court. It struck down a Court of Claims award of about $1.8 million Dixon-Yates claimed when their power contract with the U.S. Atomic Energy Commission was canceled. AEC had contracted to have Dixon-Yates build a $100 million generating plant near Memphis. First Boston was to help in financing the project, without fee, Mr. Woods said.

The New York financial district, it has since been reported, believes the Dixon-Yates affair left its stamp on the "thoughtful side" of Mr. Woods.

NO CONFIRMATION

Although it has been widely reported that Mr. Woods has been chosen as Administrator for the new Agency for International Development (AID), there was no confirmation of this at the White House.

Chairman J. W. FULBRIGHT, of the Senate Foreign Relations Committee, said he heard Mr. Woods was one of several men being considered. Pierre Salinger, the President's press secretary, has said only that "nothing has been determined" about the AID directorship.

Mr. CASE of South Dakota. Mr. President, I share the views of the Senator from Oregon and the Senator from Vermont with respect to the hard work of Mr. Labouisse. He has tried to do a good job, and he has done so to the extent of his ability and under the restrictions which he encountered in the course of his work.

I am somewhat disturbed by the suggestion that he may be replaced—or perhaps I had better put it the other way around: that the director of the new organization, to be known as AID, should be someone else. I do not know why that should be; I am not in the counsels of the administration. I saw some reference to this proposal in a newspaper article a couple of days ago; but when I saw it today, and in the absence of any definitive comment from the White House on the subject, naturally I have some question in my mind as do other Senators. So I thought the item should be brought into the open and the actual newspaper article be printed in the RECORD.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House insisted upon its amendment to the bill (S. 902) to amend the Small Business Investment Act of 1958, and for other purposes; disagreed to by the Senate; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. SPENCE, Mr. PATMAN, Mr. RAINS, Mr. MULTER, Mr. MCDONOUGH, Mr. WIDNALL, and Mr. DERWINSKI were appointed managers on the part of the House at the conference.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1653) to amend title 18, United States Code, to prohibit travel or transportation in commerce in aid of racketeering enterprises.

The message further announced that the House insisted upon its amendments to the bill (S. 2237) to permit the entry of certain eligible alien orphans, disagreed to by the Senate; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. WALTER, Mr. FEIGHAN, Mr. CHELF, Mr. POFF, and Mr. MOORE were appointed managers on the part of the House at the conference.

The message also announced that the House had disagreed to the amendments of the Senate to the bill (H.R. 8762) to amend the Small Business Act to increase the amount available for regular business loans thereunder; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. SPENCE, Mr. PATMAN, Mr. RAINS, Mr. MULTER, Mr. MCDONOUGH, Mr. WIDNALL, and Mr. DERWINSKI were appointed managers on the part of the House at the conference.

The message further announced that the House had agreed to the amendment of the Senate to the bill (H.R. 2883) to amend title 28, entitled "Judiciary and Judicial Procedure," of the United States Code to provide for the defense of suits against Federal employees arising out of their operation of motor vehicles in the scope of their employment, and for other purposes.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

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

S. 48. An act to authorize the Secretary of the Army to modify certain leases entered into for the provisions of recreation facilities in reservoir areas;

S. 203. An act to declare that the United States holds trust for the pueblos of Santa Ana, Zia, Jemez, San Felipe, Santo Domingo, Cochiti, Isleta, and San Ildefonso certain public lands;

S. 322. An act to make certain funds available to the Nez Perce Tribe of Idaho;

S. 344. An act to amend the Seneca Leasing Act of August 14, 1950 (64 Stat. 442);

S. 541. An act to amend the act of June 1, 1948 (62 Stat. 281), to empower the Administrator of General Services to appoint nonuniformed special policemen;

S. 685. An act to amend the Coast and Geodetic Survey Commissioned Officers Act of 1948, as amended, and for other purposes;

S. 931. An act to repeal that part of the act of March 2, 1889, which requires that grantors furnish, free of all expenses to the Government, all requisite abstracts, official certifications and evidence of title;

S. 935. An act for the relief of certain members of the Army National Guard of the United States and the Air National Guard of the United States;

S. 1368. An act to amend the Shipping Act, 1916, to provide for licensing independent

ocean freight forwarders, and for other purposes;

S. 1501. An act to authorize the Secretary of the Interior to contract for the sale, operation, maintenance, repair, or relocation of Government-owned electric and telephone lines and other utility facilities used for the administration of the Bureau of Indian Affairs;

S. 1518. An act providing for the disposition of judgment funds of the Omaha Tribe of Indians;

S. 2016. An act to give to the Walker River Paiute Tribe the reserved minerals underlying its reservation;

S. 2216. An act to authorize the transfer of three units of the Fort Belknap Indian irrigation project to the landowners within the project;

S. 2224. An act to grant minerals, including oil, gas, and other natural deposits, on certain lands in the Northern Cheyenne Indian Reservation, Mont., to certain Indians, and for other purposes;

S. 2395. An act to amend the Railroad Retirement Act of 1937 to provide reduced annuities to male employees who have attained age 62, and for other purposes;

S. 2422. An act concerning the White House and providing for the care and preservation of its historic and artistic contents;

H.R. 2021. An act to extend for 2 years the definition of "peanuts" which is now in effect under the Agricultural Adjustment Act of 1938;

H.R. 2877. An act to authorize the Director, Office of Civil and Defense Mobilization, to approve a financial contribution for civil defense purposes to the State of Oklahoma;

H.R. 6302. An act to establish a teaching hospital for Howard University, to transfer Freedmen's Hospital to the university, and for other purposes;

H.R. 6309. An act to amend title VI of the Merchant Marine Act, 1936, as amended, in order to increase certain limitations in payments on account of operating-differential subsidy under such title;

H.R. 6732. An act to amend the Merchant Marine Act, 1936, as amended, to encourage the construction and maintenance of American-flag vessels built in American shipyards;

H.R. 6969. An act to amend title 38, United States Code, to increase dependency and indemnity compensation in certain cases;

H.R. 6974. An act to amend section 607(b) of the Merchant Marine Act, 1936, as amended;

H.R. 7043. An act to extend to employees subject to the Classification Act of 1949 the benefits of salary increases in connection with the protection of basic compensation rates from the effects of downgrading actions, to provide salary protection for postal field service employees in certain cases of reduction in salary standing, and for other purposes;

H.R. 7622. An act to repeal sections 1176 and 1177 of the Revised Statutes of the United States relating to the District of Columbia;

H.R. 8406. An act to further amend Reorganization Plan No. 1 of 1958, as amended, in order to change the name of the office established under such plan, and for other purposes;

H.R. 8466. An act to authorize the construction of a railroad siding in the vicinity of Taylor Street NE., District of Columbia;

H.R. 8719. An act to amend the act of July 23, 1947, chapter 301, as amended, to extend for 2 years the authority to make temporary appointments and promotions in the U.S. Coast Guard; and

S.J. Res. 98. Joint resolution to provide for the observance of the centennial of the enactment of the Homestead Act.

AID TO SCHOOLS IN FEDERALLY IMPACTED AREAS

The Senate resumed the consideration of the bill (S. 2393) to extend for 1 year the temporary provisions of Public Laws 815 and 874 relating to Federal assistance in the construction and operation of schools in federally impacted areas and to provide for the application of such laws to American Samoa.

Mr. MORSE. Mr. President, we are about to open the debate on proposed legislation for impacted areas, together with, possibly, the proposed amendments to the National Defense Act, proposed amendments adding to S. 2393, the school construction bill, and possibly amendments covering the many other issues involved with the education problem which confronts us.

The schoolrooms of America are overcrowded—except for this Senate schoolroom. I do not propose to be the leader of this schoolroom, but I have entered into an agreement that when we begin the discussion of this subject matter, there would be a quorum call. I suspect that in all probability, most of the debate today will be for the record; but it is a record which needs to be made. I should like to have as many Senators participate in the making of the record on this legislation as care to do so. I think they will discover that there is much interest in the subject back home.

Mr. President, I ask unanimous consent that there may be a quorum call, with the understanding that after the quorum call I will have the right to the floor to begin the debate on the impacted areas bill.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. MORSE. Mr. President, in opening the debate on S. 2393, I may say that I do not intend to speak at great length, although at the outset I announce that I do not expect that the Senate will vote today. The reason I do not expect the Senate to vote today is that several members of the subcommittee of which I am chairman could not possibly be here today, and they will have very important contributions to make to the debate.

I think it is also very clear that undoubtedly several amendments which deserve thorough consideration will be offered. I hope it will be possible to vote on the bill tomorrow, but I have notified the leaders that I think the prospects of voting today, if the Senate is to be in session a reasonable length of time, are poor, for probably we shall take most of the afternoon in making the record on the issues involved.

Furthermore, I believe it desirable that some of the material which will be offered this afternoon during the debate be available in printed form, so that Senators can study it before they make up their minds as to how they will vote. I suspect, however, that in many cases Senators have already made up their minds. On the other hand, there is always the possibility and the hope that at least some minds will be made up on the basis of the facts and the evidence presented during the debate. At any rate, certainly, those of us who are in charge of this measure have the duty of making pertinent information available to Senators during the course of the debate. I shall now proceed to do my part in that connection.

Senators will recall that during the floor debate on S. 1021, the general Federal aid to education bill, which passed the Senate on May 25 of this year, the impacted area programs were discussed many times in connection with title II of S. 1021 which was concerned with an extension of Public Laws 815 and 874.

In order that we may refresh our recollection of the provisions of these statutes and in order to gain an understanding of the accomplishments of these programs, since their enactment in September of 1950, I ask unanimous consent that an article entitled "Two Billion Dollars in a Decade: Public Laws 814 and 874," which appeared in the April 1961 issue of School Life, to be printed in the RECORD at this point in my remarks.

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

TWO BILLION DOLLARS IN A DECADE: PUBLIC LAWS 815 AND 874

If any law is passed by the Congress this year to authorize Federal aid for building and operating public elementary and secondary schools, it will not be the first. For 10 years now, plus some months, two laws have been in operation which together have provided nearly $2 billion to individual school districts. About half of this money has been appropriated for constructing buildings; the rest, for meeting current operating expenses, which includes teachers' salaries.

These two laws were enacted a week apart, in September 1950, by the 81st Congress. They have always been known by only their numbers—Public Law 815 and Public Law 874—for they have not had the advantage of a definitive name like the one the 85th Congress gave 8 years later to Public Law 864—"The National Defense Education Act of 1958." In the Office of Education, however, which administers the funds for 815 and 874, they have gone by the name of SAFA, an acronym formed from key words in this identifying phrase, "School Assistance to Local Educational Agencies in Federally Affected Areas."

The words "in federally affected areas" define the limits of these two laws: both laws authorize payments to local school districts principally on one basis only—that within the State or near the district there is Federal property on which school children live or their parents work. Any school district applying for assistance under either law must identify this property and also must show that the existence of this property has put a certain amount of strain on the local schools, either because it has cut substantially into the total tax "take" or because it is responsible, to a degree, for the presence of a substantial number of school-age children. The laws also authorize payments to the Federal Government itself, to help it build and operate schools on Federal property, such as military bases, forts, and airfields, wherever

State or local educational agencies are unable to do so.

The full history of SAFA is being written in the reports which the U.S. Commissioner of Education makes each year to the Congress. These reports include the name of every local educational agency receiving funds under each of the two laws.

The 10th annual report, sent to the Congress in January of this year, not only covers the 10th year in detail but gives a summary of the entire decade. Like the earlier reports, it has been published for public distribution; it is for sale by the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C., for $1.

PUBLIC LAW 815

In the first 10 years of Public Law 815 the Congress has appropriated $962.6 million for assisting in the construction of minimum school facilities for federally connected children. (The term "minimum facilities" has been interpreted to mean instructional and auxiliary rooms together with initial equipment, but not single-purpose auditoriums and gymnasiums or built-in spectator space.) Most of this money has been reserved for local school districts which have been eligible to receive aid on one or both of these grounds: (1) They have substantial increases in school membership as a result of Federal activities; (2) they have a substantial number of pupils who reside on tax-exempt Federal properties (principally Indian reservations).

The greatest activity under Public Law 815 took place in the first half of the decade, when an exceptional effort was needed to meet the backlog of schoolhousing needs that had accumulated during World War II. School districts applying for assistance in the first years of the program were permitted to go as far back as 1939 to count their increased enrollments of federally connected children.

The first 2 years of the program brought out such overwhelming evidence of need that in 1953 the Congress appropriated $195 million, the largest amount it has provided in any one year. In the second half of the decade, with much of the backlog met, funds have been provided in decreasing amounts. All together, the first 10 years under the act have seen $948.5 million reserved for 4,733 construction projects (out of 8,290 filed), to provide an estimated 50,511 classrooms for 1,468,139 children.

By the end of this fiscal year the current program for constructing military family housing on Federal property will be virtually completed; and it is reasonable to expect that, if no marked changes are forthcoming in the nature and location of Federal activities, the need for assistance for school construction in federally affected areas soon will level off.

Public Law 815: Federal funds appropriated for assisting local educational agencies of the Federal Government to construct facilities for public elementary and secondary schools, 1951–60

[In millions of dollars]

1951	96.5
1952	50.0
1953	195.0
1954	125.0
1955	118.5
1956	33.9
1957	108.5
1958	98.7
1959	75.4
1960	61.1

PUBLIC LAW 874

Last year—fiscal year 1960—3,963 local educational agencies in the 50 States, Guam, and the Virgin Islands applied for Federal funds under Public Law 874 to help them defray current expenditures for their schools. All but 142 were found eligible. The total amount to which they were entitled—$177.6 million—was based on their having more than 1½ million federally connected children—15 percent of their total average daily attendance. But federally connected children were not the only beneficiaries: the recipient districts put the funds under Public Law 874 with their other funds for current expenditures and thereby passed the Federal aid along to all 10 million of their pupils. In other words, one out of every three children in the Nation's public elementary and secondary schools benefited. Ten years earlier, in 1951, only 2.9 million pupils benefited—1 out of every 8.

Still other comparisons of 1960 figures with those of a decade earlier indicate how much the program under Public Law 874 has grown in its first decade. Since 1951 the number of districts eligible for payments has more than trebled, the number of federally connected pupils has almost trebled, and net entitlements under the act have increased nearly six times:

	1950–51	1959–60
Number of eligible districts	1,172	3,821
Number of federally connected pupils	512,050	1,502,432
Net entitlements of eligible schools	$29,700,000	$177,600,000

There are several reasons for these increases. Federal activities have multiplied. Liberalizing amendments have extended the coverage of the law and increased its benefits: The definition of "federally connected children" has been broadened to include, for instance, Indian children under one subsection of the act and, under another, children of parents in the Armed Forces; the definition of "Federal property" also has been made more generous; and the average rate of payment per pupil has been raised. Both school population and school expenditures have increased, and local and State school officials have become better informed about the provisions of the law and more interested in taking advantage of the aid they offered.

These increases notwithstanding, the program has had its stable side. Federal payments under the act have remained at a fairly constant ratio to the total operating expenses of the eligible districts: the average has been 4.94 percent, ranging between a low of 4.52 percent in 1958 and a high of 5.69 percent in 1951. The number of federally connected children in average daily attendance in the eligible districts, though now three times as large as at the beginning, has deviated but little from its original relation to the total number of children in those districts: it began at 17.23 percent, rose slightly in the next 2 years, and then dropped slightly, to remain just under 15 percent from 1955 on. What is more, payments under the various sections of the act have stayed in approximately the same relation to each other.

Public Law 874: Federal funds appropriated for assisting local educational agencies with the cost of maintaining and operating public elementary and secondary schools, 1951–60

[In millions of dollars]

1951	28.7
1952	51.6
1953	60.5
1954	72.4
1955	75.0
1956	90.0
1957	113.1
1958	127.0
1959	157.4
1960	186.3

Federal funds for local educational agencies under Public Laws 815 and 874: Totals for 1st 10 years, by States, 1951–60

State	Public Law 815: Funds reserved as of Sept. 30, 1960	Public Law 874: Net entitlements as of June 30, 1960
Alabama	$19,077,167	$18,368,154
Alaska	10,611,181	25,982,027
Arizona	23,888,209	14,668,878
Arkansas	14,054,240	7,633,149
California	143,027,583	164,610,645
Colorado	17,931,309	23,891,291
Connecticut	9,432,544	11,318,452
Delaware	305,320	779,856
Florida	23,186,582	22,571,857
Georgia	31,359,393	28,668,706
Hawaii	19,077,216	16,051,371
Idaho	6,247,060	5,794,648
Illinois	13,735,016	18,754,274
Indiana	9,034,010	7,078,656
Iowa	2,260,884	2,928,632
Kansas	14,259,633	29,443,201
Kentucky	6,098,642	8,428,710
Louisiana	6,932,869	5,062,184
Maine	3,039,164	6,833,608
Maryland	48,492,577	33,601,986
Massachusetts	3,479,947	18,316,668
Michigan	41,247,513	8,436,049
Minnesota	3,786,956	1,446,296
Mississippi	7,147,969	6,481,167
Missouri	14,431,163	10,980,707
Montana	7,491,961	4,717,822
Nebraska	5,701,444	9,289,215
Nevada	6,063,269	6,208,623
New Hampshire	825,087	4,573,010
New Jersey	9,367,415	14,485,022
New Mexico	35,040,189	17,132,374
New York	15,297,390	20,504,971
North Carolina	10,284,184	8,358,524
North Dakota	3,084,578	1,820,001
Ohio	23,022,662	27,608,437
Oklahoma	26,474,634	34,865,884
Oregon	4,047,153	5,320,130
Pennsylvania	4,505,987	16,954,525
Rhode Island	3,445,405	8,376,848
South Carolina	15,731,420	13,881,606
South Dakota	4,739,660	8,355,899
Tennessee	8,896,581	9,574,231
Texas	53,468,931	61,739,817
Utah	9,163,724	9,222,611
Vermont	185,110	490,773
Virginia	61,189,564	69,658,368
Washington	38,898,570	40,678,127
West Virginia	168,148	768,292
Wisconsin	1,380,077	3,076,457
Wyoming	1,864,238	2,685,686
Guam	2,818,373	2,044,544
Puerto Rico	89,674	
Virgin Islands		120,651
Federal agencies	[1] 103,082,116	[2] 44,607,872
Total	948,471,691	945,251,312

[1] Funds reserved for certain Federal installations for constructing school facilities on Federal property.

[2] Funds transferred directly to certain Federal agencies for maintaining and operating schools for children living on Federal property if no local agency is able to do so.

Size of school districts eligible for assistance under Public Law 874

School districts receiving assistance under Public Law 874 (for defraying their current expenditures) come in all sizes but most of them are large, according to an analysis the Office of Education has made of eligible applicant districts in the school year 1959–60:

Size of district, by enrollment	Total districts in United States (number) [1]	Districts eligible under Public Law 874	
		Number	Percent of total
25,000 and over	123	58	47.2
12,000 to 24,999	230	101	43.9
6,000 to 11,999	629	244	38.8
3,000 to 5,999	1,409	419	29.7
1,200 to 2,999	3,147	827	26.3
600 to 1,199	3,170	661	20.9
300 to 599	3,635	653	18.0
150 to 299	3,436	456	13.3
50 to 149	4,791	313	6.5
1 to 49	14,842	89	.6
Nonoperating	7,017		
Total	42,429	3,821	9.0

[1] From Bureau of the Census, "Public School Systems, 1960."

Mr. MORSE. Mr. President, the Committee on Labor and Public Welfare ordered reported S. 2393, which is a simple 1-year extension of the existing law—Public Laws 815 and 874—after having defeated in committee an amendment to extend the life of the legislation for 3 years.

The 1-year extension is proposed—and I wish to be perfectly frank about this—in order to continue to provide temporary financial assistance to federally impacted school districts and in order to prevent possible severe economic dislocation to those school districts heavily impacted with a high proportion of federally connected children until sound public school general aid legislation is passed by the Congress.

The will of the Senate has been ascertained by the votes on S. 1021; it is that a majority of the Senate favors both general Federal aid to education and specific special assistance for a limited time to enable continued legislative supervision of federally impacted areas aid.

S. 2393 is a straightforward bill to reemphasize the desire upon the part of the Senate that until a general aid bill encompassing impacted area aid is adopted, no school district presently assisted shall suffer.

As I have indicated, more than a 1-year extension at this time of Public Laws 815 and 874 could involve the Senate in a legislative ambiguity which would be most unfortunate.

The draft legislation submitted by the administration contained recommendations for a cutback in these programs. Evidence to support this position was presented to the committee. After careful consideration, both in colloquy during the hearings and in executive session of the Education Subcommittee in the first instance, and in full committee at a later date, the conclusion was reached that the cutback proposals were not fully justified on the basis of the evidence provided.

It was for that reason—and it is set forth in the committee report—that title II of S. 1021 contained a provision, section 204, for a full report, from the Commissioner of Education, for transmission to the Congress, upon the operations of these two impacted area laws, which would also take into account the effect of the money provided under title I, the salaries, construction and operation and maintenance portion of the bill.

I ask unanimous consent that section 204 of Senate bill 1021 and also the committee's comment in its report be printed at this point in the RECORD.

There being no objection, the excerpt from the report (No. 743) was ordered to be printed in the RECORD, as follows:

Section 204 of S. 1021 reads as follows:

"The Commissioner shall submit to the Secretary of Health, Education, and Welfare for transmission to the Congress on or before January 1, 1963, a full report of the operation of Public Laws 815 and 874, as extended by this Act, including an analysis of the relation between Federal payments under these laws and Federal payments under title I of this Act, and his recommendations as to what the future relation between these laws and that title should be if they are further extended."

It is the view of the majority of the committee that a 1-year extension of the impacted areas legislation is warranted upon the basis of the justification presented in the following sections of the report. It is further the considered judgment of the majority of the committee that only a 1-year extension of the programs, at this time, is advisable. This position is based upon the belief that the special needs of the impacted areas should be related to the provisions of a general Federal-aid-to-education measure, designed as was title I of S. 1021 to provide broad-purpose financial assistance to school districts through the education agencies of the 50 States. It was for this purpose that section 204 of S. 1021 was drafted. Since it is the belief of a majority of the committee that, within the life span of the 87th Congress, S. 1021, or a similar measure, will be enacted into law, an extension of the impacted areas legislation for longer than a 1-year period is not warranted.

Mr. MORSE. Mr. President, if the Senate were now to adopt more than a 1-year extension of the impacted area laws, it would be reversing itself, in effect, with respect to this important aspect of sound congressional control over the operations of the agency which administers these programs. It would be putting off for a 3- to 4-year period the needed detailed review of the operations under this legislation.

Mr. President, to document this point, I refer now to a report which was received from the Comptroller General under date of June 12, 1961. I note in passing, Mr. President, that this information was received by the committee subsequent to the passage on May 25 of S. 1021, title II, of which extended Public Laws 815 and 874 for a 3-year period, but which most significantly contained provisions requiring that a full report be submitted to the Congress within an 18-month period.

In fact, Mr. President, I think I should point out that during the early days of the consideration of Senate bill 1021, the members of the Education Subcommittee, with the distinguished Senator now presiding over the Senate [Mr. RANDOLPH] participating, joined in a series of conferences with the Department of Health, Education, and Welfare. Sometimes the conference included representatives of the Bureau of the Budget, and sometimes it included representatives of the White House.

I believe it is well known in the Senate, that during those weeks of discussion on Federal aid to education legislation, and prior to the committee's taking its official position on the measure it recommended to the Senate, by an overwhelming majority vote of the committee, spokesmen for the committee had held conferences with top Government officials, including those in the White House itself.

We are talking about a subject matter this afternoon to which there has been given a great deal of thought and study, and about which there have been many, many conferences. Yet, and let us face up to it, we are now confronted with a drive—a pressure drive—that is being put on to extend impacted areas legislation beyond the provisions of S. 2393. There is even some pressure to extend Federal aid beyond the time provided in S. 1021, which the Senate has already voted for, again with a substantial majority.

Mr. President, the reason why we so strongly recommended, the addition of section 204 to S. 1021, I want to make clear early in the debate this afternoon, was that, in many instances, the administration can make a case against a continuation of Federal aid to the so-called federally impacted school districts, on the ground that there is no justifiable proof of continuing need for some of the school districts.

It is not fair, it is not equitable and just, to continue without adequate justification a Federal aid program. Impacted area aid was granted in the first instance on the basis of the allegation that the Federal Government itself was responsible for greatly increasing the school population of a school district by establishing a Federal installation in the area. This resulted in bringing into that area many workers and personnel with children. Property was taken off the tax rolls because the property became, in some instances, Federal property and therefore not subject to local taxes.

There are still thousands of school districts which, in my judgment, are entitled to such aid. The difficulty is, in a situation such as this, that there is a tendency to blanket them all together. Of course, sometimes too there is a tendency to do a little back scratching in getting funds. Those with weak cases in some school districts are all the more anxious, I am sorry to say—but it has been my experience, at least—to join in to support a movement to get Public Laws 815 and 874 extended for as many years as possible, so there will be less probability of the Congress reversing itself when a report is made similar to the one in S. 1021 which was to be made at the end of 18 months.

It is pretty well known in the Senate that I led the fight against my own administration in the early days of the session in respect to its recommendations concerning a tapering off of the programs involving Public Laws 815 and 874. I thought to curtail programs without notice was a mistake. The administration had failed to produce before my subcommittee evidence which, in my judgment, justified as drastic a curtailment of the program as the administration was recommending. I took the position that we ought to extend the program for the time being, until we could get the facts. That is why there was included an amendment adopted in the subcommittee, which the full committee accepted, which provided for the 18-month study and the submission of an official report at that time.

I wish to say, to the everlasting credit of the administration and to the great leadership that the Secretary of Health, Education and Welfare, Mr. Ribicoff, has extended to this administration throughout this year, in connection with the troublesome education bills, once we presented our case to the administration, it accepted our recommendation.

We are beyond that point this afternoon. Today there is a great drive from back home in many States, upon many Senators, to try to get the law extended far beyond 1 year; and to bring in as amendments to the National Defense Education Act language which would extend it far beyond a year.

Very early in this debate I wish to say I think that to do so is a mistake. I think it is just as great a mistake for us to seek to extend these NDEA programs far beyond a year as I thought it was a mistake last January or February when the administration wanted to make a blanket, across the board tapering off of aid to impacted areas.

I believe that the February and March position of the administration may have scared some Senators and Members of the House. They perhaps became frightened because they thought they saw some handwriting on the wall. They may have thought the action of the administration might lead to the withdrawal of aid to some school districts in which such a withdrawal of aid would not be justified. That is understandable.

All I can say to such Senators, on behalf of my committee—and I think I can speak for the full committee—is that they do not have to worry about what the Subcommittee on Education would do in such circumstances. The committee has no intention of supporting any proposal which would take aid away from school districts that can justify the aid. But I do not think it is fair to our committee, for the Senate to act, in the manner suggested by Senators who want to get this matter, as is said in the cloakroom, "bottled up once and for all," or, as some have said, "buttoned up." Those are Senators who want to get just as much as they can get now so the bill will be behind us. This would postpone our taking a look at it until after 1963 or 1964. These are interesting dates. They are after 1962.

I want to be frank with my colleagues. I think we ought to get the facts before the election of 1962. I think the American people always ought to be in a position to pass judgment on the facts.

Therefore, I am opposed to an extension of more than 1 year, because a 1-year extension will give us a chance to get the facts. It will also give the American people a chance to pass judgment on the matter.

I have already referred to the Comptroller General's report. I want, in support of what I have said, to state that in some instances his findings make it very doubtful as to whether impacted area aid in some locations can be justified.

On page 22 of the report the Comptroller General's report states:

HOW ONE SCHOOL DISTRICT ESTABLISHED FEDERAL CONNECTIONS

The school district involved in our field inspection was located in a suburban area of a large western city. The community was primarily residential in character with very little industry. School officials advised us that the residents enjoyed better than average incomes; information from the local chamber of commerce showed average income of $7,000 a year and a large number of professional people. This school district applied for a grant and predicted in November 1956 what the increase in federally connected pupils would be by 1958, but for various reasons the increase eventually used was not established until April 1958 and was then based on actual enrollment. The increase so established was used to determine the grant of $970,987.50 to the school district, which consisted of $616.50 for each of the 1,575 additional pupils alleged to have a Federal connection.

We reviewed the procedure used by the school district to establish the increase in the number of children claimed to have Federal connections. The net increase was the difference between the number of pupils with alleged Federal connections in average daily membership for the base year 1955–56 and the number of children claimed to have a Federal connection and who were in actual school membership as of April 1958. The questioning conducted by the school district started by asking the parents of all children in their schools to supply the school district with the names and addresses of their employers. After receipt of the names of employers, a "Survey of Firms Engaged in Government Defense Contracts" form, consisting of the following five questions, was mailed to all the employers of the parents:

1. Do you have a direct contract with the Federal Government? ------ (Yes or No.)
2. Do you have a contract with a firm which has direct contracts with the Federal Government? ------ (Yes or No.)
3. List materials produced or services rendered which would qualify your firm as a defense plant, if this is permissible: ------
4. Did you have a direct contract with the Federal Government in May 1956? ------ (Yes or No.)
5. Did you have a subcontract in May 1956 with a firm which had direct contracts with the Federal Government? ------ (Yes or No.)

In the replies to these questionnaires, many of the employers answered "Yes" on one or all of questions 1, 2, 4, and 5. Some of the employers stated on the questionnaire that they answered "Yes" because they sold such things as stationery, welding service, sand and gravel, and insurance directly to some Federal bureau or to some other company that sold something to some Federal bureau. In some instances local employers notified the school district that all of their Federal contracting was handled by their home offices located in other parts of the United States. In that event, the school district then requested the information from the out-of-town office. Still other local employers forwarded the questionnaires to their home offices for direct reply to the school district.

After the completed questionnaires were received from the employers, the school district learned that SAFA wanted contract or subcontract numbers as additional evidence of Federal connection. For the most part, this additional information was obtained from the employers by telephone.

We inspected 139 of the replies submitted by the 458 contractors or employers determined by the school district and the field representative of SAFA to be carrying on Federal activities. Despite the fact that contract numbers were supplied in most instances, the basis accepted by SAFA as establishing a Federal connection in our opinion was insufficient, especially when considered in the light of the contemplation in law that the contended increase in school membership must be shown to have resulted from activities of the United States. Of the replies reviewed, we refer to 26 because of the nature of comments offered by the employers in replying to the school officials.

One of the employers indicated that he did not qualify as a defense plant and that his main office several miles away provided office supplies to all Government agencies. There were several other replies of a similar nature. A reply was received from a company supplying water and power services to the school district area and environs. The company explained that, under Federal contract, it shared in the operation of a Government-owned powerplant several hundred miles away from the school district. None of the parents of children in the school district worked at the powerplant. Nevertheless the school district claimed Federal connection for 41 children and thereby received assistance of $25,277 because in addition to helping operate the powerplant the company had service activities in the neighborhood of the applicant school district.

Mr. President, I shall give a few more examples, but I pause to discuss this one a bit.

This school district seems to be getting $25,277 which it does not deserve. If so, that is a shakedown of the taxpayers of the United States.

I wish Senators would read the Comptroller General's report before they vote on the bill. The Comptroller General points out in his report ample evidence in support of the section of S. 1021 calling for a thorough examination and review of Public Laws 815 and 874.

Oh, I know there are many local interests which do not wish to have a review. There are many local school districts which would wish to continue receiving a handout that they do not now deserve. How many of those districts are there? I do not know. I hope it is not many. The Comptroller General fears that it is a substantial number.

Mr. President, there is no doubt in the mind of the senior Senator from Oregon that Public Laws 815 and 874 may have become honeycombed with many abuses. I fear that many school districts may be getting money from the Federal Government under the pretext that they are federally impacted, when in fact they are not federally impacted or when in fact they are not federally impacted to the degree claimed. If so, such districts are putting their hands into the till of the Federal Treasury and getting hundreds of thousands of dollars which do not belong to them.

For what are we asking? We are asking to continue the program for 1 year so that we can get the facts, so that a review can be made. What is wrong with that?

It is too bad that it is necessary to extend the law at all with respect to any school district which is "shaking down" the Federal Government. It will not be easy to ferret out those districts in the course of this debate.

I wish to make perfectly clear, Mr. President, while the Senator from Michigan [Mr. MCNAMARA], the Senator from West Virginia [Mr. RANDOLPH], and the Senator from Montana [Mr. METCALF] are on the floor, that, as they know, I fought against any tapering off of the program until we could get the facts.

I said to the administration:

You have not given us enough facts to justify the blanket tapering off of the program which you propose.

I think we have worked out a fair compromise, if we wish to call it that; a legislative procedural compromise for solving the problem.

I wish to make it perfectly clear for the benefit of any Senator who has any doubt that I am satisfied that in a substantial majority of the cases the school districts are entitled to what they are getting under the terms and the original intent of Public Laws 815 and 874. Such districts are heavily federally impacted areas. Many others, in my judgment, do not qualify under the original intent and purpose, and I do not think we ought to freeze such districts into the program for 2 or 3 years, or, as I understand some will propose by an amendment, 4 years.

We shall not hurt a single school district by extending the law for 1 year.

We would not hurt a single schoolchild by extending the law for 1 year. But in my judgment we would do great damage to the taxpayers of this country in many instances if we were to extend it beyond 1 year. We know that the Senate desires a thorough study. We know that both the Department of Health, Education, and Welfare and the Comptroller General's office will give this question further study. If S. 1021 is enacted they will give us the facts and the evidence that we have called for in support of the contentions. The Comptroller General has already given us some.

I wish the Senate to consider another example. In the appendix to the Comptroller General's report, he has said:

> A municipal flood control district replied that it had no direct contracts with the Federal Government but since 1936 had provided the funds for all rights-of-way and for bridge and highway construction required by the projects constructed by the Corps of Engineers. On the basis of this connection, the school district claimed an increase of 22 children and thereby received $13,563 for school construction assistance.
>
> The school district claimed 25 children as being federally connected, and thereby received assistance of $15,412, because a sand and gravel company occasionally sold rock, sand, etc., to the contractors performing construction or road work for the Federal Government.

We ought to be honest with the taxpayers on this subject. When Public Laws 815 and 874 were passed, it was never contemplated that a school district would receive $15,412 because in a district there is a sand and gravel company which would sell sand and gravel occasionally for the purpose of some Federal construction—for use on a road, a reservoir, or whatnot—not located in the school district.

Yet, that is what the Comptroller General is telling us. But can Senators imagine what that particular school district is saying to its U.S. Senators these days? There is not a Senator present in the Chamber or absent from the Chamber who cannot show piles of telegrams on this subject. Perhaps the old human frailty of downright selfishness is taking over in many of the school districts of this country. They are proceeding to seek funds on one alibi or another. The attitude is, "Everybody else is getting it. Let us get ours." That is an attitude which we see between the lines of many of the telegrams that we receive.

Before I am through I expect to put into the RECORD the information about which I am about to speak. As a Senator from a State which has many federally impacted school districts, or at least, many school districts which receive federally impacted area money, I hope an investigation would show that they have it coming. But there is no reason why the school districts in my State should not be investigated by the Department of Health, Education, and Welfare and by the Comptroller General to find out whether or not they are entitled to the money, in keeping with the purpose and the intent of the bill when it was first passed. They will not like it if they lose the money and they will not hold any testimonial banquet for their Senator in that school district if they lose the money. But I say to every school district in my State, "If you do not have it coming on the basis of the law, I shall do everything I can to see to it that you do not get it, because I sit here representing, in the first instance, not the people of Oregon, but the people of the United States, elected by the people of Oregon."

I did not teach constitutional history for years to walk out on it because I walked into the Senate.

That is the obligation of a U.S. Senator. I do not want any school district in my State to get money under Public Laws 815 or 874 if the Comptroller General or the Department of Health, Education, and Welfare can show it is not entitled to it. Yet I have been very much surprised at some of the cloakroom argument I have heard in support of an extension of the laws beyond 1 year. Such arguments do not recommend themselves to me. For example, one of the fallacious bromides that under the foreign aid program there is a great deal of waste, and therefore we should countenance a great deal of waste under Public Laws 815 and 874. That is an argument made in all earnestness and seriousness. It is a lot of rot. What every Senator ought to do is to give us help to eliminate the waste from the foreign aid program and also the waste under Public Laws 815 and 874, or any other law that is being administered by this Government.

The argument that because there is waste elsewhere, therefore we ought to put on blinders to overlook what the Comptroller General tell us in the report is the worst basis which could possibly be adopted for the passage of legislation in the Senate.

Let us consider another example. I wish to buttress my argument as to our need to obtain the facts before we extend the law beyond a year.

The report of the Comptroller General continued:

> Following are comments of the school district and of certain companies with contracts or subcontracts for Federal activities which companies were included in the claim by the school district for assistance in school construction without conclusive evidence that the increased school membership was a result of such Federal activities. The comments were taken from the original forms submitted by the employers, which were on file in the school district, and were paraphrased by the General Accounting Office.

Then follows a table, which I ask unanimous consent to have printed at this point in my remarks.

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

How one school district established Federal connections

Type of material and service and remarks by companies and school district	Number of children claimed to be federally connected		Amount of grant
	1956	1958	
Stamps and supplies	0	2	$1,233
By company: Our firm would not qualify as a defense plant. Ours is primarily a service company to defense plants and the Government, both Federal and local. (See note 1 for General Accounting Office comment.)			
Adhesive labels	11	16	3,082
By company: No defense plant. We manufacture pressure-sensitive labels (removable and nonremovable).			
Dairy products	0	7	4,316
By company: Dairy products, ice cream. By school district: Military subsistence.			
Aircraft bolts	0	2	1,233
By company: Manufacture aircraft bolts. (See note 1 for General Accounting Office comment.)			
Multigraph supplies	0	2	1,233
By company: Currently have contracts covering goods of our regular manufacture so we do not come under the heading of defense plant.			
Office machines	0	1	616
By company: Ballistic missile guidance systems, air defense data processing machines. By school district: Write letter to ..... for contract number.			

How one school district established Federal connections—Continued

Type of material and service and remarks by companies and school district	Number of children claimed to be federally connected		Amount of grant
	1956	1958	
Smelting By company: Lead and zinc mining and smelting. By school district: What do they do? Write to above address for contract number. (See note 1 for General Accounting Office comment.)	0	1	$616
Metals By company: Aluminum sheet, plate, wire, rod, bar, etc. Our company handles all orders from Government sources through our sales office.	5	11	3,699
Containers By company: We occasionally supply paper containers to a Government agency under a specific contract number and also occasionally supply containers to firms with Government contracts. However, this does not represent a significant portion of our business.	0	1	616
Instruments By company: We sell considerable numbers of instruments to Government agencies and prime contractors but not on a contract basis.	3	6	1,851
Printing By company: We lithographed Army maps during World War II and have done subcontract work in our machine shop; however, at the present time we do not have any direct or subcontracts although we do a lot of printing for the aircraft and missile plants.	0	4	2,466
Rock and sand By company: Production and distribution of rock, sand, gravel, and transit-mixed concrete. (See note 2 for General Accounting Office comment.)	0	25	15,412
Stationery By company: Furnish office supplies and printing. By school district: Subcontract.	0	3	1,851
Cans By company: Not a subcontract as such but we did manufacture products for firms which had direct contracts with the Federal Government.	0	6	3,699
Surgical supplies By company: We sell surgical supplies to many firms who have contracts with the Federal Government.	0	2	1,233
Adhesives By company: Although we do not have contracts with the Government, we do sell adhesive coating to the Government on a competitive basis.	0	1	616
Acoustics By company: Factory has had Government contracts for several (15 to 20) years.	0	2	1,233
Telegraph and telephone By company: We have prime contracts with all branches of the Federal, State, and local governments and contracts with subcontractors serving these agencies. The purchase orders for the military alone would be too numerous to list.	60	115	33,908
Water and power By company: Operation of power dam. By school district: Advised by company that project is not listed by contract number. (See note 1 for General Accounting Office comments.)	0	41	25,277
Truck carrier By company: Truck transportation of Government goods. By school district: Operating freight for Government, machinery tariff No. ——.	0	5	3,082
Municipal flood control district By company: No direct contract with any Federal agency. However, the district cooperates with the Department of the Army, Corps of Engineers, in the construction of major flood control projects. The district provides the funds for all rights-of-way and for bridge and highway construction required by the projects constructed by the Corps of Engineers. The total program, which has been underway since 1936, is not yet completed.	0	22	13,563
Cartage By company: Transportation. By school district: Purchase order ——.	1	5	2,466
Welding By company: Welding electrodes, bare wire, and aluminum welding wire.	0	1	616
Consulting service By company: Consulting services—research and development. All contracts indicated were and are being handled by our eastern offices. (See note 1 for General Accounting Office comment.)	0	2	1,233
Advertising By company: Work does not qualify firm as a defense plant advertising agency. By school district: This company handles the advertising for ----------	0	1	616
Equipment repairs By company: No prime or subcontracts at present. By school district: Initial contract June 1956, terminated in 1957.	0	1	616
Total	80	285	126,382
Total for companies whose comments are not given	1,303	2,673	844,605
Total for all companies claimed by school districts	1,383	2,958	970,987

NOTE 1.—Although sales to a Government agency were made by the company or organization employing parents of schoolchildren caimed to have a Federal connection, the sales of products or services were found to have been made by a division or part of the company located far distant from the applicant school district area where the parents worked. In no cases was it stated that the parents involved had any direct relation with the production of products or the services sold to a Federal agency.

NOTE 2.—In this instance we visited the employing company and were advised that less than 5 percent of its business was related to Federal contracts and then only in an indirect way; their products were rock, sand, ready-mixed concrete, etc., for construction and road purposes.

Mr. MORSE. Let us consider the alleged Federal connection in this school district which, in the opinion of the school district, justified Federal aid, because the district was allegedly impacted.

With this material in the RECORD available and with Senators who want to vote on the facts rising above pressure, I believe I have said all I want to say at this point in my speech about the problem of many school districts getting Federal money under Public Law 815 and Public Law 875 which a thorough investigation would show cannot be justified.

I do not want to extend beyond a year such a program, because I think the Federal Government ought to investigate these facts. The Department of Health, Education, and Welfare should have such a study underway. The Comptroller General is continuing his watchdog activity in regard to this matter. We ought to extend the program for a year, come back next year, when we pick up the whole program of Federal aid to education, and go into this matter again. Then we will be in a much better position to make a decision on it.

Let me make it perfectly clear that by these remarks I intend no criticism of the Office of Education or its method of determining funds under the distribution formula. I would point out that if there is a fault, the fault lies with Congress in that we have not written into the law guidelines of sufficient strength to insure that our intent is met. I would simply stress some examples listed in the Comptroller General's appendix to his report.

I ask unanimous consent that the table of excerpts be printed in the RECORD at this point.

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

Type of material and service and remarks by companies and school district	Number of children claimed to be federally connected, 1958	Amount of grant
Dairy products By company: Dairy products, ice cream. By school district: Military subsistence.	7	$4,316
Multigraph supplies By company: Currently have contracts covering goods of our regular manufacturer so we do not come under the heading of defense plant.	2	1,233
Rock and sand By company: Production and distribution of rock, sand, gravel, and transit-mixed concrete.[1]	25	15,412
Cans By company: Not a subcontract as such but we did manufacture products for firms which had direct contracts with the Federal Government.	6	3,699
Surgical supplies By company: We sell surgical supplies to many firms who have contracts with the Federal Government.	2	1,233
Adhesives By company: Although we do not have contracts with the Government, we do sell adhesive coating to the Government on a competitive basis.	1	616
Water and power By company: Operation of power dam. By school district: Advised by company that project is not listed by contract number.[2]	41	25,277
Advertising By company: Work does not qualify firm as a defense plant advertising agency. By school district: This company handles the advertising for ——.	1	616

[1] General Accounting Office comment: In this instance we visited the employing company and were advised that less that 5 percent of its business was related to Federal contracts and then only in an indirect way; their products were rock, sand, ready-mixed concrete, etc., for construction and road purposes.

[2] Although sales to a Government agency were made by the company or organization employing parents of schoolchildren claimed to have a Federal connection, the sales of products or services were found to have been made by a division or part of the company located far distant from the applicant school district area where the parents worked. In no cases was it stated that the parents involved had any direct relation with the production or products or the services sold to a Federal agency.

Mr. MORSE. As will be noted, the chart shows the type of material and service and remarks by companies and school district. It also shows the number of children claimed to be Federally connected, and the amount of the grant.

It is a remarkable document. It shows a dairy company, which sells dairy products and ice cream to families that claim military subsistence. They claim seven such children, and received $4,316.

Then we see multigraph supplies, rock and sand, and cans. The comment by the company is:

Not a subcontract as such, but we did manufacture products for firms which had direct contracts with the Federal Government.

Surgical supplies. The company says:

We sell surgical supplies to many firms who have contracts with the Federal Government.

So what? Why in the world, because a company located in a town, at some crossroads, sells surgical supplies to some military reservation in that State, miles and miles away, should it get aid from all the taxpayers of the United States, and pay, in this instance, for two children at the cost of $1,233? When we add all these up, it amounts to quite a bit of money.

Adhesives. Water and power. The company operates a power dam. The power dam has little to do with the Federal Government. On the basis of that operation, the school district received $25,277.

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

Mr. MORSE. I yield to the Senator from Montana. I wish to say for the RECORD that in the opinion of the members of the Committee on Labor and Public Welfare, because of his cosponsorship, when he was a Member of the House, of the Murray-Metcalf bill in the field of education, and because of his long experience in the House in the field of education, Senator METCALF is one of our experts. I now introduce him as one of the best informed Senators to discuss this whole education problem in the Senate.

Mr. METCALF. I am very grateful to the Senator from Oregon for applying the designation of expert to me. I feel far from being an expert. I have had some short acquaintance with the educational field, although not as long as the Senator from Oregon or many other Senators. I wish to compliment the Senator for bringing out that these things are not the fault of the Office of Education. They are the fault—and perhaps it is not a too grievous fault—of the Members of Congress. We have said that we do not want any Federal control and we do not want any Federal interference, and in so doing we leaned over backwards so far that we did not add any fiscal or financial control.

I should like to bring out another example which points out what I am trying to say. On an Indian reservation in Montana, where the trust land is tax exempt and therefore under title IV of the act entitles the school district to get aid under Public Law 874 and Public Law 815, there is a power dam. The power dam pays $83,000 in taxes to the district.

When application for aid under Public Law 874 was made, they neglected to deduct the $83,000. For several years they neglected to do it. I believe they acted in good faith. That dam was not in their particular district, although it paid taxes to the counties. However, the Federal Government never found out about it until one day when a member of the Office of Education from Denver was touring through the State of Montana and he read in a newspaper ad by the Montana Power Co. their statement bragging about how much taxes they had paid throughout the State of Montana. Included in the amount was the $83,000 for this dam. So he investigated it. That was the first time he had had an opportunity to investigate it. Of course, now they have to repay this money. The point is that in our anxiety to prevent any Federal control of textbooks and teaching and the curricula of these schools, we failed to add proper fiscal restraint.

Mr. MORSE. I thank the Senator from Montana very much. He is quite right. In fact, I not only think the Department of Education is not entitled to criticism on this matter, but it is entitled to high commendation for the work that it has been doing in this whole matter in administering Public Law 815 and Public Law 874.

I also wish to compliment the Comptroller General and his associates for the "watchdogging" they have been trying to do in this field.

I know it is true that there have been discovered a good number of these horrible examples. I am convinced that the more we investigate them the more constant the ratio of bad cases in comparison with good cases will hold firm.

The administration took note and made the recommendation at the beginning of the year for a general tapering off. However, I believe that was a type of hatchet approach, rather than a pinpointed approach for really cutting out school districts which have abused the system. For this reason, I said I would not go along with the hatchet approach. I will go along with an extension and a study, so that we may get the facts. That is the approach we wrote into S. 1021. That is what the Senate passed.

A multiyear extension of impacted areas legislation is an attempt at an end run around S. 1021. That is what it is. It is an attempt to get around a part of the authorization which the Senate has already approved to get this present situation frozen, and to keep these abuses frozen for 2 or 3 years, or even perhaps 4 years. There is much popularity to be gained back home in these school districts if a Senator may be getting them some money to which they are not entitled. However, in my judgment, these districts are injuring their Senators.

I do not think they are practicing good government if they put that kind of heat on; and let us talk the language we understand, because we know what is going on. If I did not have an asbestos suit, I would have burned up by now with the heat I have been taking because of my refusal to yield on the matter of a 1-year extension. I get a little suspicious when there is so much desire to provide for more than 1 year, when 1 year would give protection. I get suspicious. I wonder whether they have it coming to them.

Mr. METCALF. Mr. President, will the Senator from Oregon yield?

Mr. MORSE. I yield.

Mr. METCALF. In the very instance I cited a moment ago, we urged the

school district that now is going to have to pay back $83,000 which is located in one of the most impoverished areas of Montana, that the way for it to get assistance from the Federal Government is not to practice abuse of Public Law 874, but to obtain, as in S. 1021, for general aid to education, so that funds could be distributed to the school district without abuses or without the false affidavits which it had to sign.

Mr. MORSE. The Senator from Montana could not have made a more pertinent remark. The way to take care of impoverished school districts is not to continue the application of a law which at present is providing them with funds they cannot show they deserve under the provisions of the law, but which they ask their Senators and Representatives to continue because they cannot obtain money from any other place. What those constituents need to be told is that they ought to be using their influence to get a general Federal Aid to Education bill passed by both Houses. They should be helping to pass a bill which will benefit all the children of the country, not merely the one-third of the children who are now being benefited under Public Laws 815 and 874.

The article I placed in the RECORD earlier in my speech refers to the more than $2 billion which has been spent since 1950 through Public Laws 815 and 874 as a form of Federal aid to education. I do not care how much those engaged in semantics try to draw some line of distinction between a general Federal aid bill and Public Law 815 and Public Law 874. We are helping with Federal dollars one-third of the school children of the Nation. I favor helping all of them with complete guarantees of local control, because many school districts which really need the money are definitely child impacted areas, although they do not have any Federal installations anywhere near them. The school district I have been citing by calling attention to these horrible examples is not impacted in fact. It does not deserve the money, even though it may be entitled to it under the law. I think this district is shaking down the taxpayers of the United States. That is wrong. It is that simple. Congress ought to stop it. We ought to get ready to stop it. The way to get ready to stop it is to extend the law for 1 year, to get our facts, to come back next year, and to cover such areas in a general aid to education bill.

The Senator from Montana, by interrupting me, has reminded me of something else which interests me, and this is a good place to pin it down for the RECORD.

It would be interesting—and I have done this in two or three instances—before a Federal installation has been located, to read all the promotional literature. It comes from the local chamber of commerce, the trade unions, the civic bodies, and the mayor. I find it interesting to read the testimony of such persons when they come before the appropriate committees to state why theirs is the only place in the United States—just that one place—to establish a facility. They indicate in fact, that the Government representatives ought to have their heads examined if they locate the installation anywhere else. There is only one place in the United States to locate some Federal project, and that is in Podunk, which is represented by Senators X and Y and their Representatives. The local chamber of commerce is also very much in favor of Podunk as the site. We all know them. We have lived through this situation for years in the Senate. I have seen this pattern repeated for 17 years. We know probably 500 other places where the facility could have been located just as well. But until the facility is finally located there, the townsfolk would almost give you the shirts off their backs to have it located there.

But once they get it located? Oh, boy. Then the local people are in with open palms. They need aid for this; they want aid for that; they want to be given something for nothing.

I now am simply stating a wild hypothetical, but Senators know what a scramble would occur in this country if we were to say to each one of the impacted areas, "All right. Your project is removable. We will remove it. We will get those children away from your area. We will get the workers out of there. We will put the installation somewhere else." Cannot Senators imagine what the local inhabitants would say, what they would do? They would say, "Forget about it." They would do without the impacted areas legislation. They would keep the children. That is the realism of the situation.

But it is not realistic for me to be thinking about such a hypothetical. The Senator from Montana and I know that that kind of situation will not happen.

The fact is that, in many instances, the economic wealth of the impacted area community has been increased as the result of the Federal installation to the degree that the community cannot possibly justify continuing to receive the aid if it was compared with some poor school district. Such an impacted area community does not need aid as much as the one the Senator from Montana spoke about. There you have a really impoverished school district, in which there is not a single Federal impact, not a single Federal installation, but where a large number of little children are attending low-standard schools. These children are being cheated out of the maximum development of their intellectual potential. They attend schools where classes are being held in the school gymnasium, if there is one, or in the corridors, or on the school stage, or in borrowed buildings near the school building. Those are the youngsters for whom the politicians ought to be bleeding in this debate, not the ones they may be trying to protect in many school districts which cannot justify getting the money they are already getting from the Federal Government. Such districts ought to be satisfied with the extension of the program for another year, until we can get the facts, rather than to ask us to come in to freeze these inequities for another 2, 3, or 4 years.

Mr. President, that is the burden of my case. I could stop with it. That is my case, but let me buttress it further.

I turn now to the operation of Public Law 874. I note that as far as the Office of Education is concerned, there are some communities receiving Federal funds for operation and maintenance of the school districts based upon the attendance at those schools of category B children; that is to say, children of parents who either live or work on Federal property, which might be found to be somewhat indefensible from the standpoint of need.

I refer in this context to one such school district and I hasten to say that there may be many factors of which I do not have knowledge which could justify the use of Federal funds to assist the pupils in this school district. This particular school district is located in my own State, at Gearhart, Oreg. I do not know whether I will get any votes out of Gearhart when I get through with this part of the speech, but here are the facts anyhow.

Gearhart is a very pleasant town on the Oregon coast whose permanent population is only 723 individuals according to the 1960 census. Yet, I note that in the 10-year review of the operation of Public Law 874 and 815, on page 69, that Public Law 874 payments in the amount of $1,663 were received by the Gearhart School District. These payments were based upon the attendance of 16 category B children.

Because from my own knowledge I could not recall that Gearhart possessed any Federal installation, I requested that the Office of Education provide me with the information upon which this funds distribution was based. The memorandum I requested has just been received. It states:

> In accordance with your telephone request there is attached a statement regarding the basis for eligibility under Public Law 874 for Gearhart School District No. 15–C, Oregon, for the 1959–60 and 1960–61 school years.
>
> BASIS FOR ELIGIBILITY AND FEDERAL ENTITLEMENT UNDER PUBLIC LAW 874 FOR GEARHART SCHOOL DISTRICT NO. 15–C, OREGON
>
> This district was eligible for $1,663 in fiscal year 1960 based on an average daily attendance of 16 children in the "B" category at a local contribution rate of $207.90 per child. Eleven of the sixteen children claimed for entitlement lived with parents employed on the naval station at Tongue Point. The other children had parents who were employed on Federal properties known as Customs House in Portland, Columbia River at the mouth (formerly Fort Stevens Military Reservation), and Astoria reserve fleet site.

Those properties are miles and miles away. They are not in Gearhart. Gearhart is a nice place in which to live, though. I continue:

> In 1961 this school district claimed 11 federally connected children in the "B" category and the estimated entitlement is $1,317. These 11 children in average daily attendance were living with parents employed on the naval station at Tongue Point, now designated as Pacific reserve fleet, Columbia group. It is located at Astoria, Oreg. The other two properties were the customhouse at Portland and the Astoria reserve fleet site at Astoria.

That involves my own State. I would have a terrifically difficult time to justify it, and I do not intend to try.

Mr. President, I want uniformity. I want the rules applied to the school districts in all the States, and I want the water squeezed out of this program.

I do not think good government or citizen respect for government is helped by maintaining such a loose administration of Public Laws 815 and 874. So I do not want them extended for more than 1 year until we obtain all the facts. I want to see the Department of Health, Education, and Welfare and the Comptroller General present studies which will tell us where the maladministration is or what changes are needed in the laws and where the undeserved payments, if any, are going. If we get this, we can then correct the situation legislatively. But I do not wish the present situation frozen unchanged into the law for another 2 or 3 or 4 years.

Before this debate is over, no doubt we shall be told many times by some Senators—particularly by some of those who are not present now to hear me, and there are many of them—"I want to tell the Senator from Oregon that after the report he is talking about is made, if we then find there are facts which justify a change in the law, we can change it then."

Mr. President, I submit that will not be done. If such a freeze goes into effect, the change will be made, if at all, only after the end of the freeze period. By that time every Senator will have been bombarded with a host of new issues and problems. In fact, we do not now know how to handle all the problems which presently are before us. If the present arrangement is frozen into law for 2 or 3 or 4 years, any Senator who, before the end of the freeze period had occurred, would propose a change in Public Laws 815 and 874, should have his head examined, for lack of senatorial sagacity, for he would not get a corporal's guard vote in the Senate for any such proposal.

Senators may just as well face the fact that whenever the vote on this bill is taken—whether tomorrow or thereafter—the Senate will be deciding whether it will freeze for 2 or 3 or 4 years the existing waste and duplication. We will be deciding—and this is the first time I have stated this, Mr. President—whether we will do what the Kennedy administration would like to have done—namely, to extend the present act for 1 year, so that the facts can be put before the people, for the correction which should then take place.

Mr. President, I hope a majority of the Senate will support the President.

Mr. RANDOLPH. Mr. President, will the Senator from Oregon yield?

Mr. MORSE. I yield.

Mr. RANDOLPH. Mr. President, it is interesting and informative—and to many Members of the Senate it is well known—that President Kennedy is sincerely desirous of moving in the manner advocated this afternoon by the diligent and knowledgeable Senator from Oregon who is in charge of Senate bill 2393 in this forum.

As I understand the situation, the Senator from Oregon continues his advocacy of helping the elementary school and high school students to the number of more than 45 million in the United States as another school year begins, rather than merely continue the program for the group of children of Federal employees and service personnel, numbering approximately 1,600,000. Is that correct?

Mr. MORSE. That is correct.

Mr. RANDOLPH. As a cosponsor of this proposed legislation before the Senate today, it is with considerably mixed feelings and something less than enthusiasm that I continue to support S. 2393, the measure to provide a 1-year extension of Federal assistance to so-called impacted areas.

As has been so well stated by the Senator from Oregon, I know that there are many areas in which there has been a very heavy impact through defense installations and related programs, and in which it is necessary to continue this aid. In many instances the children of Federal employees create a heavy burden upon local school facilities. While I acknowledge the responsibility of the Federal Government to bear its share of the burden in such cases, I believe now, as I did at the beginning of this Congress, that this assistance should be an integral part of a coherent program of Federal aid for school construction and teachers' salaries.

But there is also an accumulation of evidence which indicates that in many, many sections there has been flagrant distortion of the congressional intent and also, to a degree a failure to use the funds on the basis of the actual merit of the particular caseload.

The pending bill, of which I am a cosponsor, would offer assistance to school districts accommodating slightly more than one and a half million children of Federal employees and service personnel. It is most regrettable that the other body has not acted in this session in concert with the Senate by providing for the other 43 million elementary and high school students in the United States.

As noted in a recent United Press International article printed in the excellent newspaper, the Mineral Daily News of Keyser, W. Va., many hundreds of thousands of children in our urban centers are attending double shifts, for lack of adequate classroom space, and many millions of students are being instructed by teachers who fail to meet their State standards for regular certification.

I have frequently addressed this problem before. I shall not now repeat my comments, except to offer again the hope that next year—and I wish it could be this year—we may put aside extraneous and divisive issues, and attend to the principal task of providing the kind of foundation for education that a wealthy and enlightened democracy deserves. I ask unanimous consent, Mr. President, that the previously mentioned article from the Mineral Daily News be printed in the RECORD at this point in my remarks.

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

[From the Mineral Daily News of Keyser, W. Va.]

NATION FACES SHORTAGE OF QUALIFIED TEACHERS—RECORD CROP OF STUDENTS

(By David Smothers)

(EDITORS NOTE.—More schoolchildren than ever before are going back to their classes this week. In some areas, there will not be enough teachers or classrooms to accommodate them. United Press International made a spot check of key cities and questioned top education officials in Washington for this report on back-to-school week.)

With a record crop of 49.3 million students going back to school this month, the Nation faces a critical shortage of qualified teachers.

The key word in that statement is qualified and the authority for it is the Secretary of Health, Education, and Welfare, Abraham Ribicoff.

Most school administrators in cities covered by a United Press International survey said they had enough classrooms and enough teachers to take care of the children.

There were some glaring exceptions. New York City public schools had 6,000 teacher vacancies and all the city's schools were on double schedules. There was no teacher shortage reported in Chicago, but 31,000 children were on double shifts. Half-day sessions were scheduled for 10,000 of the 650,000 children in the Los Angeles public school system.

Many other cities reported they were doing fine. Dallas and Fort Worth had more applications for teaching jobs than they could fill. The reason was apparently simple. The two cities pay almost $600 a year more than the State minimum of $4,014 for teachers.

Cities which said they were well equipped to meet the school year also included St. Louis, San Francisco, Kansas City, Des Moines, Pittsburgh, and Columbus, Ohio.

In a statement to UPI, however, Ribicoff said "we as a nation face a critical shortage of qualified teachers this year and in the years immediately ahead.

"The shortage of teachers will become greater as the nation builds more classrooms to reduce overcrowding.

"The estimated school population gain of about a million pupils a year for the next 10 years also will require added thousands of teachers.

"The quality of teachers counts along with the quantity. For a number of years, there have been between 90,000 and 100,000 teachers who do not meet the State requirements for regular certification."

The mounting nationwide school roll, as reported by the U.S. Office of Education, reflects some of the reason for Ribicoff's concern.

In school this year are an estimated 34.2 million elementary school students, 10.8 million high school pupils, and 4.3 million collegians.

In 1951 there were 23.9 students in elementary schools, 6.5 million in high schools, and 2.3 million in colleges and universities.

In 1941, the breakdown was 20.4 million for elementary schools, 6.9 million for secondary schools, and 1.4 million in institutions of higher learning.

The Office of Education also reported that a total of 1,684,000 teachers will be needed in elementary and secondary schools this fall. Yet, the teacher total for such schools last year was 1,636,000.

Last January, the Nation's public schools had 1,338,560 classrooms for its students. That, the education offices figures, is 142,000 less classrooms than are needed.

From his vantage point, Ribicoff said teacher shortages in the 1961–62 school year will be felt most in the elementary schools.

An increasing number of newly trained teachers are going into the high schools, Ribicoff said, even though "the schools require eight elementary teachers to every five high school teachers."

In the high schools, Ribicoff said, "the demand will exceed supply for teachers of mathematics, English, foreign languages, general science, physics, and chemistry."

The Secretary added "if schools and colleges are to compete with other professions for professionally qualified personnel, higher salaries must be paid."

Ribicoff was asked whether well-heeled districts are hiring teachers from districts which can't afford high salaries.

"Yes," he said. "Many teachers go to the communities with the higher salary scales."

The Nation's largest city appeared to have one of the biggest classroom headaches.

Officials said there was no telling when New York schools would be able to stop their practice of overlapping or double schedules. Some classes in New York start before 8:30 a.m. and others don't let out until after 4 p.m. In the lower grades there is "short time"—4 hours of classes instead of the regular 5.

While New York's school troubles mounted, attendance in the classrooms passed the million mark for the first time in the city's history.

Minneapolis-St. Paul also was hard up for teachers. The Minneapolis schools reported they were short 50 to 55 elementary schoolteachers and would have to fill in with substitutes. Substitutes also were called in to take the place of 65 teachers in St. Paul.

Cities elsewhere struggled manfully to assure full-time education for their youngsters. Progress was being made, but it came slowly.

In Chicago, Assistant Schools Superintendent Dave Heffernan said he hoped all double shifts would be eliminated by January. But he couldn't be sure, even though 10 new schools are being opened in crowded Chicago neighborhoods. Heffernan explained population shifts could occur so quickly that new classroom jamups would follow.

Los Angeles opened 13 new schools and planned for 17 more next year. Still, school officials couldn't be sure when half-day schedules would be eliminated.

The Los Angeles school administrators pointed out that an estimated 27,000 more children will be in the city's schools this year than last. They called the increase about normal.

Mr. RANDOLPH. Mr. President, I strongly endorse what has been said by my colleague.

Frankly, I am distressed, I repeat, that the other body has not acted in concert with the Senate in facing, in greater degree, the need for the enactment of general education legislation for school construction and for the salaries of teachers.

I also wish to state for the record that those of us who now stand with the Senator from Oregon are strengthened in the knowledge that he is speaking for the national interest and striving for the welfare of the public, rather than a segment.

It is most important that in this instance we act with a view toward satisfying the overall needs of education and not just the fringe needs of a comparatively few districts. So I trust that the Senate will continue the program for 1 year only, rather than for two or possibly more years, as requested by one or more contemplated amendments for that purpose.

Mr. President, I state very frankly that I think the President of the United States should restate his position in regard to the desirability of having Congress act on the broader and more important phases of an educational program for all the public schoolchildren of the United States.

There is no implied criticism of the Chief Executive, though I say once again, as before, there is a need for him to speak out affirmatively on this subject so that he will be understood by all.

Mr. MORSE. Mr. President, needless to say, I am most pleased with the statement just made by the Senator from West Virginia. As usual, I am very proud of him. I want to say to the people of West Virginia from the floor today, that the senior Senator from West Virginia [Mr. RANDOLPH] serves as a colleague of mine on the Senate Subcommittee on Education, and, of course, on the full committee of the Senate on Labor and Public Welfare. Not a single time in our weeks of hearings and executive sessions and discussions of education matters has the Senator from West Virginia demonstrated any narrow, provincial interest. He has taken the position that as he votes for legislation which helps all the schoolchildren of America, he is voting for legislation that best serves the interests of West Virginia.

He comes from a State in which there are a good many impacted districts, as he knows. We have discussed this question together and we have discussed it in committee meetings. He put the question to me, "If I vote for it for 1 year, I cannot possibly do any damage to the school districts of my State, because they will be protected for 1 year, until we can get the facts. Is that correct?" I assured him it was correct. That is all he needed from me. All he needed was to be assured that no injustice would be done, and that at the same time we would not vote for a program opposed by the administration. I assured him that the administration wants to bring to us evidence which will justify some modification of the program next year.

The Senator from West Virginia has referred to the position of the President and the need to restate or reassure the country as to his stand on aid to education. I can assure the Senator from West Virginia that will happen time and time again in the not too distant future.

I had a long conference with the President last week. I heard him restate his position on education legislation. I heard him state the position that he very much wanted this legislation extended for only 1 year; and that he wants the whole matter reviewed in the next session of Congress.

I certainly hope that when Members of the House get back home during the recess period to talk to their constituents, they will recognize, as I believe the truth to be, that the parents of this country feel Congress ought to pass general education legislation. We should enact it in order to do justice to the schoolchildren who need to have it. We need to stop the injustice being done to every boy and girl in every nonimpacted school district who, because of a lack of money for good schools, will end up being disqualified for admission to college.

What a wrong, what a shameful thing, that we would do that to the most precious wealth we have, which is, after all, the boys and girls of this country. The whole destiny of America depends on the potential intellectual development of the young people of this country. We are not doing a good job of helping them. We have let this matter get bogged down with politics and bogged down with other forces, too. The public is confused. We must have faith. Once the public comes to understand how essential it is, both to the security and to the economic development of this country, that we have the program the Senator from West Virginia, the Senator from Montana, and our other colleagues on the committee are fighting for, I have no doubt as to what the political verdict will be.

Some men will stay home in 1962, and they ought to stay home in 1962 if sending them back here means they are going to participate in a policy which continues a rank injustice to the school children of this country.

We cannot possibly compete with Russia in the next quarter to half century if we continue our present failure to support the schools of this country with a general aid to education bill. Assistance should be given to private schools in a separate bill. If anybody has the slightest idea the senior Senator from Oregon could possibly have changed his mind, I repeat, assistance in a separate bill for public schools, and assistance in a separate bill for private schools, to the extent that the private schools can be helped within the framework of the constitutional restrictions as set forth in the first amendment.

I think there are three or four groups of Senators who are going to oppose the Hill-Morse bill for an extension of 1 year, and who will propose an extension for more than 1 year.

One group of Senators will be those who voted against S. 1021 because they are opposed to Federal aid to education, although they have watertight compartments in their brains with regard to this matter. They do not like to face up to the fact that, when we have spent $2 billion since 1950, under Public Laws 815 and 874, it is still Federal aid to education, no matter how hard they try to define it otherwise.

Then there is a second group of sincere men—I think they are mistaken men, but they are sincere—who just do not want any Federal aid to education at all, but who have many local political interest groups who wish to continue to receive the handout they now are getting under Public Laws 815 and 874. Such districts are on a rampage to get the present arrangement maintained for more than a year. Such Senators feel this will bring home the bacon. It will show what great Senators or Representatives they are. Forget about the national interest. Think about the local interest.

As everybody knows, I completely disagree with that approach. I think we

ought to extend the law for one year, and then get on with the job of passing a general education bill.

I think when the President continues to make clear, as I am satisfied he will, and when the President next year makes perfectly clear that he has not changed his views with reference to the importance of needed aid to education, there will be a change of attitude in the House and we will get a bill passed. Or, if we do not, after 1962 there will be some new faces in the House—and I am not so sure but what that would be a good thing.

There is a third group who really, and honestly do not think it makes much difference whether the law is extended for 1, 2, 3, or 4 years; that we still have the job of passing a Federal aid to education bill, anyhow, and the two measures are separable. I wish I could agree. I think the issues are so intertwined that we could not possibly separate the issues. If there is a 2 or 3 or 4 year extension, in my judgment we shall have killed the chances of passing a general aid to education bill in the House in 1962.

I think that is the political reality of the situation. Therefore, I cannot support the third point of view.

Then there is a fourth class of Senators who I think would not be very happy to see some of the school districts investigated by the Comptroller General or by the Department of Health, Education, and Welfare. I think the section of S. 1021 which calls for that investigation bothers those Senators very much. We may lose some of those votes.

Mr. President, I have observed many times in my 17 years in the Senate when the Senate was of one point of view until the facts were in, and until the record was made. Then a shift occurred. Very frequently the shift has occurred after there had been a public evaluation of the facts.

I am very hopeful that the debate we shall have in the next few days on this matter will build up public support for a 1-year extension and public support for a general aid to education bill in the next session of Congress, next January.

Mr. President, to document my point that there are child impacted areas whose needs are greater than some of the areas receiving Federal aid money under the impacted areas laws, I had a memorandum on this point prepared by the Office of Education, and I ask unanimous consent that the memorandum be printed in the RECORD at this point.

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

OFFICE OF EDUCATION MEMORANDUM

As requested by Ralph Flynt, we have compared several districts that have received Public Law 815 funds with several of equal or greater need that have not received such funds.

As you know, Public Law 815 is intended to assist construction in school districts where the need for construction, or part of it, is attributable to Federal activities. The funds serve in lieu of taxes. There are other districts with similar construction needs which are not reached by Public Law 815 because they do not have the growth in federally connected children necessary for participation under Public Law 815. Several examples follow:

In Oregon, the State does not grant funds for school construction. Public Law 815 funds ($93,536) have gone to Tillamook 9 School District (Tillamook), but none have gone to the Hood River County Unit School District. Yet in many ways they are similar. Tillamook had a weighted attendance of 2,119.9 and Hood River one of 2,108.1 in the 1958–59 apportionments. Tillamook had a true cash value of taxable property of $36.8 million in 1958–59 apportionments, and Hood River had $29.4 million. The classroom shortage in the fall of 1960 was 29 rooms in Tillamook and 21 rooms in Hood River. There may be some variation in the distribution of Federal forest reserve fees to the two districts; this we cannot check with the data available.

In Florida there are substantial State contributions to school construction; however, the local districts must provide part of the cost. Dade County, which has received Public Law 815 funds ($1,492,342 reserved for Dade during fiscal years 1951 through 1960) may be compared with Manatee and Osceola Counties, neither of which has received such funds during this same period. All three counties are growth areas. In Florida the taxpaying ability of each county is determined as a percent of the total taxpaying ability in the State. The enrollment and the classroom shortage are much larger in Dade County than in the other two counties; however, when the classroom shortages are set against the taxpaying ability, Manatee and Osceola have much less taxpaying ability per classroom short in fall 1960 than does Dade County. The same holds true for taxpaying ability per pupil in attendance.

In New Hampshire, Portsmouth has had $494,517 reserved under Public Law 815 during fiscal years 1951 through 1960; Laconia has not received any such funds. The equalized valuation (as of 1958) in Portsmouth was $108 million, or $10.8 million for each of the 10 classrooms short in the fall of 1960. The equalized valuation in Laconia was $63 million, or $2.4 million for each of the 26 classrooms short in the fall of 1960. The equalized valuation per pupil in membership is similar in the two school districts—$29,000 in Portsmouth and $32,000 in Laconia.

Mr. MORSE. I wish to read a paragraph or two:

As requested by Ralph Flynt—

That is Dr. Flynt, of the Office of Education—

As requested by Ralph Flynt, we have compared several districts that have received Public Law 815 funds with several of equal or greater need that have not received such funds.

As you know, Public Law 815 is intended to assist construction in school districts where the need for construction, or part of it, is attributable to Federal activities. The funds serve in lieu of taxes. There are other districts with similar construction needs which are not reached by Public Law 815 because they do not have the growth in federally connected children necessary for participation under Public Law 815. Several examples follow.

One is cited in my own State:

In Oregon, the State does not grant funds for school construction. Public Law 815 funds ($93,536) have gone to Tillamook 9 School District (Tillamook), but none have gone to the Hood River County Unit School District. Yet in many ways they are similar. Tillamook had a weighted attendance of 2,119.9 and Hood River one of 2,108.1 in the 1958–59 apportionments. Tillamook had a true cash value of taxable property of $36.8 million in the 1958–59 apportionments, and Hood River had $29.4 million. The classroom shortage in the fall of 1960 was 29 rooms in Tillamook and 21 rooms in Hood River. There may be some variation in the distribution of Federal forest reserve fees to the two districts; this we cannot check with the data available.

Mr. President, those are two school districts of approximately equal status; the one received $93,536 and the other did not receive a cent.

These are the injustices and inequities about which I am talking. Facts such as I have presented give all the proof Senators ought to need for them to want a study of these programs. Then next year, after we get the facts, we can decide what, if any, remedial legislation ought to be passed based upon the facts.

The memorandum goes on to discuss similar situations in Florida, New Hampshire, and elsewhere. I have put the entire memorandum in the RECORD, and it will speak for itself.

Mr. President, I ask unanimous consent that there be printed in the RECORD at this point table 125, which can be found on page 1319 of part 2 of the hearings before the Education Subcommittee of the Senate Committee on Labor and Public Welfare entitled "Public School Assistance Act of 1961."

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

TABLE 125.—*Number and percent of eligible applicants in fiscal year 1959 by proportion of Federal payments (Public Law 874) to total current expenditures of the applicant district*

Percent Federal payments (Public Law 874) of total current expenditures	Number of districts	Percent of districts
Total	3,761	100
Less than 5 percent	2,365	62.9
5 to 9 percent	734	19.5
10 to 14 percent	279	7.4
15 to 19 percent	140	3.7
20 to 24 percent	58	1.5
25 to 29 percent	55	1.5
30 to 39 percent	58	1.5
40 to 49 percent	28	.75
50 to 59 percent	19	.5
60 to 69 percent	13	.4
70 to 79 percent	6	.2
80 to 89 percent	2	.05
90 to 100 percent	4	.1

Mr. MORSE. Mr. President, the table shows that 62.9 percent of all eligible school districts under Public Law 874—that is to say, 2,365 of the 3,761 school districts eligible in 1959—received less than 5 percent of their school budgets from Federal funds.

I wish to repeat that, Mr. President: 2,465 of the 3,761 school districts eligible in 1959 received less than 5 percent of their school budgets from Federal funds.

When I listen to some of my colleagues out in the cloakroom I hear the argument that if we do not extend these laws immediately, and if we do not extend them at least 2 years, we shall do irreparable damage to thousands of school districts in the country.

That is not so. The facts do not bear it out. The facts show that 2,365 out of the 3,761 school districts eligible

under this program received less than 5 percent of their school budgets from the Federal Government. Perhaps some of those districts even get money to which they are not fully entitled.

Only 25 school districts of the 3,761 received 60 percent or more of their budgets from Public Law 874 funds. We do not have to worry about those. I will tell Senators what type of district that is. This is the district in which there is an atomic plant, in which there is a great military installation, in which there is no question about the fact that the area is overwhelmingly federally impacted. It is not a case of some surgical supply company selling some surgical goods to some Federal office. It is not a case of some little company making adhesive tape or stationery to sell to some Federal agency.

We do not have to worry about the areas which are really impacted. We can observe those with our own eyes. Those areas are not guilty of abuses.

Mr. President, the 25 school districts which receive 60 percent or more of their budgets from Public Law 874 funds are only seven-tenths of 1 percent of the school districts eligible. They are only seven-tenths of 1 percent.

I am always interested in observing how some idea catches hold in the Senate. There is a wave of support which goes through this body, with the statement, "Something has to be done right now. If we do not do it, these school districts will be closing down. They will not be able to serve the children."

One can get a lot of votes with that kind of "scare" argument. I think there has been a lot of that kind of talk in connection with this issue.

Then, when one goes after the facts, one finds there simply is no basis for those fears at all. There is no basis for them.

In fact, if Congress adjourned or recessed and we all went home and came back in January, judging from information I have received from the Federal agencies concerned, there is not a school district which would not be able to go right on functioning, based on the expectation, of course, that when Congress returned it would take up the hardship cases.

The idea of trying to make a great emergency out of this question may be a nice vote-getting technique and device in the Senate, but the facts do not support those who are using that scarecrow argument.

All I seek to do is to persuade Senators to take a look at a few of the facts. I should like to hear their answers to them. With only 25 school districts of the 3,761 receiving 60 percent or more of the budgets from Public Law 874 funds, we find that the number is but seven-tenths of 1 percent of the school districts eligible. These are figures, I submit, which should cause us to pause before we extend indiscriminately the continuance of the program without further review. We need to be careful and we need to know the facts so that we can legislate intelligently.

I ask Senators therefore to support the committee by extending the current program for only 1 year in order that we can attempt to get a full and detailed picture of the situation next session. It would be more preferable had the other body agreed with us on the report and study which we wrote into title II of S. 1021. Since, however, it does not appear that this will be done prior to adjournment this fall, I plead with Senators not to extend this legislation for more than June 30 next.

By holding the extension to 1 year, we assure that consideration can be given in the 2d session of the 87th Congress. If a longer extension is voted, all of us know in our hearts that the probabilities are that the matter will be delayed until 1963 at the earliest.

In conclusion, I should like to discuss one other, and to my mind compelling, point. There are many school districts in the Nation which do not receive aid in the form of Public Laws 874 and 815 funds. Yet in case after case these districts are impacted with children, as I have already pointed out. Their schools are overcrowded, or obsolete, and in some instances shockingly so. Hine Junior High School some 10 blocks from this Chamber would repay a visit by Senators who would like to have a firsthand view of shockingly inadequate school facilities.

If only half of the amendments that I have heard about in the cloakrooms are offered, we shall have many amendments. I see the Senator from Pennsylvania [Mr. CLARK] a member of my committee, sitting in the rear of the Chamber. I wish now to announce that if amendments to the bill start pouring in, I have one. I have not had an opportunity yet to talk to my committee members but I shall offer an amendment that really would help to meet the needs of a very deserving federally impacted area in the United States. It is the District of Columbia. The District of Columbia has no Senators or Representatives. Its citizens are second-class citizens. They cannot vote and have no political power. No pressure will do any good, for there is no Senator from the District of Columbia. But the citizens of the District of Columbia have a need.

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

Mr. MORSE. I yield.

Mr. CLARK. The Senator will recall that when the public school bill was before the Senate earlier this session, the Senator from Oregon joined with me in sponsoring an amendment, which we were successful in having agreed to by the Senate, which would increase substantially, but only equitably, the appropriation authorized for the District of Columbia.

The money was badly needed then; it is just as badly needed now. I am happy to have heard my friend indicate his intention to offer such an amendment, and I shall be happy to join him.

Mr. MORSE. I believe that the people of the District of Columbia know they have not a better friend in the Senate than the Senator from Pennsylvania [Mr. CLARK]. Time and time again the Senator from Pennsylvania has tried to help the voteless citizens of the District of Columbia by offering amendments to various pieces of proposed legislation. The other day he was of great help to me when the District revenue bill was under consideration. I added my amendment at that time and it went through the Senate. But I understand we are not even to be allowed to go to conference on the measure. It will not even be considered. If I can have the amendment added to the pending bill, I shall do so. I shall offer it as an amendment to every bill to which I can add it. Because if there is any area in the United States that can justify some assistance by reason of being a federally impacted area, it is the District of Columbia.

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

Mr. MORSE. I yield.

Mr. CLARK. I wonder if the Senator shares my view—I am quite sure that he does, and since I came recently to the Senate Chamber, it may be that he has already made a statement in this connection in the course of his speech in support of the pending bill that if we are unable to hold the proposed federally impacted area extension and the proposed NDEA extension to 1 year, we really would be better off without any bill?

Mr. MORSE. I think it would be much better to have no bill at all. I said before the Senator came into the Chamber that no school district would be required to close down if it did not receive the aid. It will be difficult for a few, but they will continue to operate. They will know that next January the issue will again be before Congress in a general education bill, and citizens in the intervening months will be able to do the kind of pressure job that needs to be done.

Mr. CLARK. Mr. President, will the Senator yield further?

Mr. MORSE. I yield.

Mr. CLARK. Does not the Senator believe that President Kennedy and his advisers, including Secretary Ribicoff made a pretty good case before us early in the year to the effect that there were substantial abuses in the present administration of impacted areas which deserve very careful study and a continuation of the impacted areas program should be for a relatively brief period so that the whole subject could be considered next year?

Mr. MORSE. Yes. That is the burden of the first speech that I made. The Senator will notice that I stressed the word "first." I have a series of lectures on this subject. The first lecture deals with the question of impacted areas under Public Laws 815 and 874. I have brought forth some of the evidence showing certain abuses which have developed from the present language and the administration of those two laws. I have also brought out that Senate bill 1021, which we passed, provides for a study by the Commissioner of Education and his associates, with a report to Congress at the end of 18 months—and the Comptroller General's Office undoubtedly will continue its investigation—of the type of horrible example, so to speak, of abuse and misuse of the law which I brought out in my speech earlier today.

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

Mr. MORSE. I yield.

Mr. CLARK. A few moments ago the Senator made reference to the fact that the other body had refused to go to conference on a measure affecting the District of Columbia. Is it not also true that the other body has refused to go to conference on the public school bill which the Senate passed?

Mr. MORSE. The House of Representatives has not even been willing to allow the Members of that body to come to a vote on S. 1021. Why? Because I fear majority rule does not always prevail in that body. Minority rule may prevail.

The time has come, I believe, to use the education issue to get the American people to understand how their legislative substantive rights can be denied to them by the House of Representatives. The House has not corrected what I feel to be a great parliamentary procedural abuse; namely, that there is left to a small number of men who occupy positions on the Committee on Rules the power to determine what proposed legislation shall be voted on in the House.

The American people are at the sufferance of the Rules Committee. It is about time to put the Rules Committee of the House at the sufferance of the American people.

Mr. CLARK. Mr. President, will the Senator yield further?

Mr. MORSE. I yield.

Mr. CLARK. I am sure that the Senator will agree with me that, on the whole, it is a wise thing that our rules contain provisions which restrict an entirely candid public expression of our secret views with respect to our proceedings and the proceedings of the other body.

I am certainly not one who wishes to violate that rule here. However, I am sure the Senator will agree with me that, regardless of what we may feel about some of the rules and other matters pertaining to the other body, those are rights which are given to them by their parliamentary procedure. In that connection, I wonder whether the Senator would not agree that we too have some rather peculiar institutions here in the Senate.

Mr. MORSE. Oh.

Mr. CLARK. I pause for appropriate reply.

Mr. MORSE. All I can do is exclaim.

Mr. CLARK. The Senator from Oregon is well aware of the fact that we have in the Senate the rule of unlimited debate. In fact, there have been occasions in the past when the Senator from Oregon has taken advantage of it.

Mr. MORSE. I believe in ironic justice.

Mr. CLARK. We are now developing a mutual thought which might end up with the conclusion that if the other body wishes to take advantage of a parliamentary privilege which they have under their own rules, and not go to conference on education bills, it may become necessary for Members of the Senate to take advantage of our own peculiar rules and not let any bill come from conference.

Mr. MORSE. Give me six men true and blue bound to have dinner together in Washington on Christmas Day, and that is exactly what will happen.

Mr. CLARK. I am sure the Senator, like Brutus, is a reasonable man, and does not want to exercise arbitrary powers.

Mr. MORSE. Never.

Mr. CLARK. The Senator might have the view that if the reasonable compromise suggestion, that we extend the impacted area bill for 1 year and the NDEA for 1 year should be rejected, it might just be necessary to take certain measures which we might possibly regret but which would be entirely within the privileges of the Senator.

Mr. MORSE. Yes; we would regret taking them. But, let me say to the Senator from Pennsylvania, in my opinion, the schoolboys and schoolgirls across America are worth whatever sacrifice we might make as participants in such a prolonged debate, or as I always call them, a filibuster. Perhaps through the educational process we may get some of our colleagues in the House fully to understand how they are denying to the boys and girls of this country the protection they ought to have through Federal aid to education. They are denying to the voters of this country a procedure whereby, being elected by the voters of this country, they will have to stand up to be counted in a vote on the issue itself. They should not be able to use the procedural escape exits provided by following a course of action which avoids voting on the substantive issue itself.

Mr. CLARK. Mr. President, will the Senator yield further?

Mr. MORSE. I yield.

Mr. CLARK. I see on the floor the distinguished Senator from Michigan [Mr. McNamara], who has expressed the view privately, and perhaps publicly also, that we are making a very grave mistake in confining the pending measure to a mere extension of impacted area legislation and to an extension of NDEA. As I understand his view, he believes we should pass a comprehensive school bill and send it back to the other body and see whether they will persist in refusing to go to conference.

Mr. MORSE. I think we could do it if 10 men in the Senate would dedicate themselves to this issue for the next 3 months. I should think it would take about 3 weeks for the Senator from Michigan to read the material I see on the top of his desk.

Mr. CLARK. I close this colloquy with my friend from Oregon with the fervent hope that reasonable men will reach a reasonable solution of this matter and that it will not be necessary to stay in indefinite session in order to get the rock-bottom compromise from which those of us who want to do something for the boys and girls of America cannot well retreat. I express the hope that a majority of the Senate will agree with us in that regard. I am sure my friend from Oregon will agree.

Mr. MORSE. I agree completely. Let us consider the kind of compromise we are offering. It is the President's wish that we extend it for 1 year. We are offering a compromise which protects every school district in the country for a year. We are offering a compromise which guarantees the American people that they will get a report on the facts about any abuses and inequities and injustices.

Mr. CLARK. We are also protecting the scholarships.

Mr. MORSE. We are also protecting the scholarships. We are offering a compromise that continues the program of scholarships, as the Senator suggests. If we bring in NDEA as an amendment we do that. It does not happen to be in the Hill-Morse bill now before us, which deals only with Public Law 185 and Public Law 874.

I close by making a fleeting reference to NDEA. That subject will be my next major effort, at a later hour. All jocularity aside—we have been having a little fun, although we have been in earnest too—I am in dead earnest in saying that we are offering a program which gives protection to every legitimate interest concerned. We cannot justify extending this program beyond another year when we do not have the facts we need, and when we know that the administration can get for us the full facts.

I do not want to seem to be partisan, but I say quite frankly that I do not think my party and the Senator's party have been fair and decent to the President of the United States on this educational matter. I think the treatment the President has received in the House of Representatives on the education issue is unfair. It is treatment that cannot be reconciled with the Democratic Party's platform. The Democrats ought to help the President to keep his word.

The President of the United States in the historic campaign of 1960, in speech after speech, and in State after State, North, South, East, and West, stood up to this Federal aid-to-education issue courageously, as he does to all issues, and he made his pledge. He is asking the Senate now to extend this bill for 1 year until he can have this whole matter reviewed next year. There is such a thing as party responsibility.

Mr. CLARK. Mr. President, will the Senator yield further?

Mr. MORSE. I yield.

Mr. CLARK. Is it not as clear as a bell to the Senator that if we extend these two acts for 1 year, and for 1 year only, we will be helping the President of the United States keep his pledge next year; whereas if we extend it for 2 years we will do serious and perhaps irreparable harm to his ability to put his program across next year?

Mr. MORSE. That is my judgment. I do not want to let the Republicans off the hook. I also think that the Republicans have an obligation to the boys and girls that I have been talking about. As the Senator knows, we have received magnificent assistance from some great Republicans in our fight for educational legislation. I express my appreciation to them. However, we happen to be the majority party. As the majority party we have the responsibility to carry out our pledges. Here is a pledge our President has made. We were behind him in the campaign, and we urged his election. I do not know how many votes the

President received for his position on education. However, let me tell Senators—and I did not know we were going to get into this discussion—that the President's opponents took the position that he was in favor only of school construction. The President said, "I am in favor of school construction and teachers' salaries too."

In my judgment, it resulted in thousands of votes for the President in State after State, because I believe it will be found that a majority of the American people, if a national referendum were held on this question, would vote for a bill such as S. 1021, which covers both salaries and construction.

Mr. President, I return to comments on the District of Columbia. The District receives no Public Law 874 funds. I hope that it will, but it does not now, and has not for the past 11 years of the program. Hine School is a firetrap. I have warned about it before. It has already had one fire which, but for the grace of the Almighty, could have resulted in a terrible tragedy for parents in the District.

Many other such schools in the nonfederally impacted school districts need and deserve support. Many of the 63 percent of the schools now getting Public Law 874 aid could have more assistance under a general aid bill than they now receive. We ought not discriminate against two-thirds of our public school children by denying the financial assistance which could be brought to their schools by a general aid law. We ought to treat these children, their teachers and their parents more fairly. But, by evading the issue through passage of an extension of the present laws for 2 years or more, we will not do our duty as it should be done. We will continue to countenance the overcrowded classrooms, the half-day classes and the makeshift quarters characteristic of far too many of our schools.

Mr. President, the Wall Street Journal has published two exceptional articles which bear upon the subject of my speech today. One was published on June 8, 1961; the other, on September 11, 1961. I ask unanimous consent that they be printed at this point in the RECORD.

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

[From the Wall Street Journal, June 8, 1961]

TROUBLED CITIES—THEIR DEFICITS GROW AS THEY TRY TO MEET DEMANDS FOR SERVICES—OAK PARK, MICH., POLICEMEN FIGHT FIRES; BOSTON FRETS OVER IT'S DOWNTOWN NEEDS—MORE HELP FROM UNCLE SAM?

(By Mitchell Gordon)

In Milwaukee, home owners with even house numbers caught watering their lawns on odd-numbered days may be fined up to $50 or tossed in jail for 30 days; although the city sits on Lake Michigan, the sprinkling restriction has been law for 7 years because Milwaukee's waterpumping capacity hasn't kept pace with demand.

In Los Angeles, municipal officials talk of compelling residents to sort their refuse—a special depository for cans and other metal waste and another for garbage and combustibles—to make it worth more to scavengers.

And in Oak Park, Mich., and Sunnyvale, Calif., new municipal servants are now on the payroll. They are known as "public safety officers" and they perform the duties ordinarily divided between policemen and firemen.

All these cases illustrate the struggle of U.S. cities to cope with the growing demands made on them for broader and better services. In major metropolises and crossroads hamlets around the country, municipal taxes are going up these days—but not fast enough to keep deficits from rising too.

Municipal finance officers, the men who must find ways to meet the cities' bills, are pessimistic about their chances of solving by themselves such problems as water shortages, stream pollution, overcrowded schools, inadequate roads, deteriorating downtown areas, debt-ridden transit facilities and relentlessly climbing costs. Nearly all city finance men contend that State and Federal Governments are going to have to step in increasingly to help ease the cities' worsening predicament.

PHILADELPHIA'S NEEDS

"We've just taken a look at our basic requirements for the next 20 years," declares Richard J. McConnell, finance director of Philadelphia. "We figure the cost of keeping Philadelphia livable through that period will run close to $3.5 billion. We'll be lucky to raise $1 billion of that from our own resources (including debt) and we have an income tax, which most cities don't have. At our present revenue rate, it would take us 37 years to raise the money we're going to have to spend in a little more than half that time."

Adds towering Wendall R. Bailey, finance director for Miami: "There's not a hope in the world that we can meet our financial needs in the coming decade from our own resources as they stand now."

John F. Clark, executive director of the Municipal Finance Officers Association in Chicago, believes that "considering the urban problems ahead of us, the city budgets of today are going to look absolutely delightful against those of 5 to 10 years hence."

Even today, however, most cities are having a hard time making ends meet. In the fiscal year ended June 30, 1960, expenditures of local governments totaled $33 billion, the U.S. Census Bureau estimates. In the same period, these local governments received, from taxes and special charges revenues of just under $18 billion, leaving a gap of $15 billion. Borrowing, in the form of general obligation municipal bonds, made up part of the deficit but most of it—more than $9 billion—was accounted for by State and Federal handouts. Ten years earlier, in the fiscal year ended in June, 1950, local governments spent $14.8 billion and took in $8 billion from taxes and special charges—a gap of $6.8 billion.

OPPOSITION TO TAX BOOSTS

City officials say they are meeting firmer opposition in their efforts to raise property taxes, which provide about 70 percent of municipal revenues and are by far the single most important source of funds. Some cities are attempting to boost these taxes circuitously, by reassessing properties at higher than their current valuations. For example, Memphis, Tenn., is getting set to spend $750,000 for its first property reassessment in 30 years. Memphis is aiming to raise by at least 25 percent the $17 million it collects from its property tax at present.

Other sources of funds are not being overlooked. Philadelphia, which increased its income tax rate in January by one-eighth of a percentage point to 1.625 percent, reports extensive contact from other cities seeking information on this tax. Philadelphia expects its rate boost to bring in an additional $5.5 million this year, giving the city $78 million in revenues from this source. Philadelphia has had this tax in effect off and on for 23 years. In addition to Pennsylvania, six States permit certain municipalities to levy income taxes; they are Alabama, Kentucky, Minnesota, Missouri, New York and Ohio, although in New York and Ohio the authority is not yet exercised.

However much existing taxes are raised and new sources tapped, municipal finance men believe local debt will continue to rise. According to the U.S. Census Bureau, the Nation's cities expanded their outstanding long-term debt from less than $16 billion on June 30, 1955, to more than $22 billion 4 years later and the total is said to have risen since, though a more recent tally has not been made. In the fiscal year ended June 30, 1959, cities for the first time spent more on interest charges than they did on fire protection; the interest outlay was $963 million.

DEMAND FOR SERVICES

Such statistics and the gloomy fiscal prospects most cities face, municipal officials say, are doing nothing to deter the public from constantly demanding new governmental services and improvement in older ones. New York City, which is more financially hard pressed than many cities, is spending $400,000 in its current fiscal year to provide child care stations where "needy" mothers can deposit their children for the day free of charge so the mothers can work. Complains a New York City official: "They got used to it during World War II, when we started it, and now they won't let us cut it out."

Evanston, Ill., talks of constructing a municipal ice skating rink which could be turned into tennis courts in the summer. Birmingham, Ala., wants botanical gardens and may get them, with the operating cost estimated at more than $50,000 a year. Birmingham recently finished air conditioning its municipal auditorium and the city not long ago began operating an art museum.

The problems bothering most cities are far more basic, however. Downtown rehabilitation, for example, looms as a large undertaking for many cities. John T. Leonard, Boston's budget director, notes that "the average building in downtown Boston is 75 to 100 years old. Our downtown streets are winding cowpaths. Traffic is so chaotic that the expressway we only recently opened is already filled to capacity at the rush hour. It could cost us as much as $2 billion to cope with our downtown problem and then it would take us 10 years to start showing any improvement."

But most authorities on municipal problems agree that downtown rehabilitation is necessary for the survival of big cities. Congestion and decay of cities' cores already have prompted some businesses to move their office staffs to less crowded suburban areas. If this trend should continue unchecked, it could bring about a loss of tax revenues and consequent lessening of the cities' ability to finance improvements.

AID FROM UNCLE SAM

Federal urban redevelopment programs assist cities in acquiring land for redevelopment and in constructing low-cost housing. But it doesn't make much sense, city finance men argue, to breathe new life into downtown districts without improving their accessibility and parking. In many large cities, expressways linking downtown and outlying areas have been built with Federal aid, but often these big roads add to cities' troubles by encouraging use of cars and dumping more traffic into central districts.

Municipal officials believe the parking problem will become much greater in the years just ahead. Chester Kowal, controller for Buffalo, N.Y., says: "We're going to have to require the provision of parking space in every large new building, but cities are going to lose downtown businessmen with that requirement unless they're prepared to help out on the parking problem in some way." Buffalo's answer, as is that of most cities, is

municipally owned facilities, though Buffalo's own three $2-million downtown garages are operated by a businessmen's cooperative whose fees are designed only to cover operating costs and return construction costs to the city.

Even more serious to some officials is the problem of mass transit. Injection of Government funds appears to be the only way of making fares on mass conveyances low enough to attract downtown workers and shoppers from their private cars. For Philadelphia, this means subsidies to a so-called Passenger Service Improvement Corp., whose 1961 budget of $1.5 million—three times the 1960 figure—is being used to help two commuter railroads keep fares down. For New York City, it means buying new cars for the city's subways out of local tax funds because fares on the publicly owned facility aren't adequate to meet expansion or replacement needs.

FEDERAL TRANSIT HELP

As the cities' mass transit troubles grow, the Kennedy administration is moving to set up a $150 million low-interest fund for loans in this field. However, at least 11 cities say they stand in need of the aid. Divided evenly, the administration's sum would come to less than $14 million a city—or only 5 percent of what Los Angeles alone figures it needs just to start an attack on the problem.

Water is an immediate worry for many cities. Amarillo, Tex., for instance, figures it's going to have to float $42 million worth of bonds, twice its total present debt, in the next 15 years to tap water resources 55 miles away. The city now has to reach no more than 14 miles for water, but present sources are considered inadequate for foreseeable demands.

The growing pollution of streams, rivers and other water sources is compounding this problem. Sioux City, Iowa, which has already had one extension from a Federal court on an order to quit dumping its sewage into the Floyd River, is faced with the expenditure of $7.5 million for a sewage treatment plant, though it has yet to sell the first of a series of bonds to get the project under way. Rainey P. Pope, finance director of Burlington, N.C., recalls that the Haw River "used to be a good fishing stream 10 or 15 years ago" but that it became badly polluted from raw sewage dumped into it by cities along its route. In 1955, North Carolina passed a law ordering cities to quit this practice and last fall Burlington put into operation a $2 million treatment plant.

Education's financial demands on the cities also are great. New York City, for example, is spending nearly 20 percent of its current budget on education; this is nearly twice what the city is putting into police and fire protection. In Birmingham, Ala., City Comptroller Sidney Grady Fullerton, Jr., calls schools "the real problem with us." Undoubtedly, many other city officials would share this refrain if their cities, like New York and Birmingham, ran their own schools. In most areas, separate school districts do so.

RESISTANCE TO BOND ISSUES

Municipal officials complain the education burden is getting to be more of a problem for them because taxpayers are growing increasingly antagonistic toward bond issues for new schools. Declares Dr. Thor W. Bruce, chief auditor for the board of education in St. Louis: "We've had a $16 million bond issue for new schools turned down three times by the voters despite the fact we're spending $140,000 a year in needless transportation costs for children who otherwise might be able to walk to school."

St. Louis and some other cities are stepping up experiments with temporary buildings as a way to avoid some construction; St. Louis has four wooden and four metal temporary structures under test at present.

Welfare costs put an additional strain on some municipal pocketbooks. In its current fiscal year, New York City has marked $245,821,345 for welfare services; this is more than 10 percent of the city's total budget of $2.3 billion.

As for police and fire protection, since 1946 outlays by local governments for these services have more than trebled; as of October 1960, policemen constituted 14.4 percent and firemen 9.6 percent of municipal employment.

The "public safety officer" system being tried in Oak Park and Sunnyvale as a means of saving money basically provides for fire trucks to be manned only by a single driver and for police squad cars equipped with axes and other basic firefighting apparatus and manned by policemen trained in firefighting to answer fire alarms. Because they are out on cruise, squad cars often can get to a fire faster than fire trucks anyway, advocates of the system say. Evanston, Ill., which has only partly adopted this system, figures it is saving $100,000 a year from the former practice of maintaining completely separate police and fire departments.

[From the Wall Street Journal, Sept. 11, 1961]

THE SCHOOLS IN 1961—THEY TRY MANY WAYS TO HANDLE ENROLLMENT RISE, CALLS TO IMPROVE—LOS ANGELES BUDGETS $800,000 EXTRA FOR SCIENCE STAFF—CHICAGO TURNS TO TV—DIRTY WINDOWS IN PITTSBURGH

(By Mitchell Gordon)

School enrollments are up again this month, posing new difficulties for systems already strained by rapid growth and under pressure to bolster the quality of their teaching. But educators are chipping away at their problems—and here and there signs of progress are evident.

This, in broad outline, is the picture sketched by local school administrators and other education authorities as pupils around the country troop back to classes after the summer vacation. According to the U.S. Office of Education, 45 million youngsters, from kindergarten through high school, are expected to register this term in public and private schools, an increase of 1.1 million over a year ago. Some local administrators say they continue to be short of qualified teachers; others report they lack adequate classroom facilities. Their efforts to handle additional pupils and remedy what they consider to be school system shortcomings are likely to mean higher school costs and in some instances bigger tax bills.

The tactics tried by school systems in attempts to alleviate their troubles are highly varied. Some systems are finding cheaper ways to build new schools or searching out places where operating costs can be trimmed; in Pittsburgh, for example, Superintendent Calvin E. Gross expects to save $50,000 a year by having school windows washed only 3 times annually instead of the 10 times customary in the past.

TELEVISION TEACHING

A number of cities are seeking to make better use of particularly talented or experienced teachers by permitting them to concentrate on lecturing to large groups of pupils and relieving them of routine clerical or supervisory chores. Television use is also being stepped up to bring top teachers to more students.

There is continuing public concern over the caliber of U.S. education, a concern that became especially acute after the Russians demonstrated their growing scientific capabilities with the orbiting of the first Sputnik in 1957. In response, some schools are laying even more stress on basic subjects such as science and mathematics and less on frills such as dating etiquette and social dancing. Among the students affected by this trend are the freshmen entering Los Angeles high schools today; beginning with their class, the high schools will require 170 class hours of science, a 20-hour increase from the old requirement. The change meant hiring 108 more high school teachers at a total annual expenditure of over $800,000.

Though concerned about strengthening curriculums, many school officials have their hands full simply scaring up desks and teachers for the steadily expanding army of students. The increase in school enrollments is a long-term affair. The 1961–62 school year is the 17th consecutive year in which enrollments have risen, and authorities expect the school population to swell by another 20 to 30 percent in the coming decade. This year's rise is especially sharp at the high school level, where the total enrollment has jumped 700,000 to 10,800,000.

CLASSROOMS NEEDED

Shortages of classrooms and teachers, stemming from increasing enrollments, have been reported by many school districts ever since World War II. According to the Office of Education, the Nation was short 142,000 classrooms at the start of this year, compared with a shortage of 132,400 a year earlier. The failure of Congress to pass a school construction aid bill dashed the hopes of communities relying on Federal assistance to help ease their classroom shortages.

Such major cities as New York, Chicago, and Los Angeles have been able to make little progress in reducing the number of children on split sessions, under which children in areas short of classrooms attend school in shifts. In fast-growing Los Angeles, School Supt. Ellis A. Jarvis figures he needs the equivalent of one new school a week throughout the school year to accommodate the 25,000 to 30,000 yearly enrollment increase; the actual building pace falls short of this rate.

Over 90,000 teachers are teaching on emergency credentials and lack the college training to qualify on a permanent basis, the Office of Education reports. A decade ago there were 75,000 teachers in this category. Some of the teachers who do not meet the letter of State and local requirements, however, may be excellent, well-educated instructors who simply have not taken specified education course.

CLIMBING COSTS

The increase in enrollments, coupled with inflation and a trend toward more elaborately equipped schools, will raise spending on elementary and secondary schools to over $17 billion during the current academic year, up from $16.5 billion a year ago and $6.5 billion in the 1950–51 school year. These figures include operating and construction costs. The average outlay per pupil was $390 in the school year that ended in June, compared with $259 in 1950–51.

In Pittsburgh, despite the window-washing cutback and other maintenance savings expected to total $200,000 a year, a lack of funds is likely to lead the school board to put into effect a new one-half of 1 percent tax on residents' earnings; this city already has a 1 percent tax on the earnings of both residents and nonresidents working in the city. Over the past 2 years St. Louis taxpayers have seen their school levy rise from $1.61 per $100 of assessed property value to $1.74. Denver's school enrollment has grown so rapidly—from 58,000 students in 1950–51 to 98,000 in 1960–61—that the system has had to seek special permission from the State Tax Commission almost every year since the end of World War II to boost its tax levies by more than the legal limit of 5 percent over the previous year's rate. "Fortunately, they've appreciated our need and haven't turned us down yet," says Supt. Kenneth E. Oberholtzer.

Rising school expenses and taxes are spurring the efforts to economize in school construction. Many school systems are specifying bare concrete block walls for interiors rather than plaster. Some are trimming building outlays by calling for 8-foot-high ceilings instead of 12-foot ceilings. The Los Angeles school system is using small, transportable buildings that can be moved from one area of the city to another as school populations change.

A COAL STOVE AND A WATER BUCKET

More than canceling out savings from tactics such as these, however, is the trend toward adding costly new instructional aids. "A classroom used to be nothing but a blackboard, a few benches, a coal stove, and a water bucket for the kids to take a drink," observes Dr. Shirley Cooper, associate executive secretary of the American Society of School Administrators. "Now we have a vast array of laboratory equipment, projectors, and recording devices, automobile and other mechanics workshops and even air conditioning in a few instances."

A standout example of an expensive new facility that more and more high schools are installing is the language laboratory. "Before the 1950's," says Virgil Volla, associate superintendent of Los Angeles city schools, "we didn't have language laboratories in the public schools. Today, in the electronic age, they come equipped with tape recorders, earphones, playback equipment, individual sound booths for each student and control equipment for the teacher. It's an enormous help for turning out linguists, but it's costly, too." Mr. Volla estimates the average language lab contains about $14,000 worth of equipment. Among the large cities whose school systems have added new language laboratories in recent months are Cleveland, Chicago, and Philadelphia.

To be sure, not all innovations please educators or taxpayers. Student parking spaces, for instance, irk Mr. Volla, of Los Angeles. "In 1950, we weren't providing parking space at our high schools even for teachers," he recalls. "Today we're having to provide 300 to 400 spaces at one of our new high schools for students alone, and, of course, we have to make provision for teachers as well. It not only adds to school site costs, but to upkeep as well."

TEAM TEACHING

Outlays for teacher salaries are rising along with building expenditures, but many school authorities say new instructional procedures are enabling communities to get more value for their educational salary dollar. The practice of using superior teachers to lecture to large groups and providing them with assistants for other chores, an arrangement known as team teaching, is one of the new methods which is spreading rapidly, especially at the high school level. Among the cities making use of the technique are Palo Alto, Calif., Golden, Colo., and Greenwich, Conn.

According to J. Lloyd Trump, associate secretary of the National Association of Secondary School Principals and an advocate of team teaching, a careful evaluation of the new teaching method at Ridgewood High School in Norridge, Ill., indicates "superior academic results at no increase in educational costs." Comments Dr. Ovid Parody, chief of secondary school instruction of the Office of Education: "The principle is the same as not using an engineer to change a radio tube."

In the traditional high school, one teacher—an English teacher, for example—would be assigned several classes of 30 or so pupils. The teacher would meet with each class every day and carry out all phases of teaching, from discussing the evolution of the English novel to taking attendance and correcting spelling errors in themes. The teacher would, in addition, handle extra chores, such as helping to supervise a cafeteria or study hall.

MASTER TEACHERS

Under the team concept, several staff members cooperate to teach a subject. A typical team is headed by a "master teacher," an outstanding teacher, often with a master's or doctor's degree, who is unusually adept at presenting a subject vividly and clearly and who receives higher pay than other team members. The master teacher's primary job is to lecture to groups of 100 or so students and perhaps to lead an occasional discussion group.

Most of the discussion groups and classroom drills, however, are guided by two to four assistant teachers who are part of the team. These lower ranking teachers also shoulder the bulk of the administrative chores. Rounding out a team is a clerk, who performs routine clerical tasks.

The use of television to utilize teaching talent more fully is taking an unusually big step forward this fall in the Chicago area. Starting today, schools there will receive a wide variety of educational programs broadcast as part of the Ford Foundation-backed Midwest program on airborne television instruction. The taped telecasts are beamed from a circling converted cargo plane whose signals can reach over 1 million elementary and high school students in 6 Midwest States. Among the courses offered are biology for high school students, music instruction for the first and second graders, sixth grade arithmetic and Spanish for grades three through six.

Mr. MORSE. Mr. President, the editorial page summary of the St. Louis Post-Dispatch for the week of August 28–September 3 included an editorial entitled "The President and the Schools," which has my hearty endorsement, except for its opposition to any kind of assistance for private schools. I ask unanimous consent to have it printed in the CONGRESSIONAL RECORD.

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

THE PRESIDENT AND THE SCHOOLS

The administration went about as far as it could go to appease Congress on behalf of school legislation—and it lost. President Kennedy's prime objective was a $2,484 million program for teachers' pay and public school construction. This finally was reduced to a $324-million, 1-year emergency building program which Representative ADAM CLAYTON POWELL, JR., chairman of the Education Committee, called up under the Calendar Wednesday procedure. The bipartisan coalition killed it, 162 Republicans and 82 Democrats combining to cast 242 votes against it. There were only 169 in favor.

It is appalling that 242 Representatives should be so blind to the necessities of the schools, and to the future of the Nation which depends on its schools.

The President says, "We will be back next year." He should indeed renew the fight, and we hope his administration has learned a lesson from this one. Mr. Kennedy never really took the issue to the country. He relied on "inside work" with Members of Congress. The tactics did not succeed because many Members felt more pressure from the opponents of Federal aid to schools—including the pressure from Catholics who insisted on aid to parochial schools or aid to none—more than they felt pressure from the White House.

We hope the President next year will devote at least one major television address to the issue, explaining in clear detail why Federal aid is needed, why the Constitution and sound social policy forbids its extension to religious schools, why the bipartisan coalition which beat him this time must be beaten next time. Unless Mr. Kennedy engages himself personally and deeply in the contest he cannot expect to win.

Mr. MORSE. Mr. President, I ask unanimous consent to have printed at this point in the RECORD a letter, a copy of which I have received, from Secretary of Health, Education, and Welfare Ribicoff to the Honorable WILLIAM F. DAWSON, chairman of the House Committee on Government Operations, dated July 21, 1961, commenting on the Comptroller General's report of June 12, 1961.

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

THE SECRETARY OF HEALTH,
EDUCATION, AND WELFARE,
Washington, D.C., July 21, 1961.

Hon. WILLIAM L. DAWSON,
Chairman, Committee on Government Operations, House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: This is in response to your request of June 13, 1961, for our views and comments on the Comptroller General's report of June 12, 1961, entitled "Review of Regulations, Policies, and Practices Relating to Federal Grants for School Construction Under Section 305(a)(3), Public Law 815, 81st Congress, as amended, Office of Education, Department of Health, Education, and Welfare."

The principal findings of the report concern the policies, procedures, and practices of a division of the Office of Education during the years 1956 to 1958. They refer to the operations of the division of school assistance in federally affected areas, which permitted the approval of grants on evidence which, in the opinion of the Comptroller General, was not adequate to demonstrate that the school districts were in fact eligible to receive Federal grants for school construction under the provisions of subsection 305 (a)(3) of Public Law 815, as amended. This subsection of the law provides that school districts may be entitled to Federal financial assistance when "the estimated increase, since the base year in the number of children whose membership results directly from activities of the United States (carried on either directly or through a contractor)" equals or exceeds 10 percent of the average daily membership in the base year, i.e., the year preceding a 2-year increase period covered by an application. In addition, school districts applying for Federal assistance for school construction under this subsection are required to show that the financing of the construction of minimum school facilities for the increased number of such children, estimated to be in membership at the end of the 2-year increase period in question who would otherwise be without available school facilities, would place an undue financial burden on the taxing and borrowing authority of the applicant school district.

The principal recommendations made by Comptroller General are as follows: "If section 305(a)(3) of Public Law 815, as amended, is extended beyond June 30, 1961, we are recommending to the Commissioner of Education that, to provide adequate documentary evidence to support payments for school construction, the approval of applications from school districts for assistance be made only after there is submitted by the claimant adequate documentary proof of eligibility for a grant. We are recommending further (1) that there be established suitable criteria and procedure to be observed by the claimants in order to dem-

onstrate clearly that the estimated increase in school membership, that serves as a basis for the grant, is in fact the result of Federal activities and (2) that there be issued, and enforced, improved internal instructions for the guidance of SAFA in its operation of the grant program and in its review of each construction grant application. The criteria and instructions should include recognition of such factors as ratio of Federal business to non-Federal business, the substantial trend to suburbanization regardless of Federal activity, and the recency of employees inmigration to the school district.

"We are recommending also that, if suitable criteria for determining eligibility under the present law cannot be developed and if a grant program of this general type is to be continued beyond June 30, 1961, by the Congress, the Secretary of Health, Education, and Welfare consider giving assistance to the Congress by framing proposed legislation designed to facilitate development of an adequate showing by applicants that they are in fact eligible to receive Federal funds for school construction."

A preliminary draft of the subject report was submitted by the GAO to the Office of Education and this Department for comment on April 29, 1960. That draft contained substantially the same findings as does this subject report and contained similar recommendations. The then Commissioner of Education, Dr. L. C. Derthick, commented on the draft report under date of June 29, 1960. A copy of Dr. Derthick's comments is enclosed. In substance, his comments explained the difficulties experienced in the administration of this section of Public Law 815. He stated that in the light of experience and changes since the program was instituted, it would be desirable to require more adequate documentary evidence from applicant school districts that the estimated increase in school membership clearly results from Federal activities. To put this into effect Dr. Derthick indicated that the Office would thereafter require from applicants under this section more direct evidence of inmigration of parents as a condition for counting children in the increased membership claimed. This proposed change has been adopted and while experience with it is limited, it has had the general effect of reducing payments to eligible applicants under this section.

As to the other recommendations in the subject report, the administration recommended to the current session of Congress that this section of the law be permitted to expire June 30, 1961 (see sec. 302 of H.R. 4970). In justification of this recommendation we stated that grants for assistance for school construction for increased numbers of children whose parents move into a school district to work for Federal contractors in taxable enterprises cannot be justified on the basis of any direct or indirect loss of revenue resulting from the tax immunity of Federal property—the underlying rationale of other sections of the law.

However, the bill reported by the House Committee on Education and Labor (H.R. 7300) would extend this section of Public Law 815 for 3 additional years beyond June 20, 1961, without amendment. If this section of the law is thus extended, we will give careful consideration to the development of additional criteria for determining eligibility of applicant school districts along the lines recommended in the Comptroller General's report.

In concluding my comment, let me say that I recognize the need to reexamine the policies, procedures, and criteria for determining eligibility of applicant school districts if section 305(a)(3) of the law is extended. In my opinion, however, it is not fair to imply that the grants approved in the amount of $142.6 million to some 549 school districts in 34 States during the 10 years of this program are subject to serious question principally on the basis of the detailed examination of the documentation supporting the claim of one California school district for 1956 to 1958. The fact is that the requirements set by Congress for eligibility under this section of the statute are so broadly stated as to leave a wide area for discretion or judgment by the Commissioner in his determination of eligibility. While the report makes a strong case in support of the judgment of the GAO—that the policies, procedures, criteria, and documentation required in support of school district claims might well have been more precise, complete, and stringent—there is no ground for any implication that the determinations made by the Commissioner were not well within the intent of the Congress and the language of the statute itself.

Sincerely yours,

ABRAHAM RIBICOFF,
Secretary.

Mr. MORSE. Mr. President, I ask unanimous consent to have printed at this point in the RECORD the text of a letter dated June 20, 1960, together with a report, from U.S. Commissioner of Education L. G. Derthick to Mr. R. S. Lindgren, of the General Accounting Office.

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

JUNE 29, 1960.

Mr. R. S. LINDGREN,
Assistant Director, Civil Accounting and Auditing Division, U.S. General Accounting Office, Washington, D.C.

DEAR MR. LINDGREN: This will reply to your letter of April 29, 1960, enclosing copies of a draft report to the Congress on your "Review of Entitlements of School Districts for School Construction Assistance Because of Federal Activity, Office of Education, Department of Health, Education, and Welfare, February 1960." We appreciate your courtesy in affording us the opportunity to comment on the draft report, and our detailed comments are contained in the attachment hereto.

In summary, we feel that the procedures used by us in determining eligibility under subsection 305(a)(3) of Public Law 815 afforded proper protection of the Federal interest and were consonant with the intent of Congress. The report is based on a limited review of one school district and does not in our opinion establish a basis for the general finding that improper payments have been made under this subsection.

As requested in your letter, the draft report is also attached. Please let us know if we can be of further assistance.

Sincerely yours,

L. G. DERTHICK,
U.S. Commissioner of Education.

COMMENTS ON A DRAFT REPORT TO THE CONGRESS BY THE COMPTROLLER GENERAL ON A "REVIEW OF ENTITLEMENTS OF SCHOOL DISTRICTS FOR SCHOOL CONSTRUCTION ASSISTANCE BECAUSE OF FEDERAL ACTIVITY"

(Prepared by the Civil Accounting and Auditing Division of the General Accounting Office, February 1960)

PART I—SUGGESTED EDITORIAL CHANGES

We suggest the following changes in the wording of the draft:

1. Cover page and pages 1, 3, 10, and 11 delete "entitlements of" and substitute "grants to"; delete "entitlement(s)" and substitute "grant(s)."

2. Pages 1 and 4: Delete "had been or would be" and substitute "had been and/or would be."

3. Page 2: Delete "515 school districts" and substitute either "515 applications" or "405 school districts."

4. Page 5: In the first sentence add "and" after "or."

5. Page 5: Delete "for the fiscal year preceding the fiscal year in which its application is approved" and add "for the base year designated in the application."

6. Page 6: Delete "entitlements" and substitute "maximum grants."

7. Page 11—

(a) Delete "$970,087.50" and substitute "$970,987.50"

(b) Delete "1383" and substitute "1575."

(c) Delete "in average daily membership as of June 1956" and substitute "in average daily membership for the base year 1955–56."

(d) Delete "in average daily membership as of April 1958" and substitute "in actual membership as of April 1958."

PART II—GENERAL COMMENTS

Although the title of the draft report seems to imply a broad review of the determinations made as respects the maximum grants for financial assistance for school construction approved by the Office of Education for applicant school districts under the several provisions of Public Law 815, the report itself deals solely with a review of such determinations as respects one subsection of the law, namely subsection 305(a)(3), as amended, by Public Law 949 (84th Cong.), which authorizes such assistance on account of increases in school membership resulting from Federal activity carried on directly or through a contractor. We would suggest therefore that the title might properly be modified to read: "Review of the administration of subsection 305(a)(3) of Public Law 815 authorizing assistance for school construction because of increased enrollments resulting from Federal activity carried on directly or through a contractor."

Even this more restrictive title may be too broad. The draft report actually deals with a single aspect of the administration of only one subsection of a complicated statute. The aspect of subsection 305(a)(3) covered is that having to do with the determination of the estimated increase in the number of children in membership in schools of a local educational agency resulting from Federal activities carried on directly or through a contractor.

The report focuses "as an active example" on one school district in California which received assistance under subsection 305(a)(3) for the application period July 1, 1956 through June 30, 1958. The finding of the report respecting the determination made by this Office as to the increased number of children estimated to be in membership in this school district as a result of Federal contract activities for the increase period ending June 30, 1958, as compared with the number of such children in average daily membership in the school year 1955–56, is the central issue of the report. The report charges that there was inadequate proof required by this Office of a causal connection between the increase in the number of children claimed by the applicant school district and the Federal contract activities to which the increase was attributed.

From this finding of what is claimed to be inadequate proof of causal connection in the case of the California school district cited as an example, the generalization is made that adequate proof of causal connection was not required by the Office in the determination made for some 405 school districts involving some $136 million in Federal grants since the beginning of the program in 1950, and that in consequence question arises as to the propriety of some $136 million paid to these school districts. According to the report "officials of the Office" admitted that a

single method had been used to establish the Federal contract connection of the increase claimed by school districts applying for this category of assistance under the act since the beginning of the program. Accordingly, since this method was found to be inadequate in the case of the one school district presented "as an active example," the report concludes that it was inadequate in some 405 school districts involving some 515 applications over a period of 10 years.

Surely this is spreading a modicum of evidence over a very broad expanse of generalization.

The report states that the auditors examined 139 of some 458 reports from employers of the parents of children claimed by the school district as resulting from Federal contract activity. Some 26 of the 139 reports were singled out for attention in the report as to the adequacy of the evidence of Federal contract activity therein contained. Associated with these 26 reports in question were some 205 children claimed by the school district as an increase resulting from Federal contract activity. From the data presented in the report only one question can properly be raised—was the Office justified in accepting this increase of 205 children in membership as resulting from activities of the United States carried on directly or through a contractor?

These 205 children represented $126,382 of the $970,987 in total Federal grant approved by the Office for this school district, or some 13 percent of the total amount. Even assuming the validity of the auditor's finding as to the inadequacy of proof of causal connection in the case of these 205 children in this 1 applicant school district, representing 13 percent of the grant approved for that district, the inadequacy of the sample and the fact that during the 10 years of the program, which covered several other application periods during which a number of different provisions of the law affecting the administration of this category of Federal connection were in effect, make it difficult to understand why the full amount of $136 million in grants to 405 school districts made under this subsection for the 10 years of the program should be questioned when there is serious doubt of the propriety of any projection.

Thus, we do not feel that the limited evidence cited in the report is sufficient to warrant a generalization which questions the propriety of 13 percent of the $14.1 million in grants made during the 1956–58 application period. The evidence cited by the report as to inadequacy of proof of causal connection between the 205 children in this school district and Federal contract activity is predicated mainly on the auditor's interpretation of the meaning of the terms "resulting from" and "activities of the United States (carried on directly or through a contractor)." Although nowhere in the report is there a precise statement as to the type of proof which the auditors believe necessary to support a determination that an increase in school membership resulted from Federal contract activity, on page 7 of the report appears this general statement:

"In order to establish that 'school membership resulted' from activities of the United States carried on through a contractor, we believe there would need to be a showing of relationship between 'Federal activities' and the cause of the parents residing within the school district. This was not done, but would have been a logical procedure because an immediate cause of school membership is the pupil living within the geographical boundaries of the school district."

Again, on page 3 of the summary appears this paragraph:

"Section 305(a)(3) of the law authorizes assistance when school construction is needed because certain school membership has resulted from activities of the United States but the Office of Education granted assistance under this section of the law when the only proof of the effect of activities of the United States on school membership was statements from employers in communities that the employers sold something directly or indirectly to a Federal agency. No consideration was given to such factors as the nature of the products the employers sold to the Government, what proportion of total sales was to the Government, or whether the employers' sales or manufacturing were local to the school district or were carried on far away from the school district applying for assistance."

If we interpret the first quoted statement correctly it means that the auditors think that the Office should have required evidence to be presented by the applicant to show (1) that the parent of every child which entered school in the applicant's school district subsequent to the school year which constitutes the base year for determining estimated increases in school membership had moved into the school district after the base year, and (2) that the selection of this school district for residence purposes by the parent was in consequence of (or the result of) "activities of the United States carried on directly or through a contractor." Although item (1) above might seem logically to have been a necessary requirement it was not required by the Office for reasons to be indicated later in these comments. Item (2) above also seems at first glance to be logical. But upon further consideration it would appear to be administratively impracticable, in that it would have required the applicant to secure a statement over the parent's signature as to the parent's primary motivation in selecting the applicant school district for residence purposes. Even assuming that parents would have been willing to provide such statements and that they could have been accepted as reliable evidence of the parent's primary reason for inmigration the Office would then have logically been required to count for purposes of eligibility the child of every parent so certifying that his primary motive or reason for moving to the applicant school district was the desire, hope, or expectation of employment in activities of the United States carried on directly or through a contractor," and this would have been true whether or not such employment was in fact secured. We seriously doubt that this procedure would have elicited acceptable information from parents or have resulted in more adequate proof of causal connection between enrollment increases and Federal contract activity than the method actually used. We have little doubt that it would have been regarded by most parents as an unwarranted inquiry and intrusion by school officials into the parent's personal affairs.

Reverting to the question of why evidence was not required from applicant school districts that children counted as a Federal-contract-connected increase had moved into the school district subsequent to the base-year, it is freely admitted that this was administratively feasible and might well have been required, except during the first 2 years of the program when the act provided for a different concept for counting increases in school attendance for determining eligibility and payment. It was seriously considered when the law was first amended and extended by Public Law 246 in 1953. In retrospect and in the light of the criticism made in the draft report the requirement of such evidence of inmigration might have been a desirable additional element of proof of increase resulting from Federal contract activities.

However, the amendments made by Public Law 246 in 1953 provided as a new limitation for the subsection 305(a)(3) category, a Presidential finding that an applicant school district is located in a critical defense area and that a substantial inmigration of defense workers or military personnel into such an area was required to man the new or expanded defense plants or military installations.

Under the Presidential finding clause of subsection 305(a)(3), the President issued an Executive order dated March 31, 1954, directing the Office of Defense Mobilization to make recommendation to the Secretary of the Department of Health, Education, and Welfare, on the question of whether a new defense plant "has been or is to be established or an existing defense plant or installation is to be reactivated or its operations substantially expanded." The Secretary of the Department of Labor was also directed to make the finding as to whether substantial inmigration of defense workers or military personnel was required to carry out activities at such defense plant or installation. The findings of these two agencies were binding on the Secretary of Health, Education, and Welfare, who also was required to determine whether additional school facilities were required for the children of the inmigrant defense workers and military personnel and whether a particular applicant school district was in an area meeting these conditions.

After this order was issued there followed a series of intensive discussions with the Federal agencies setting up the procedures that would be followed by each in making and certifying these findings. This office developed, with assistance of the Office of General Counsel, the procedure by which a determination was made as to whether an applicant school district was in an area affected by a given plant it had listed.

It was felt that the findings required to be made by the ODM and the Department of Labor under Presidential delegation relating to plants having Federal defense contracts and requiring substantial inmigration of labor necessary to man expanded activities in such plants established the facts of inmigration because of Federal contract activities in the area.[1]

The procedure or method which continued to be used consisted essentially of requiring the applicant school district to conduct: (1) a pupil-parent survey or surveys for the purpose of identifying the place of employment of the parents of pupils enrolled in the schools of the district, (2) a survey or surveys of the places of employment indicated on the pupil-parent survey cards to identify those employers engaged in activities in fulfillment of a Federal contract or subcontract, (3) the number of children in membership in the applicant school district in the school year of application whose parents are employed by such employers, (4) the number of children in average daily membership in the base year whose parents had been employed by such employers in that year, and (5) attributing any increase in the number of children in item (3) over the number in item (4) to have resulted from Federal contract activities.

With the elimination from the law of the requirement under subsection 305(a)(3)

[1] It may be noted also that the same amending legislation introduced another limitation to the effect that the total increase in membership approved for a school district for all categories of federally connected children must be reduced to the extent that the estimated increase in nonfederally connected children in the same 2-year increase period fell short of 10 percent over the base year.

of a Presidential finding as respects the location of an applicant school district in a critical defense area made by Public Law 85-620 amendments (see new sec. 5(a)(3) of Public Law 85-620), it appears in retrospect that it might have been preferable to require that the applicant school district count under item (c) of the procedures outlined above only the number of children of parents entering the school district of residence subsequent to the base year. While this method of counting eligible children would in some respects provide more specificity and would tend to be more conservative than the method actually employed, we would not agree that the method adopted resulted in "improper payments."

Consequently, we plan hereafter in the processing of applications under this subsection of the law, to require from applicants additional and more direct evidence of inmigration of parents subsequent to the base year as a condition for counting children in the increase claimed for purposes of eligibility and/or payment.

Before concluding our comments, attention is directed briefly to the paragraph of the draft report quoted from page 3 of the summary of finding and recommendation. This paragraph summary, taken together with the discussion in the body of the report and notes 1 and 2 on the last page of the appendix, indicates that the GAO auditors are inclined to interpret "activities of the United States (carried on directly or through a contractor)" in such a way as to eliminate certain types of Federal contract activities whose effects on increased school enrollment they feel is rather tenuous and remote. It appears they would rule out procurement contracts (involving the sale of products or services to the Government) particularly if such contracts were entered into by a home office of the company and the items supplied were from a branch located in or near the applicant school district. They seem to feel that parents and children counted should only be in proportion to the number of a contractor's employees engaged in fulfilling a Federal contract, or alternatively in the proportion of the company's sales to the Government. They seem to feel that these and other limitations should have been spelled out in the instructions and requirements issued by the Office.

We have not had an opportunity as yet to reexamine with our field representative the data on file in the school district as respects the 26 examples listed in the appendix of companies claimed by the school district as having contracts or subcontracts for Federal activities. The audit report does not establish the grounds for a specific finding of ineligibility of the cited cases and in the absence of such we cannot conclude that we erred in judgment finding these cases eligible. We believe the statute intended the Commissioner to exercise his judgment broadly in the absence of precise criteria in the law, and we do not accept the conclusion of the report that a few borderline cases establish a basis for the generalization that "improper payments" have been made. Admittedly, judgments on individual cases would be expected to differ in view of the fact that the spectrum of eligibility is not sharply defined.

Instructions issued to our field representative[2] for this increase period included the following as respects section 305(a)(3): "You should examine the plants or installations which the applicant claims have contracts with the United States. You will be expected to satisfy yourself that the plants or installations involved actually have such contracts. You should then determine the estimated ADM for 1955-56 and the estimated membership for June 1958 of the children whose parents work in such plants or installations. Any increase other than the normal (3.5 percent annually) should be justified before being recommended."

We agree in the light of the criticisms made in the draft report that these instructions would have been improved had they been more specific as respects the procedure and evidence involved on the basis of which the field representative would be expected to satisfy himself that the plants or installations involved actually had Federal contracts.

Our experience in attempting to determine increases resulting from this category of Federal-contract-connection, both in Public Law 815 and in Public Law 874, has shown however that many plant officials are reluctant to reveal the existence of Federal contracts, or the nature of the contract, or the proportionate volume of business or employment generated by the contract. As a result of this reluctance (and frequent refusal) by employers to provide school officials or our field representatives with more detailed information concerning their Federal contract activities, we adopted the procedure previously indicated as being the most practical under all the circumstances considered.

In summary and conclusion then, the Office of Education and its Division of School Assistance in Federally Affected Areas were faced with a complicated and difficult administrative problem in the category of Federal connection with which the draft report deals. Administratively the problem was further complicated by four distinct and different legislative authorizations over the period of ten years. For 6 of those 10 years two other Federal agencies were given responsibility under Executive order for making the Presidential findings which affected eligibility and the amount of entitlement of applicants under this subsection of the act. These findings could not be questioned by this office.

Careful consideration was given by the office to various methods of carrying out its responsibilities under this subsection of the act with one aspect of which the report deals. We believe that the method employed provided reasonably adequate evidence for a determination that the estimated increase in the number of children approved as the basis for grants to school districts was in consequence of or resulted from Federal contract activities. However, in the light of the GAO criticism, we plan hereafter in the processing of applications under this subsection of the law, to require from applicants additional and more direct evidence of inmigration of parents subsequent to the base year as a condition for counting children in the increase claimed for purposes of eligibility and/or payment.

We do not believe that the broad generalization made on the basis of the findings reported for the one school district selected "as an active example" is justified. Even as applied to the 59 school districts and the $14.1 million approved for the 1956-58 increase period under the terms of the statute in effect at that time we believe the generalization would not be justified were all the applications for that period examined with respect to all of the factors involved in a determination of eligibility and amount of grant under this subsection of the law.

An indication of the care with which the Office of Education reviewed the applications submitted under this subsection of the law, and of the effectiveness of the procedures used is to be seen in the attached table summarizing the results of the processing of all such applications for the 1956-58 increase period. During that period 129 applications claiming eligibility under subsection 305(a)(3) were received from school districts. These 129 applications claimed an estimated 74,283 Federal-contract-connected children representing estimated total Federal grants of $43,368,700. After review by the Office of Education only 59 of these 129 applications were found to be eligible. These 59 eligible applicants had originally claimed 44,748 Federal-contract-connected children for a total of $25,798,819 in Federal funds. The processing procedures of the Office of Education reduced the number of children from the 44,748 claimed to 24,191 approved and thus reduced the Federal funds granted from $25,798,819 to $14,140,399. In other words in these 59 applications found eligible the Office of Education disapproved the claim of Federal-contract connection of 20,557 children which would otherwise have resulted in additional grants of $11.6 million in Federal funds.

It should be noted also that 70 of the 129 applications were determined to be ineligible and these ineligible applications had claimed 29,535 children to have Federal-contract connection representing Federal grants of $17.5 million.

It would appear from the facts cited above that the procedures employed by the Office of Education in determining the estimated increase in the number of Federal-contract-connected children resulted in a substantial reduction in the number of children and in the amount of grants under this subsection 305(a)(3) category. The major reason for determining school districts ineligible, as well as for reducing the number of children in those applications found eligible, was the elimination by the field representatives and the central office in the processing procedure of plants and children claimed for which evidence of Federal-contract activity and connection was not satisfactorily established.

Consequently we believe that substantial revision of the report and amendment of its finding and recommendation are in order.

Summary of information regarding all applications claiming payment for children under subsec. 305(a)(3) of Public Law 815, submitted by school districts for the 1956-58 increase period, number determined to be eligible and number determined to be ineligible

	Number	Amount of Federal funds [1]
A. Applications filed	129	
1. Children claimed for payment	74,283	$43,368,700
B. Applications found eligible	59	
1. Children claimed for payment	44,748	25,798,819
2. Children approved for payment	24,191	14,140,399
3. Children not approved for payment	20,557	11,658,420
C. Applications found ineligible (A−B)	70	
1. Children claimed but not approved for payment (A1−B1)	29,535	17,569,881
D. Total children claimed but not approved for payment (B3+C1)	50,092	29,228,301

[1] The figures in this column were obtained by multiplying the number of children shown by 45 percent of the approved average construction cost per pupil in the respective States which is the rate of payment authorized by Public Law 815 for children in subsec. 305(a)(3). It is also to be noted that only the Federal funds shown on line B2 were approved for payment. The remaining figures in this column represent claims made by applicants which were not approved.

[2] Field operations memo. No. 39, dated Aug. 31, 1956 (p. 10).

JULY 1, 1960.

Mr. R. S. LINDGREN,
Assistant Director, Civil Accounting and Auditing Division, U.S. General Accounting Office, Washington, D.C.

DEAR MR. LINDGREN: The General Accounting Office report titled "Review of Entitlements of School Districts for School Construction Assistance Because of Federal Activity, Office of Education, February 1960," has been referred to me for comment.

The report deals with the administartion by Office of Education of subsection 305 (a)(3) of Public Law 815. The Office of Education has prepared detailed comments in response to the findings and recommendations of the report which should prove helpful to the GAO.

The principal findings of the report refer to (1) the failure of the Office of Education to require the school districts applying for school construction assistance under subsection 305(a)(3) to adequately support their application for entitlements and (2) the policies and procedures of Office of Education that may have permitted some improper payments to be made. A recommendation is made, based on a judgment of insufficiency of proof of Federal connection in the system approved by the Office of Education, requiring the Commissioner to discontinue approving applications submitted under subsection 305(a)(3) of the law until the Commissioner establishes a "more realistic" basis for the school districts to use in determining the required Federal connection.

The Office of Education has indicated on page 9 in its comments that while the findings do not appear to warrant discontinuing the approval of applications, steps are being taken to require additional and more direct evidence of inmigration of parents as a condition in establishing eligibility.

In connection with the above, it should be noted that the category covered by subsection 305(a)(3) will be automatically eliminated under the terms of the present law, as of June 1961, unless Congress acts to extend it, and there are very few applications under this subsection anticipated in fiscal 1961.

Sincerely yours,

RUFUS E. MILES, Jr.,
Director of Administration.

Mr. MORSE. Mr. President, I ask unanimous consent to have printed at this point in the RECORD the text of S. 2393; and for the assistance of interested persons throughout the country, I ask unanimous consent that excerpts from the report on S. 2393 also be printed at this point in the RECORD.

There being no objection, the bill and excerpts from the report (Rept. No. 743) were ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the first sentence of section 3 of the Act of September 23, 1950, as amended (20 U.S.C. 633), is amended by striking out "1961" and inserting in lieu thereof "1962".

(b) Subsection (b) of section 14 of such Act is amended (1) by striking out "1961" each time it appears therein and inserting in lieu thereof "1962", and (2) by striking out "$40,000,000" and inserting in lieu thereof "$60,000,000".

(c) Paragraph (15) of section 15 of such Act is amended by striking out "1958–1959" and inserting in lieu there "1959–1960".

SEC. 2. The Act of September 30, 1950, as amended (20 U.S.C. 236–244), is amended by striking out "1961" each time it appears in sections 2(a), 3(b), and 4(a) and inserting "1962" in lieu thereof.

SEC. 3. (a) The Act of September 30, 1950, as amended (20 U.S.C. 236–244), is amended by inserting "American Samoa," after "Guam," each time it appears in sections 3(d), 6(c), and 9(8).

(b) The Act of September 23, 1950, as amended (20 U.S.C. 631–645), is amended by inserting "American Samoa," after "Guam," in section 15(13).

GENERAL STATEMENT

Public Laws 815 and 874, 81st Congress, provide for assistance to school districts in federally impacted areas. Under Public Law 815, payments are made to help build schools in districts burdened with substantial increases in their school memberships due to Federal activities. Under Public Law 874, payments are made to school districts to help meet their operating and maintenance expenses where such districts are providing education for federally connected children.

Both laws provide Federal payments for three categories of federally connected children to whom the recipient school districts provide free public education. The so-called A children are those whose parents both reside and work on Federal property; B children are those whose parents either reside on Federal property or work on Federal property, but not both; and C children are those whose parents are employed in activities of the Federal Government carried on directly or through a contractor, and whose enrollment in the public schools of the applicant local education agencies has resulted in a substantial increase in the aggregate enrollment of such schools. In addition, section 2 of Public Law 874 authorizes payments to certain school districts which have lost substantial school revenue resources by reason of Federal acquisition of property in the districts, while section 14 of Public Law 815 authorizes special school construction assistance to school districts with large enrollments of children living on Indian reservations.

Both laws also provide for direct provision of free public education by the Federal Government to children who live on Federal military bases or other Federal reservations in situations where the local educational agencies are not able to provide free public education to the children.

The statutory provisions for Federal payments on account of A children are now permanent law, as are the provisions for the Federal operation of public schools in those few cases where local public school agencies are unable to provide this service. However, the provisions authorizing payments to school districts on account of B children and C children (under which the bulk of Public Laws 815 and 874 payments are made), as well as the provisions authorizing payments under section 2 of Public Law 874 and section 14 of Public Law 815, have never been made permanent and all these provisions expired on June 30, 1961.

The principal purpose of the bill is to extend for 1 year those provisions of both laws described above which expired on June 30, 1961. In addition, the bill would increase from $40 million to $60 million the appropriation authorization for special payments to school districts with large enrollments of Indian children (sec. 14 of Public Law 815) since appropriations under this section have already reached the $40 million ceiling. Finally, the bill would extend both laws (which now apply to the 50 States, Puerto Rico, the Virgin Islands, Guam, and Wake Island) to American Samoa.

PREVIOUS SENATE ACTION, 87TH CONGRESS

On May 25, 1961, the Senate by a vote of 49 to 34 passed S. 1021. Title II of this measure was concerned with an extension of, and amendments to, Public Laws 815 and 874. That title differs from the provision of S. 2393 in the following respects:

	Title II of S. 1021	Expiration date	S. 2393	Expiration date
Period of extension	3 years	1964	1 year	1962
Sec. 204	Included	------	Excluded	------

Section 204 of S. 1021 reads as follows:

"The Commissioner shall submit to the Secretary of Health, Education, and Welfare for transmission to the Congress on or before January 1, 1963, a full report of the operation of Public Laws 815 and 874, as extended by this Act, including an analysis of the relation between Federal payments under these laws and Federal payments under title I of this Act, and his recommendations as to what the future relation between these laws and that title should be if they are further extended."

It is the view of the majority of the committee that a 1-year extension of the impacted areas legislation is warranted upon the basis of the justification presented in the following sections of the report. It is further the considered judgment of the majority of the committee that only a 1-year extension of the programs, at this time, is advisable. This position is based upon the belief that the special needs of the impacted areas should be related to the provisions of a general Federal aid to education measure, designed as was title I of S. 1021 to provide broad-purpose financial assistance to school districts through the education agencies of the 50 States. It was for this purpose that section 204 of S. 1021 was drafted. Since it is the belief of a majority of the committee that, within the life span of the 87th Congress, S. 1021, or a similar measure, will be enacted into law, an extension of the impacted areas legislation for longer than a 1-year period is not warranted.

NUMBER OF FEDERALLY CONNECTED CHILDREN AND REQUIREMENTS FOR FEDERAL FUNDS BY CATEGORY OF FEDERAL IMPACT DURING SPECIFIED YEARS UNDER PUBLIC LAW 874

Table I, which was taken from the 10th Annual Report of the Commissioner of Education on the administration of Public Laws 815 and 874, shows for each State and for the United States, the number of school districts eligible for Federal payments under Public Law 874, the number of children counted for payment in the A category of Federal impact, the amount of the Federal payments made for children in this category and similar information for the B category of Federal impact. This information is based on processing actions as of July 31, 1960.

A category children are those who live on Federal property with a parent employed on Federal property. Public Law 85–620, approved August 12, 1958, authorized payments for this category of Federal impact on a permanent basis.

B category children are those children who live on private property with a parent employed on Federal property, or who live on Federal property with a parent employed on private property. Authorization for payments for children in this category of Federal impact, as well as for payments under section 2 and section 4(a) of Public Law 874, ended June 30, 1961.

The 1960 fiscal year is the latest year for which information is available by States showing the number of children and the amount of the Federal payments by category of impact. Estimated data are available,

however, for the Nation as a whole for the 1961 and 1962 fiscal years. That information is presented in tables II and III. The information for the 1961 fiscal year is based on the initial processing of applications. Final data will not be available until final reports for the year are submitted by all applicant districts, analyzed and processed for payment. Data for the 1962 fiscal year are estimates based on the trends shown in the administration of this program over the past several years.

TABLE I.—*State summary of eligible applicants and entitlements, secs. 2, 3, and 4, respectively, Public Law 874, as amended, and eligible average daily attendance, secs. 3 and 4 (entitlements to financial assistance, as of Oct. 31, 1960, for current expenditure purposes for fiscal year 1960)*

State	Number of eligible applicants	Sec. 2, net entitlement	Sec. 3										Sec. 4		Total net entitlement [1]
			Number of pupils in ADA			Entitlement						Average local contribution rate for 3(c)(1) (3(a)+½ 3(b))	Number of pupils in ADA 4(a) 1st-year assistance	Net entitlement	
			3(a)	3(b)	3(c)(4)	3(a)	3(b)	3(c)(4)	Total	Deductible funds	Net entitlement				
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
Alabama	53		3,076	44,586		$502,095	$3,638,887		$4,140,982	$41,888	$4,099,094	$163.23			$4,099,094
Alaska	19		9,894	9,143		4,579,609	1,374,382		5,953,991	53,101	5,900,890	411.60			5,900,890
Arizona	102		10,177	13,890	2,649	2,061,346	1,672,738	$159,692	4,090,458	77,534	4,912,924	218.09	513	$197,084	4,210,008
Arkansas	37	$10,192	1,927	7,080		314,544	577,834		892,378	341	892,037	163.23			902,229
California	498	70,240	31,260	229,494		6,661,196	25,039,764		31,811,988	626,355	31,185,633	217.12			31,255,873
Colorado	68		4,256	28,883	1,323	1,200,740	3,801,295	21,468	5,023,503	117,910	4,905,593	267.52	278	78,454	4,984,047
Connecticut	45		706	10,632		219,786	1,375,653		1,595,439	15,752	1,579,687	264.94	151	52,861	1,632,548
Delaware	9			1,927			209,956		209,956	4	209,952	217.91			209,952
Florida	18	24,359	4,138	46,775		675,445	3,817,542		4,492,987	826	4,492,161	163.23	1,234	277,736	4,794,256
Georgia	75		2,390	51,684		391,587	4,216,723		4,608,310	24,604	4,583,706	163.23	883	118,175	4,701,881
Hawaii	1		11,995	24,992		1,957,944	2,039,722		3,997,666	800	3,996,866	163.23			3,996,866
Idaho	36		2,385	7,992		541,752	795,327		1,337,079	17,681	1,319,398	209.54			1,319,398
Illinois	92	70,974	4,500	11,061		1,395,589	1,588,357		2,983,946	33,446	2,950,500	297.49			3,021,474
Indiana	101	46,873	876	6,457	680	170,237	567,697	6,567	744,501	18,784	725,717	179.79	357	99,696	872,286
Iowa	24		313	3,540		96,952	551,130		652,286	321	651,965	311.13			651,965
Kansas	181	15,266	4,874	27,865		1,136,771	3,339,898		4,476,669	102,655	4,374,014	238.04			4,389,280
Kentucky	47	6,502	109	13,241		18,444	1,158,904		1,177,348	32,321	1,145,027	174.95			1,151,529
Louisiana	9		1,393	6,877		227,379	561,266		788,645	15,885	772,760	163.23			772,760
Maine	71		2,729	8,371		672,805	859,540		1,552,235	1,627	1,550,608	221.61	43	9,748	1,560,356
Maryland	15		5,534	71,629		998,334	6,451,916		7,450,250	25,074	7,425,176	180.40			7,425,176
Massachusetts	154		3,618	29,926		1,049,757	4,256,111		5,305,868	51,291	5,254,577	285.55			5,254,577
Michigan	50		906	8,540		169,411	794,131		963,542	5,036	958,506	186.16			958,506
Minnesota	28		1,612	1,207		305,200	114,260		419,460	19,150	400,310	189.33			400,310
Mississippi	22		1,548	13,080		245,853	1,038,682		1,284,535	4,948	1,279,587	158.82			1,279,587
Missouri	118	30,217	2,296	15,737		413,545	1,628,100		2,041,645	7,760	2,033,885	200.86	425	138,692	2,202,794
Montana	63		3,836	4,036		1,031,437	478,681		1,510,118	89,141	1,420,977	257.96			1,420,977
Nebraska	35	5,278	2,026	7,929		582,575	1,111,383		1,693,958	3,681	1,690,277	282.77	332	68,952	1,764,507
Nevada	11		3,607	5,445		679,739	513,055		1,192,794	41,806	1,150,988	188.45			1,150,988
New Hampshire	35		1,235	4,604		376,502	667,646		1,044,148		1,044,148	295.21			1,644,148
New Jersey	127		3,471	18,187		863,736	2,438,877		3,302,613	41,377	3,621,236	262.85	486	161,804	3,423,040
New Mexico	39		10,905	28,899		1,843,489	2,442,686		4,286,175	173,584	4,112,591	169.05		25,134	4,137,725
New York	161	2,496	2,809	25,242		752,807	3,780,833		4,533,640	47,589	4,486,051	293.82	875	301,432	4,789,979
North Carolina	32		3,337	19,665		543,097	1,606,560		2,149,657	15,284	2,134,373	163.23			2,134,373
North Dakota	28	967	1,028	1,600		217,395	159,985		377,380	1,688	375,692	206.44			376,659
Ohio	148	33,209	1,431	37,014		250,745	4,150,162		4,441,699	121,508	4,320,191	220.73			4,353,400
Oklahoma	323	23,459	7,759	41,087		1,600,596	4,786,629		6,387,225	21,563	6,365,662	225.68	518	109,526	6,498,647
Oregon	77		886	5,909		220,862	758,595		979,457	144,626	834,831	255.03			834,831
Pennsylvania	150	237,132	754	34,768		144,607	4,152,229		4,296,836	8,878	4,287,958	236.90			4,525,090
Rhode Island	21		1,621	7,851		471,116	1,117,760		1,588,876	7,040	1,581,836	286.46			1,581,836
South Carolina	32	5,309	3,267	30,035		533,273	2,451,306		2,984,579	41	2,984,538	163.23			2,989,847
South Dakota	56	9,243	3,251	5,096	996	942,918	731,644	29,865	1,729,546	6,704	1,722,842	288.77	38	12,081	1,744,166
Tennessee	45	5,348	1,153	22,883		188,205	1,867,596		2,055,801	98,382	1,957,419	163.23			1,962,767
Texas	244	6,200	13,811	100,852		2,623,530	8,232,150		10,877,226	128,497	10,748,729	168.99			10,754,929
Utah	11		1,391	17,468		227,053	1,425,652		1,652,705	1,284	1,651,421	163.23			1,651,421
Vermont	5		80	379		28,930	55,036		83,966	10,098	73,868	311.56			73,868
Virginia	45		5,237	108,435		1,041,346	11,823,624		12,879,484	12,059	12,867,425	216.38			12,867,425
Washington	194		10,355	62,483		1,881,513	5,649,302		7,530,815	71,944	7,458,871	181.04			7,458,871
West Virginia	5		26	1,320		4,244	107,732		111,976	7,580	104,396	163.23			104,396
Wisconsin	34		890	2,591		220,962	349,412		570,374	15	570,359	260.98			570,359
Wyoming	15		1,136	3,096		434,292	322,762		757,054	99,143	657,911	282.06			657,911
Guam	1		2,399	3,858		391,589	314,871		706,460	47,112	659,348	163.23			659,348
Virgin Islands	1		155	690		25,301	56,314		81,615	4,185	77,430	163.23			77,430
Total	3,821	603,264	200,368	1,295,931	5,648	44,128,180	133,022,297	217,592	[2] 177,801,844	2,499,903	175,301,941	208.82	6,133	[3] 1,651,375	177,556,580

[1] Net entitlement figures from table 1; may be changed on basis of additional information.

[2] Includes $433,775 for subsec. 3(f) applicants.

[3] Includes $25,134 for subsec. 4(a) 2d-year assistance, New Mexico, and $15,327 for subsec. 4(d), Missouri; other entitlements shown are for subsec. 4(a) 1st-year assistance.

TABLE II.—*Estimated average daily attendance of eligible federally connected children under sec. 3 of Public Law 874, fiscal years 1960, 1961, and 1962*

Category of Federal impact	Fiscal year 1960 (actual as of July 31, 1961)	Fiscal year 1961 (estimate)	Fiscal year 1962 (estimate)
(1)	(2)	(3)	(4)
Sec. 3(a) A category	$200,357	$230,423	$264,985
Estimated percentage increase over 1960		15	32
Sec. 3(b) B category	$1,285,194	$1,347,768	$1,401,678
Estimated percentage increase over 1960		4.9	9

TABLE III.—*Estimated gross entitlements under sec. 3 of Public Law 874, fiscal years 1960, 1961, and 1962*

Category of Federal impact	Fiscal year 1960 (actual as of July 31, 1961)	Fiscal year 1961 (estimate)	Fiscal year 1962 (estimate)
(1)	(2)	(3)	(4)
Subsec. 3(a) A category	$44,108,956	$55,967,400	$69,187,500
Estimated percentage increase over 1960		27	57
Subsec. 3(b) B category	$131,752,925	$146,475,400	$163,758,000
Estimated percentage increase over 1960		11	24
Total	$175,861,881	$202,442,800	$232,945,500
Percentage increase over 1960		15	32

It will be noted from the above tables that there were over 200,000 A category children for whom payments were made in 1960 and that the amount of the Federal payment exceeded over $44 million. It is estimated that there will be 264,900 A category children eligible for payment in fiscal year 1962, which is a 32-percent increase over the 1960 fiscal year. The payments under this category were expected to increase from $44 million in 1960 to $69 million in 1962, an increase of 57 percent. When the requirements for Federal operations under section 6 of Public Law 874 for Federal operation of schools for children living on certain Federal properties authorized under section 6 of Public Law 874 are considered the requirements under this section in 1962 are slightly over $85 million. This is the category of Federal impact for which payments are authorized on a continuing basis.

The number of children counted for payment in the B category in fiscal year 1960 was 1,285,194 and their Federal entitlement amounted to $131.7 million. It is estimated there will be over 1.4 million B category children in fiscal year 1962 and that the Federal payment on account of these children would total $163.7 million. This is an increase over 1960 of 9 percent in the number of children and 24 percent in the amount of Federal entitlement. This is the category of Federal impact for which payment expired June 30, 1961.

As stated above, estimates are not available for the number of B category children and the amount of B category payments by State for 1962. It is believed that generally the percent increase from 1960 to 1962 in number of children and Federal payments in each of the categories shown for the Nation as a whole can be applied to obtain a rough estimate for each State.

In summary, it is estimated that 4,100 school districts will apply for Federal assistance under all sections of Public Law 874 of which 3,950 will be eligible for payment if the provisions of the law were extended at their present levels of payment. The estimated total requirements would be $250,046,000.

It is also estimated that approximately 1,000 school districts will be eligible for Federal payments for A category children only in fiscal year 1962 and that the requirements under this category, including Federal operations under section 6, will be $85,700,000.

FISCAL YEAR 1962 BUDGET AND OPERATING PROBLEMS FACED BY SCHOOL DISTRICTS THAT HAVE RECEIVED FEDERAL ASSISTANCE UNDER PUBLIC LAW 874

State laws generally specify final dates by which school budgets must be approved for a forthcoming school year. State laws also generally set forth specific requirements regarding revenue receipts that may be anticipated for budget purposes. The majority of the school districts in the Nation are required to have tax rates set and budgets approved for the following school year by June or July. In a few States final actions may be taken as late as August, and, in still other States, budgets for the following year are set as early as May or June.

Under the State requirements most school districts can anticipate in their budgets only those funds which they have a reasonable assurance of receiving. It is not known precisely what action individual school districts which are recipients of Public Law 874 assistance have taken in their budgets regarding the anticipated receipt of Federal payments under those provisions of the act which expired June 30, 1961. It is quite probable that some school districts relying on the administration's recommendation for continuing the temporary provisions of the law, but at a reduced rate of payment, have anticipated in their budgets receipt of Federal payments in terms of this recommendation. Some school districts may have anticipated, for budget purposes, full payments under the expiring provisions of the law based on the fact that the Senate-passed bill S. 1021 made provision to extend these two laws at their present rate of payment for 3 more years. In still other school districts it is probable that no funds under the expiring provisions of the law were anticipated for budget purposes.

Under most State laws it is extremely difficult to increase tax rates or to secure funds from other sources after a budget has once been approved. Thus, those districts that anticipated Federal payments under the expiring provisions of Public Law 874 will be in an extremely difficult position in fiscal year 1962 if the expiring provisions of Public Law 874 are not extended. Those districts in which Federal payments under the B category constitute a substantial portion of their year's operating budget may find it necessary to curtail the school year by a month or two in the spring. Other districts will be under the necessity of restricting expenditures throughout the entire school year in order to continue school for the full term but on a greatly restricted basis. This would mean eliminating some teachers, increasing size of classes, restricting transportation, reducing necessary maintenance of buildings, and in other ways curtailing their school programs. These reductions would come in numerous communities at a critical time when the pressure of increasing enrollments resulting from expanding employment on Federal projects is becoming more and more acute. In short, those communities whose school enrollments are greatly increased by the presence nearby of major Federal projects vital to the national defense and welfare would find it impossible to maintain an acceptable level of educational services for the children of those military personnel and workers who have been assigned to these Federal projects.

There is listed in table IV some examples of school districts showing the proportion of the year's operating budget that comes from Public Law 874 funds.

TABLE IV.—*Selected school districts receiving Federal assistance under Public Law 874 showing number of A and B category children, Federal entitlement, total operating budget, for fiscal year 1961*

State	Applicant district	Number of children claimed,[1] category—		Total average daily attendance [1]	Percent Federal ADA is of total	Total operating expenses [1]		Percent Federal entitlement is of total budget	Chief Federal properties claimed
		A	B			Public Law 874 entitlement	Total current expense budget		
Alabama	Huntsville City Board of Education	743	7,430	15,351	53	$756,924	$3,306,945	23	Redstone Arsenal, TVA plant, weather station.
California	Hueneme School District, Port Hueneme.	365	1,914	4,650	49	255,688	1,540,448	17	Naval construction battalion, Oxnard Air Force Base, ships, missile test center, county airport.
	Folsom Joint Unified School District, Folsom.	960	1,756	5,900	46	363,934	2,096,055	17	Mather Air Force Base.
	Coronado Unified School District, Coronado.	55	2,262	3,365	69	269,662	1,379,815	20	Naval air station, naval amphibious base, sonar school, naval hospital, ships.
	Fairfield School District, Fairfield	--------	1,921	3,120	62	185,770	950,000	20	Travis Air Force Base, Fairfield Air Force Station, Mare Island Naval Shipyard, Benicia Arsenal.
	South Bay Union School District, Imperial Beach.	70	3,150	5,800	56	318,159	1,954,163	16	Naval station, training center and housing, Air Force Plant No. 19, border patrol station and ships, amphibious base.
	Marina Elementary School District, Marina.	--------	591	850	70	57,153	277,421	21	Fort Ord, Navy P. G. School, Army Language School.
Colorado	School District No. 1, Las Animas	48	334	849	45	43,791	271,264	16	VA hospital.
	El Paso County School District No. 3, Colorado Springs.	--------	1,490	3,207	46	196,285	1,082,804	18	Fort Carson, Air Force Academy site, Ent Air Base.
	Consolidated School District No. 38, Monument.	6	107	323	35	18,330	149,461	12	Air Force Academy site, national forest, Ent Air Base, Martin plant, missile base.
Connecticut	Groton Board of Education, Groton	559	2,283	5,893	48	568,277	2,514,080	23	Coast Guard Training Station and Academy, submarine base, Underwater Sound Laboratory, Electric Boat Co. (commingled).
Florida	Brevard County Board of Public Instruction, Titusville.	780	9,859	22,604	47	1,219,495	7,322,718	17	Patrick Air Force Base and housing.
Georgia	Cobb County Board of Education, Marietta.	18	5,682	21,242	27	485,430	4,304,600	11	Lockheed Aircraft Corp., Dobbins Air Force Base, naval air station, Atlanta General Depot, Fort McPherson.
Idaho	Arco Joint Class Amalgamated School District No. 3, Arco.	9	464	883	54	61,925	305,000	20	National reactor testing station.
	Independent Class Amalgamated School District No. 193, Mountain Home.	1,070	1,040	2,975	71	404,995	945,483	43	Mountain Home Air Force Base and housing, Titan missile base.

Footnotes at end of table.

TABLE IV.—*Selected school districts receiving Federal assistance under Public Law 874 showing number of A and B category children, Federal entitlement, total operating budget, for fiscal year 1961*—Continued

State	Applicant district	Number of children claimed,[1] category—		Total average daily attendance[1]	Percent Federal ADA is of total	Total operating expenses[1]		Percent Federal entitlement is of total budget	Chief Federal properties claimed
		A	B			Public Law 874 entitlement	Total current expense budget		
Illinois	North Chicago School District No. 64, North Chicago.	1,349	380	2,488	69	$535,141	$1,144,119	47	Great Lakes Naval Training Ground, VA, Fort Sheridan.
Kansas	Board of Education, Junction City	1,537	1,590	4,633	67	541,607	1,620,000	33	Fort Riley Military Reservation.
Kentucky	West Point Independent School District, West Point.		142	291	49	12,055	64,549	19	Fort Knox.
Maine	Kittery	178	1,140	2,084	63	172,982	637,509	27	Portsmouth Naval Base and housing, Pease Air Force Base.
Mississippi	Pascagoula		1,705	4,419	39	143,046	1,032,615	14	Ingalls Shipbuilding Corp., Keesler Air Force Base, Fish and Wildlife, Brookley Air Force Base.
Missouri	Laquey		151	371	41	12,819	86,675	15	Fort Leonard Wood.
	Big Piney		32	42	76	2,784	13,556	21	Do.
New Jersey	Lakehurst	65	378	589	75	71,911	219,340	33	Naval air station, McGuire Air Force Base, Fort Dix.
Oklahoma	Midwest City	350	6,787	13,047	55	950,332	3,790,831	25	Tinker Air Force Base, Will Rogers Field (FAA), VA hospital, missile sites.
South Carolina	School District No. 2 of Richland County, Columbia.	365	1,316	4,126	41	178,002	823,263	22	Fort Jackson.
	Summerville	43	764	3,144	26	72,161	530,000	14	Charleston Air Force Base and housing, naval base, naval ammunition depot.
South Dakota	Douglas School District No. 3, Ellsworth Air Force Base.	[2] 1,029	139	1,187	98	[3] 366,990	428,135	[3] 86	Ellsworth Air Force Base and housing, Nike sites, Titan installations.
Texas	Ysleta		5,000	16,750	30	424,475	3,540,115	12	Fort Bliss Military Reservation, Briggs Air Force Base, courthouse (El Paso), Border Patrol, Reclamation headquarters, International Bridge, processing center, CAA and Weather Bureau.
Utah	Tooele County School District, Tooele	730	1,800	4,520	56	275,961	1,482,580	19	Dugway Proving Grounds, Ordnance Depot, Deseret Depot activity, Wendover Air Force Base.

[1] Data are estimated based on initial processing of applications submitted by school districts.

[2] Includes 226 under subsec. 3(f).

[3] Includes $11,100 under sec. 2.

INFORMATION REGARDING NUMBER OF FEDERALLY CONNECTED CHILDREN AND REQUIREMENTS FOR FEDERAL FUNDS UNDER PUBLIC LAW 815, BY CATEGORY OF FEDERAL IMPACT

Under Public Law 815 as currently in effect school districts are authorized to apply for Federal assistance for construction of school facilities for increases in school membership of category A children only that are expected to occur by June 30, 1963. Category A children are those who live on Federal property with a parent employed on Federal property. Authorization for payments for children in this category was made permanent by the passage of Public Law 85-620 in 1958. It is estimated that $24 million will be required under this category for fiscal year 1962 for 17,200 children.

If Public Law 815 is extended to authorize payment for B category children for fiscal year 1962, which provisions expired June 30, 1961, a local educational agency will be authorized to apply for school construction assistance for estimated increases in the number of pupils residing on Federal property or residing with a parent employed on Federal property, that are expected to occur by June 30, 1962. Most of the districts qualifying for assistance under this category (subsec. 5(a)(2)) do so on account of increased numbers of children who reside with a parent employed on Federal property. Based on past experience, it is estimated that in fiscal year 1962, school districts will have an increase of some 42,000 B category children and the estimated payments to the school districts on account of these children will be approximately $32,400,000.

Listed below in table V are examples of school districts which are heavily impacted because of B category children in school membership which have received assistance under Public Law 815 in the past and are expected to have further increases in the number of such children in their schools.

Section 14 of Public Law 815 provides for financial aid to school districts which urgently need additional school facilities primarily for Indian children living on tax-exempt Indian lands and attending or who would attend the public schools if school facilities were available in the district for them.

TABLE V

School district	A category children	B category children	Non-Federal membership	Total
Midwest City Independent School District No. 52, Midwest City, Okla	350	6,909	6,039	13,298
Lompoc Unified School District, Lompoc, Calif	2,513	2,528	1,990	7,031
Monterey City School District, Monterey, Calif	2,809	3,561	4,336	10,706
Ysleta Independent School District, Ysleta, Tex	0	5,093	12,262	17,355
Brevard County Board of Public Instruction, Titusville, Fla	795	10,667	12,990	24,452

These school districts are seldom eligible for assistance under section 5 of the act because they cannot show the required increase in membership for a specific 2-year increase period as required by that section, even though they have large numbers of Indian children living on tax-exempt Indian lands in their school district. Some of these children do not attend any school while others attend boarding schools located outside of the district. If school facilities were available in the district, many of these children not now in any school as well as those attending out-of-district boarding schools, would enroll in the public school. Since most of these school districts have little or no bonding capacity or other financial resources available for construction of school facilities, Federal assistance under section 14 is essential if the school facilities are to be constructed.

The law as now enacted authorizes the appropriation of not to exceed $40 million to carry out the provisions of this section. This amount has now been allocated to eligible school districts. There are several school districts now eligible for a grant under section 14 but no funds can be reserved for them. It is estimated that $2 million will be required for fiscal year 1962 under this section if the act is extended and the authorization for appropriation is increased.

Examples of this type of school district follow:

TABLE VI

School district	Sec. 14 membership	Other membership	Total membership
(1)	(2)	(3)	(4)
Chinle School District No. 24, Chinle, Ariz	828	0	828
Tuba City elementary School District No. 15, Tuba City, Ariz	700	19	719

Mr. MORSE. Mr. President, I am about to suggest the absence of a quorum. Before doing so, it should be noted that I have said little about the National Defense Education Act. All of us know that an amendment may be offered seeking to extend the National Defense Education Act for 2 or more years. When that amendment has been offered and the speech in support of it has been made, I shall have something to say about that subject.

I know other members of the committee wish to speak today or tomorrow or the next day. I sought this afternoon only to lay before the Senate the general framework and the major premises of those of us who support the Hill-Morse bill to extend the impacted areas legislation for another year.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

[No. 197]

Bartlett	Hill	Mundt
Byrd, Va.	Mansfield	Pastore
Clark	McClellan	Randolph
Cooper	McNamara	Saltonstall
Dirksen	Metcalf	Smith, Maine
Ellender	Monroney	Sparkman
Hart	Morse	

The PRESIDING OFFICER. A quorum is not present.

Mr. MORSE. Mr. President, I move that the Sergeant at Arms be notified that a quorum is not present, and directed to request the attendance of absent Senators.

The PRESIDING OFFICER (Mr. METCALF in the chair). The question is on agreeing to the motion of the Senator from Oregon.

The motion was agreed to.

The PRESIDING OFFICER. The Sergeant at Arms will execute the order of the Senate.

After a little delay, Mr. AIKEN, Mr. ALLOTT, Mr. BENNETT, Mr. BIBLE, Mr. BOGGS, Mr. BURDICK, Mr. BUSH, Mr. BYRD of West Virginia, Mr. CANNON, Mr. CAPEHART, Mr. CARLSON, Mr. CARROLL, Mr. CASE of New Jersey, Mr. CASE of South Dakota, Mr. CHURCH, Mr. COTTON, Mr. DODD, Mr. DOUGLAS, Mr. DWORSHAK, Mr. EASTLAND, Mr. ENGLE, Mr. ERVIN, Mr. FONG, Mr. FULBRIGHT, Mr. GOLDWATER, Mr. GORE, Mr. GRUENING, Mr. HARTKE, Mr. HICKEY, Mr. HOLLAND, Mr. HUMPHREY, Mr. JACKSON, Mr. JOHNSTON, Mr. JORDAN, Mr. KEATING, Mr. KEFAUVER, Mr. KUCHEL, Mr. LAUSCHE, Mr. LONG of Hawaii, Mr. LONG of Louisiana, Mr. MAGNUSON, Mr. MCCARTHY, Mr. MCGEE, Mr. MORTON, Mr. MOSS, Mr. MUSKIE, Mr. PELL, Mr. PROXMIRE, Mr. ROBERTSON, Mr. RUSSELL, Mr. SCHOEPPEL, Mr. SCOTT, Mr. SMATHERS, Mr. SMITH of Massachusetts, Mr. STENNIS, Mr. SYMINGTON, Mr. TALMADGE, Mr. THURMOND, Mr. TOWER, Mr. WILEY, Mr. WILLIAMS of New Jersey, Mr. WILLIAMS of Delaware, Mr. YARBOROUGH, Mr. YOUNG of North Dakota, and Mr. YOUNG of Ohio entered the Chamber and answered to their names.

Mr. HUMPHREY. I announce that the Senator from Arizona [Mr. HAYDEN], the Senator from Oklahoma [Mr. KERR], the Senator from Missouri [Mr. LONG], and the Senator from Oregon [Mrs. NEUBERGER] are absent on official business.

I also announce that the Senator from New Mexico [Mr. CHAVEZ] and the Senator from New Mexico [Mr. ANDERSON] are absent because of illness.

Mr. KUCHEL. I announce that the Senator from New Hampshire [Mr. BRIDGES] is absent because of illness.

The Senators from Iowa [Mr. HICKENLOOPER and Mr. MILLER] are absent on official business.

The Senator from Maryland [Mr. BEALL], the Senator from Nebraska [Mr. CURTIS], the Senator from Nebraska [Mr. HRUSKA], the Senator from New York [Mr. JAVITS], and the Senator from Vermont [Mr. PROUTY] are necessarily absent.

The Senator from Maryland [Mr. BUTLER] is detained on official business.

The PRESIDING OFFICER. A quorum is present.

Mr. MORSE. Mr. President, I am sending to the desk an amendment which will extend the National Defense Education Act for 1 year, exactly as we propose to extend the impacted areas law under Public Laws 815 and 874 for 1 year.

The same arguments that I used this afternoon in my speech for extension of Public Laws 815 and 874 for 1 year apply equally in support of my amendment for the extension of NDEA for 1 year.

Mr. President, I send an amendment to the desk, for printing under the rule, and ask unanimous consent that the amendment may lie on the table and may be printed in the RECORD.

The PRESIDING OFFICER. The amendment will be received, printed, and lie on the table; and, without objection, the amendment will be printed in the RECORD.

On page 1, after line 2, insert the following:

"TITLE I—PUBLIC LAWS 815 AND 874"

On page 1, line 3, strike out "That (a) the" and insert in lieu thereof the following: "SECTION 1. (a) The".

On page 2, after line 16, insert the following:

"TITLE II—ONE-YEAR EXTENSION OF THE NATIONAL DEFENSE EDUCATION ACT OF 1958

"Amendments to title II (loans to students in institutions of higher education)

"SEC. 201. (a) Section 201 of the National Defense Education Act of 1958 is amended by striking out 'for the fiscal year ending June 30, 1962, and such sums for the fiscal year ending June 30, 1963, and each of the three succeeding fiscal years as may be necessary to enable students who have received a loan for any school year ending prior to July 1, 1962' and inserting in lieu thereof the following: 'each for the fiscal year ending June 30, 1962, and for the succeeding fiscal year, and such sums for the fiscal year ending June 30, 1964, and each of the three succeeding fiscal years as may be necessary to enable students who have received a loan for any school year ending prior to July 1, 1963'.

"(b) Section 202 of such Act is amended by striking out '1962' each place where it appears therein and inserting in lieu thereof '1963'.

"(c) Section 206 of such Act is amended by striking out '1966' each place where it appears therein and inserting in lieu thereof '1967'.

"Amendments to title III (financial assistance for strengthening science, mathematics, and modern foreign language instruction)

"SEC. 202. (a) Section 301 of the National Defense Education Act of 1958 is amended by striking out 'three succeeding fiscal years' both places where it appears therein and inserting in lieu thereof 'four succeeding fiscal years'.

"(b) The last sentence of section 302(a)(2) of such Act is amended by striking out 'two fiscal years in the period beginning July 1, 1960, and ending June 30, 1962' and inserting in lieu thereof the following: 'three fiscal years in the period beginning July 1, 1960, and ending June 30, 1963'.

"(c) The second sentence of section 304(b) of such Act is amended by striking out 'two succeeding fiscal years' and inserting in lieu thereof 'three succeeding fiscal years'.

"Amendment to title IV (national defense fellowships)

"SEC. 203. Section 402 of the National Defense Education Act of 1958 is amended by striking out 'three succeeding fiscal years' and inserting in lieu thereof 'four succeeding fiscal years'.

"Amendments to title V (guidance, counseling, and testing; identification and encouragement of able students)

"SEC. 204. (a) Section 501 of the National Defense Education Act of 1958 is amended by striking out 'three succeeding fiscal years' and inserting in lieu thereof 'four succeeding fiscal years'.

"(b) The second sentence of section 504 (a) of such Act is amended by striking out 'two succeeding fiscal years' and inserting in lieu thereof 'three succeeding fiscal years'.

"(c) the first sentence of section 504(b) of such Act is amended by striking out 'three succeeding fiscal years' and inserting in lieu thereof 'four succeeding fiscal years'.

"(d) The first sentence of section 511 of such Act is amended by striking out 'three succeeding fiscal years' and inserting in lieu thereof 'four succeeding fiscal years'.

"Amendments to title VI (language development)

"SEC. 205. (a) Section 601 of the National Defense Education Act of 1958 is amended by striking out '1962' both places where it appears therein and inserting in lieu thereof '1963'.

"(b) Section 611 of such Act is amended by striking out 'three succeeding fiscal years' and inserting in lieu thereof 'four succeeding fiscal years'.

"Amendment to title VII (research and experimentation in more effective utilization of educational media)

"SEC. 206. Section 763 of the National Defense Education Act of 1958 is amended by striking out 'three succeeding fiscal years' and inserting in lieu thereof 'four succeeding fiscal years'.

"Amendment to title VIII (area vocational education programs)

"SEC. 207. Section 301 of the Vocational Education Act of 1946 is amended by striking out 'three succeeding fiscal years' and inserting in lieu thereof 'four succeeding fiscal years'.

"Amendment to section 1009 (improvement of statistical services)

"SEC. 208. Section 1009(a) of the National Defense Education Act of 1958 is amended by striking out 'three succeeding fiscal years' and inserting in lieu thereof 'four succeeding fiscal years'.

Amend the title so as to read: "A bill to extend for one year the temporary provisions of Public Laws 815 and 874 relating to Federal assistance in the construction and operation of schools in federally impacted areas, to provide for the application of such laws to American Samoa, and to extend the provisions of the National Defense Education Act of 1958 for one year."

Mr. MCNAMARA. Mr. President, at the outset I wish to say I heartily subscribe to the presentation so ably made by the chairman of the Subcommittee on Education. I think the Senator from Oregon probably has worked harder and more diligently at this session of Congress on the problem of aid to education than has any other Senator up to this time. I subscribe thoroughly to what he has said.

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

Mr. MCNAMARA. I yield.

Mr. MORSE. I thank the Senator from Michigan for the wonderful help he has been to me and to the chairman of the committee [Mr. HILL] all this year in connection not only with education problems but also in his capacity as chairman of the Subcommittee on Labor. We could not have made the progress we have made thus far if it had not been for the dedicated service to the educational needs of this country rendered by the Senator from Michigan [Mr. MCNAMARA].

Mr. MCNAMARA. I thank the Senator from Oregon. I was about to say that none of this could have been accomplished without the cooperation of the distinguished Senator from Alabama [Mr. HILL], who has been cooperative not only in regard to education but also in regard to proposed health legislation, proposed labor legislation, and other problems which come before the committee.

Mr. President, I wish to start my remarks by calling up the amendment which has been at the desk a week or so, and to make certain modifications to correct typographical errors.

Mr. President, the typographical errors in the amendment 8-16-61—B, offered for myself and the Senator from Maine [Mr. MUSKIE] are as follows: On page 2, line 6, the words "three-year" should be "two-year."

On page 11, lines 11 and 16, the figures "108" should be deleted where they appear and the figures "208" should be inserted in lieu thereof.

The PRESIDING OFFICER. The Senator has a right to modify his amendment. Without objection, the amendment, as modified, will be printed in the RECORD.

The amendment, ordered to be printed in the RECORD, is as follows:

On page 1, after line 2, insert the following:

"TITLE I—PUBLIC LAWS 815 AND 874"

On page 1, line 3, strike out "That (a) the" and insert in lieu thereof the following: "SECTION 1. (a) The".

On page 2, after line 16, insert the following:

"TITLE II—SCHOOL ASSISTANCE ACT OF 1961

"SEC. 201. This title may be cited as the 'School Assistance Act of 1961'.

"Declaration of purpose

"SEC. 202. It is the purpose of this title to authorize a two-year program of Federal grants to States to assist their local education agencies to construct urgently needed public elementary and secondary school facilities. It is the intent of Congress that with this assistance the quality of public elementary and secondary education will be substantially improved in all States and that inequalities of educational opportunities within and between States will be substantially reduced.

"Assurance against Federal interference in schools

"SEC. 203. In the administration of this title, no department, agency, officer, or employee of the United States shall exercise any direction, supervision, or control over the policy determination, personnel, curriculum, program of instruction, or the administration or operation of any school or school system.

"Authorization of appropriations

"SEC. 204. There is hereby authorized to be appropriated, without any limitation of such appropriation or condition inconsistent with or contrary to the terms or purposes of this title, for the fiscal year beginning July 1, 1961, and for the succeeding fiscal year, $325,000,000, for the purpose of making payments to State education agencies as provided in this title.

"Allotment to States

"SEC. 205. (a) The sums appropriated pursuant to section 204 shall be allotted among the States on the basis of the income per child of school age, the number of children of school age, and the effort for public school purposes of the respective States. A State allotment under this section for any fiscal year shall be available for obligation by the State, in accordance with the provisions of this title, during such year and the next fiscal year (and for those two years only). Except as provided by section 206, such allotments shall be made as follows: The Commissioner shall allot to each State for each fiscal year an amount which bears the same ratio to the sums appropriated pursuant to section 204 for such year as the product of—

"(1) the number of children of school age in the State in the preceding fiscal year, and

"(2) the State's allotment ratio (as determined under subsection (b)),

bears to the sum of corresponding products for all the States.

"(b) For purposes of this title—

"(1) The 'allotment ratio' for any State shall be 1.00 less the product of (A) .50 and (B) the quotient obtained by dividing the income per child of school age for the State by the income per child of school age for all the States (exclusive of Puerto Rico, Guam, American Samoa, the District of Columbia, and the Virgin Islands), except that (i) the allotment ratio shall in no case be less than .25 or more than .75 and (ii) the allotment ratio for Puerto Rico, Guam, American Samoa, and the Virgin Islands shall be .75, (iii) the allotment ratio for the District of Columbia shall be .50, and (iv) the allotment ratio of any State shall be .50 for any fiscal year if the Commissioner finds that the cost of education in such State exceeds the median of such costs in all the States by a factor of 2 or more as determined by him on the basis of an index of the average per pupil cost of constructing minimum school facilities in the States as determined for such fiscal year under section 15(6) of the Act of September 23, 1950, as amended (20 U.S.C. 645), or, in the Commissioner's discretion, on the basis of such index and such other statistics and data as the Commissioner shall deem adequate and appropriate.

"(2) The allotment ratios shall be promulgated by the Commissioner for each fiscal year, between July 1 and August 31 of such fiscal year, except that for the fiscal year beginning July 1, 1961, such allotment ratios shall be promulgated as soon as possible after the enactment of this title. Allotment ratios for each fiscal year shall be computed on the basis of the average of the incomes per child of school age for the States and for all the States (exclusive of Puerto Rico, Guam, American Samoa, the District of Columbia, and the Virgin Islands) for the three most recent consecutive fiscal years for which satisfactory data are available from the Department of Commerce. Such promulgation shall be conclusive for the purposes of this title, except that the Commissioner may estimate and subsequently revise such allotment ratios, and, as so revised and promulgated, such promulgation shall be equally conclusive.

"(3) The term 'income per child of school age' for any fiscal year for a State or for all the States means the total personal income for the State or for all the States in the calendar year ending in such fiscal year (exclusive of Puerto Rico, Guam, American Samoa, the District of Columbia, and the Virgin Islands), respectively, divided by the number of children of school age in the State or in all such States, respectively, in such fiscal year.

"(4) The term 'child of school age' means a member of the population between the ages of five and seventeen, both inclusive.

"Maintenance and improvement of State and local support for public school financing

"SEC. 206. (a) The sum otherwise allocable to any State under section 205 for any fiscal year after the fiscal year beginning July 1, 1961, shall be reduced if such State's effort for such fiscal year is not at least equal to such State's base effort for such year. The amount of such reduction shall be the difference between the State's public school expenditures in such year and the public school expenditures it would have made in such year had it exerted the State's base effort for such year.

"(b) The sum otherwise allocable to any State under section 205 for any fiscal year after the fiscal year beginning July 1, 1961, shall also be reduced if such State's effort for such year is not at least equal to the State's base effort for such year plus the average annual rate of increase in the national effort over the five fiscal year period beginning July 1, 1956, and ending June 30, 1961. The amount of the reduction under this subsection (which shall be in addition to the reduction, if any, under subsection (a)) shall bear the same relation to the sum otherwise allocable to the State under section 205, (1) as the difference between the State's effort and the national effort for such year bears to the national effort for such year, or (2) if it would result in a smaller reduction, as the difference between the State's expenditure per public school pupil and 110 per centum of the national expenditure per public school pupil for such year, bears to 110 per centum of the national expenditure per public school pupil for such year. This subsection shall not apply to any State for any year for which the State's effort equaled or exceeded the national effort for such year or the State's expenditure per public school pupil equaled or exceeded 110 per centum of the national expenditure per public school pupil for such year.

"(c) The total reductions which may be made under subsections (a) and (b) from the sum otherwise allocable to a State for any fiscal year shall not exceed one-third of such sum.

"(d) The sum of the reductions under this section for each fiscal year shall be reallotted by proportionately increasing the allotments under section 205 for such year of those remaining States (other than the District of Columbia, Puerto Rico, Guam, American Samoa, and the Virgin Islands) whose allotments for such year have not been reduced under this section.

"(e) For purposes of this section—

"(1)(A) A 'State's effort' for any State for a fiscal year is the quotient obtained by dividing (i) the State's expenditure per public school pupil by (ii) the income per such pupil for the State; except that the State's effort shall be deemed to be equal to the State's base effort and to the national effort in the case of Puerto Rico, the Virgin Islands, Guam, American Samoa, and the District of Columbia.

"(B) A State's 'base effort' for a fiscal year means the average State effort over the three immediately preceding fiscal years.

"(C) The 'income per public school pupil' for a State or for all the States for any fiscal year means the total personal income for the State or for all the States in the calendar year ending in such fiscal year (exclusive of Puerto Rico, Guam, American Samoa,

and the Virgin Islands), respectively, divided by the number of public school pupils in the State or in all such States, respectively, in such fiscal year.

"(2)(A) The 'national effort' for any fiscal year is the quotient obtained by dividing (i) the expenditure per public school pupil for all the States (exclusive of Puerto Rico, Guam, American Samoa, the Virgin Islands, and the District of Columbia) by (ii) the income per such pupil for all such States.

"(B) The average annual rate of increase in the national effort over the five fiscal year period beginning July 1, 1956, and ending June 30, 1961, shall be determined by dividing the difference between the national effort for the fiscal year beginning July 1, 1956, and for the fiscal year beginning July 1, 1960, by four.

"(3)(A) The 'public school expenditures' of any State in any fiscal year means the total expenditures by the State and subdivisions thereof in such year for public elementary and secondary education made from funds derived from State and local sources in the State (including payments in the nature of payments in lieu of taxes from any sources).

"(B) The 'expenditure per public school pupil' for any State for any fiscal year means the quotient obtained by dividing the State's public school expenditures in such year by the number of its public school pupils for such year.

"(C) The 'national expenditure per public school pupil' for any fiscal year means the quotient obtained by dividing (i) the public school expenditures of all the States in such year (exclusive of Puerto Rico, Guam, American Samoa, the Virgin Islands, and the District of Columbia) by (ii) the number of public school pupils in all such States for such year.

"(4) The Commissioner's determinations of the State effort, base effort, income, public school expenditures, and expenditure per public school pupil, for any State, and his determinations of the national effort, average rate of increase, and expenditure per public school pupil, shall be conclusive for purposes of this title, except that the Commissioner may estimate and subsequently revise any such determination, and as so revised, such determination shall be equally conclusive.

"Payment of allotments to States

"SEC. 207. Payments to States which have submitted and had approved their applications under this title of Federal funds allotted to them pursuant to section 205 (as adjusted by the application of the provisions of section 206 and as adjusted on account of overpayments or underpayments previously made) shall be made by the Commissioner on the basis of such estimates, in such installments, and at such times, as may be reasonably required for expenditure by the States of the funds so allotted.

"State agency administrative costs

"SEC. 208. From the sums allotted to it under section 205, as adjusted by section 206, for each fiscal year, a State education agency may use such amount as it deems necessary for any supervision, services, and other costs of administering its activities under this title in that year, except that such amount shall not be more than whichever is the lesser of (1) ten cents multiplied by the number of public school pupils in the State during the prior fiscal year, and (2) $150,000, except that if, for any State, such lesser amount is less than $25,000, such amount shall be increased to $25,000.

"State applications

"SEC. 209. (a) A State which desires to receive its allotments under this title shall submit through its State education agency an application to the Commissioner which—

"(1) provides assurance that the State education agency shall be the sole agency for administering the funds received under this title;

"(2) provides that such allotment, except for sums used in accordance with section 208, shall be used exclusively for the construction of public elementary and secondary school facilities;

"(3) sets forth criteria and procedures to insure that in allocating funds received under this title (exclusive of amounts to be used under section 208) to local education agencies priority will be given to local education agencies which, in the judgment of the State education agency, have the greatest need for additional school facilities and which are least able to finance the cost of needed school facilities;

"(4) provides assurance that every local education agency whose application for funds under this title is denied will be given an opportunity for a hearing before the State education agency;

"(5) sets forth procedures for such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of, and accounting for, funds paid to the State and by the State to the local education agencies under this title, which procedures shall include provision for repayment to the United States of any sums received by the State from its allotment for any fiscal year under this title which are not obligated by it in accordance with the provisions of this title by the end of the fiscal year following that for which such allotment was made, or which are not expended in accordance therewith by the end of the second fiscal year following that in which they were obligated (unless such sums have been deducted from subsequent payments pursuant to section 207);

"(6) provides assurance that the requirements of section 211 will be complied with on all construction projects in the State assisted under this title; and

"(7) provides for making such reports in such form and containing such information as the Commissioner may from time to time reasonably require and for access by the Commissioner, upon request, to the records upon which such information is based.

"(b) With respect to any public school operated by a public agency or institution other than a State or local education agency, and in the case of any State in which a State education agency has exclusive responsibility for financing the construction of school facilities within the entire State, within a given geographical area within the State, or with respect to particular categories of public schools, the Commissioner may modify or make inapplicable any of the provisions of subsection (a), to the extent he deems such action appropriate in the light of the special governmental or school organization of such State.

"Review of State applications

"SEC. 210. (a)(1) The Commissioner shall approve an application of a State which fulfills the conditions specified in section 209(a), and shall not finally disapprove a State application except after reasonable notice and opportunity for hearing to the State education agency.

"(2) Whenever the Commissioner, after reasonable notice and opportunity for hearing to the State education agency, finds that such agency is not complying substantially with the provisions required to be included in its application under section 209(a), or that any funds have been diverted from the purposes for which they have been paid, the Commissioner shall forthwith notify the State education agency, and he shall thereafter withhold further payments to the State under this title until there is no longer any such failure to comply, or, if compliance is impossible, there is a repayment, or an arrangement for repayment, of Federal moneys which have been diverted or improperly expended.

"(b)(1) A State education agency dissatisfied with a final action of the Commissioner under subsection (a) of this section may appeal to the United States court of appeals for the circuit in which such State or agency is located by filing a petition with such court within sixty days after such final action. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Commissioner, or any officer designated by him for that purpose. The Commissioner thereupon shall file in the court the record of the proceedings on which he based his action, as provided in section 2112 of title 28, United States Code.

"(2) Upon the filing of the petition referred to in paragraph (1) of this subsection, the court shall have jurisdiction to affirm the action of the Commissioner or to set it aside, in whole or in part, temporarily or permanently. The findings of the Commissioner as to the facts, if supported by substantial evidence, shall be conclusive, but the court, for good cause shown, may remand the case to the Commissioner to take further evidence, and the Commissioner may thereupon make new or modified findings of fact and may modify his previous action, and shall file in the court the record of the further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence.

"(3) The judgment of the court affirming or setting aside, in whole or in part, any action of the Commissioner shall be final, subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.

"Labor standards

"SEC. 211. All laborers and mechanics employed by contractors or subcontractors in the performance of construction work financed in whole or in part under this title shall be paid wages at rates not less than those prevailing on similar construction in the locality to be determined by the Secretary of Labor in accordance with the Davis-Bacon Act, as amended (40 U.S.C. 276a—276c-5), for construction projects under this title, and every such employee shall receive compensation at a rate not less than one and one-half times his basic rate of pay for all hours worked in excess of eight hours in any workday or forty hours in the workweek, as the case may be. The State education agency of each State shall take such steps as shall be necessary to assure that the wage standards required above shall be set out in each project advertisement for bids and in each bid proposal form and shall be made a part of the contract covering the project. The Secretary of Labor shall have with respect to the labor standards specified in this provision the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176; 5 U.S.C. 133z-15) and section 2 of the Act of June 13, 1934, as amended (40 U.S.C. 276c).

"SEC. 212. The State education agency may waive the application of section 211 in cases or classes of cases where laborers or mechanics, not otherwise employed at any time in the construction of the project, voluntarily donate their services for the purpose of lowering the costs of construction and the State education agency determines that any amounts saved thereby are fully credited to the education agency undertaking the construction.

"Definitions

"SEC. 213. For the purposes of this title—

"(1) The term 'Commissioner' means the United States Commissioner of Education.

"(2) The term 'local education agency' means a board of education or other legally constituted local school authority having

administrative control and direction of public schools in a city, county, township, school district, or political subdivision.

"(3) The term 'State' includes the District of Columbia, Puerto Rico, Guam, American Samoa, and the Virgin Islands.

"(4) The term 'State education agency' means the State board of education or other agency or officer primarily responsible for the State supervision of public schools.

"(5) The term 'public school pupils' means pupils in average daily attendance at public schools within a State, or within all of the States, as determined by the Commissioner in accordance with criteria developed by him to assure uniform determinations for all the States.

"(6) The term 'public schools' means schools providing free education at public expense, under public supervision and direction and without tuition charge to resident pupils, and which is provided as elementary or secondary school education—

"(a) by a State or local education agency, or

"(b) if the State application approved under this title so provides, by another State or local public agency or institution.

"(7) The term 'elementary and secondary education' shall not include any education provided below the kindergarten level or beyond grade 12.

"(8) The terms 'school facilities' and 'public school facilities' means classrooms and related facilities (including furniture, instructional materials other than textbooks, equipment, machinery, and utilities necessary or appropriate for school purposes) for public schools, and interests in land (including site, grading, and improvement) on which such facilities are constructed. Such terms shall include gymnasiums and similar facilities, except those intended primarily for exhibitions for which admission is to be charged to the general public.

"(9) The terms 'construct', 'constructing', and 'construction' include the preparation of drawings and specifications for school facilities; erecting, building, acquiring, altering, remodeling, improving, or extending school facilities; and the inspection and supervision of the construction of school facilities."

Amend the title so as to read: "A bill to extend for one year the temporary provisions of Public Laws 815 and 874 relating to Federal assistance in the construction and operation of schools in federally impacted areas, to provide for the application of such laws to American Samoa, and to provide a two-year program of financial assistance to the States for public elementary and secondary school construction."

Mr. McNAMARA. Mr. President, the Senate today once again takes up the school bill.

The reason we are involved again in such a debate is, we are told, because of the refusal of the House of Representatives to accept our previous action on schools.

In short, we are being told to walk into this Chamber with the House, in effect, handing each of us, as we enter, our new senatorial symbol, the rubber stamp.

I would find it difficult to accept such an argument were there a semblance of proof to accompany it, but it is impossible to accept the argument when the evidence is so skimpy.

The simple fact is that the House of Representatives has never voted on a school bill during this session of Congress.

The closest that body came to a vote was on a procedural matter, an issue in which the exact wishes of the House on education were so obscured as to be unrecognizable.

I would remind the Senate that there have been many occasions in the past year when the House gave all of us some pleasant surprises.

I happened to be deeply involved in regard to a bill early in the session, the minimum wage bill, which was once pronounced even more lifeless than is the school bill.

The foreign aid appropriation bill now on our calendar, while still not the optimum bill, was made a far stronger measure by the full House than that which came from House committee.

I cannot believe that we cannot enact a minimum education program in this Congress if the House is given an opportunity to vote on it.

President Kennedy is not a man given to overstatement, and his characterization of the educational problem as this Nation's single most important domestic issue is accurate.

The Senate for 2 years running has given convincing proof of its concern for education.

We should make the effort to present our colleagues in the House with what every rational person would recognize as a reasonable compromise.

That would be simply the addition of a 2-year construction program to H.R. 9000.

It is on that amendment and the necessity for it that I propose to speak at length.

There are obviously, as this Senate has demonstrated, two major educational efforts the Nation must undertake.

First, we must take that action necessary to insure a sizable increase in both the quantity and quality of our teaching personnel.

And second, we must do everything within our power to build the classrooms necessary, to give every American child the educational facilities which our experience and desires demand.

We have tried to accomplish that in our action which sent S. 1021 to the House of Representatives.

That bill has been resting on the table of the House since our action and I am, at this stage of the session, prepared to admit that its chances for House action are slight.

However, I do believe that we can, by the enactment of the construction amendment to the bill before us now, do much to alleviate our classroom problems and indirectly provide more funds for the recruitment of teachers and the upgrading of teaching skills.

My only purpose today is to refresh the memory of this Congress on the reasons why educational legislation has been before us for so long.

To that end I shall read from documents that treat, at length, the subject under discussion.

For those who still express concern about the future role of the Federal Government if it does provide financial aid for schools, I wish to cite some past instances of Federal support of education.

The National Education Association has compiled a list of such Federal activities, and I wish to quote from that list. The title is "Some Landmarks in Federal Legislation for Education."

The list of Federal statutes making grants for education is long. Some of the most important are these:

EARLY PUBLIC LAND GRANTS

1785, Land Ordinance: Specified the manner in which the western lands should be surveyed and stipulated that "there shall be reserved the lot No. 16 of every township for the maintenance of public schools within said township."

Later I shall quote from a statement by President George Washington, who advocated Federal aid to education back in those early days.

I continue to read from the presentation before me:

1787, Northwest Ordinance: Stated that "religion, morality and knowledge, being necessary to good government and the happiness of mankind, schools and the means of education shall forever be encouraged."

1802, Ohio Enabling Act: Granted section 16 of each township in the States carved from the public domain to the township inhabitants for the support of schools. With the exception of Texas, Maine, and West Virginia, the same policy applied to all States admitted to the Union until 1848.

1803, Further land grants to new States: Granted a township to Ohio for a seminary of learning and stipulated that all educational land grants were to be "for schools and for no other use, intent or purposes whatever." Similar grants extended to other States carved from the public domain.

LAND-GRANT COLLEGE STATUTES

1862, Morrill Land-Grant Act: Granted to each State an amount of 30,000 acres of public land (or its equivalent in scrip) per Congressman for the support of a college which would have as its primary purpose the teaching of "such branches of learning as are related to agriculture and the mechanic arts * * *." Provision was also made for military training.

1890, Second Morrill Act: Increased the support of the land-grant colleges and universities.

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

Mr. McNAMARA. I am happy to yield to the chairman of our Subcommittee on Education.

Mr. MORSE. I think the 1862 Morrill Act is a very interesting one. It was signed by Lincoln after a similar bill in Buchanan's administration had been vetoed. Buchanan made the argument against it. One of the arguments in his veto message against the bill was the old argument that we are still dealing with today. It was feared that the bill might lead to too much Federal control of education. It did not worry Lincoln and, of course, it has not worried the President of any land-grant college since, although over the years we have poured millions of dollars into our land-grant colleges. In the hearings which I have conducted or in which I have participated since I have been in the Senate, we have kept asking for evidence that would show there would be any Federal interference in

the land-grant colleges. Of course, no such evidence has been produced, because it does not exist.

The speech of the Senator from Michigan is very interesting, and I commend him for it. It is well to put down in chronological order, as the Senator has done, the great historic landmarks as to what has happened in the field of education. We ought to show every citizen that we are not dealing with something new today. This problem has confronted the Republic for years, but we think the time has come when we ought to make much more rapid progress than we have been making.

Mr. McNAMARA. I thank the Senator.

All the arguments used against Federal aid to education since I have been in the Senate, for the past 7 years, have gone into the business of Federal intervention following Federal aid.

Those using such arguments have opposed Federal funds for such purposes as building classrooms, helping to pay teachers' salaries, and assisting the States to pay such costs as those. But now we find in both Houses of Congress a great sentiment for the extension of impacted-area legislation. The proposed impacted-area legislation has in it all the elements that the opponents to Federal aid to education have been talking against for years. All those elements are implicit in the proposed legislation which it is now sought to extend for longer than the Subcommittee on Education wants to extend it.

The Senator made a good case on that point. I do not propose to go into it in any degree, except to say for the record that if those elements were bad in the general aid to education bill, they are certainly bad in the proposed extension of the Federal aid to impacted areas legislation. I do not think they are bad in either instance. I do not think there is a danger of Federal intervention.

As I have studied the record, it certainly appears that there has been no Federal intervention down through the history of the country.

I continue to read from my presentation:

1908, Nelson amendment to Morrill Act: Increased the support of the land-grant colleges and universities. The permanent annual appropriation under this act is now $2,550,000.

1935, Bankhead-Jones Act: Increased annual appropriations for support of land-grant colleges and universities. Congress now appropriates $2,501,000 annually.

VOCATIONAL EDUCATION ACTS

1917, Smith-Hughes Act: Provided grants for promoting vocational training in the public schools and for encouraging special education for teachers of vocational subjects. Contained exacting requirements and stipulations as to the use of the funds. Permanent annual appropriation amounts to $7,138,000.

1929, George-Reed Act: Increased annual appropriations for vocational training in the public schools under the Smith-Hughes Act.

1936, George-Deen Act: Continued policy of Federal aid for vocational training in the public schools and extended Smith-Hughes Act to include education in distributive occupations.

1946, George-Barden Act (Public Law 586, 79th Cong.): Supplementary legislation to the Smith-Hughes and George-Deen vocational education acts. Authorizes up to $29 million in Federal grants. With additional funds for practical nursing and fishery education appropriations for fiscal 1958 are at an alltime high of $33.8 million.

1956, Public Laws 911 and 1027, 84th Congress: Amend the George-Barden Act to include Federal aid for practical nurse training of less than college level (up to $5 million a year for 5 years) and training in the fishery trades ($375,000 a year).

1958, National Defense Education Act: Title X of Public Law 85-864 adds area vocational programs and emphasizes new technical skills. (For other details, see also "Defense Education.")

SCHOOL LUNCHES

1946, National School Lunch Act (Public Law 396, 79th Cong.): Distributes funds and federally purchased foods to schools, public and nonpublic, to be used for school lunches.

1954, school milk program (Public Law 690, 83d Cong.): An important adjunct to the school lunch program. In 1958, Public Law 85-478 extended this program until 1961 and authorized $75 million per year to make surplus milk available to nonprofit elementary and secondary schools, as well as child care centers, settlement houses, and summer camps.

VETERANS EDUCATION

1944, Servicemen's Readjustment Act (Public Law 346, 78th Cong.): Provided for educational and training benefits for veterans on the basis of 1 year plus 1 day for each day spent in the service. The GI bill of rights.

1952, Veterans Readjustment Assistance Act (Public Law 550, 82d Cong.): The Korean GI bill provides educational and training benefits for persons who served between June 27, 1950, and January 31, 1955.

1956, War Orphans Educational Assistance Act (Public Law 634, 84th Cong.): Extends benefits of Korean GI bill to orphans of servicemen killed in World War II or Korean conflict.

FEDERALLY AFFECTED AREAS

1941, Lanham Act: Provided Federal assistance including school building aid, for communities adversely affected by Federal activities.

1950, Public Laws 815 and 874, 81st Congress: Provided assistance for school construction (Public Law 81-815), and maintenance and operation (Public Law 81-874) in federally affected areas. Authorized national school facilities survey.

1958, Public Law 85-620 continues Federal assistance for construction and operation of schools in federally affected areas.

RURAL LIBRARIES

1956, Public Law 597, 84th Congress: Established a 5-year program of Federal grants to the States for extension of library services in rural areas. Federal appropriations up to $7.5 million a year are authorized.

1960, Public Law 86-679: Extends the act for 5 years.

EXCEPTIONAL CHILDREN

1958, Public Law 85-926: The Fogarty-McGovern Act, authorizes Federal grants to help train teachers for the mentally retarded.

1958, Public Law 85-905: Authorizes Federal funds to acquire and distribute films with printed captions for use with deaf persons.

DEFENSE EDUCATION

1958, Public Law 85-864: The National Defense Education Act, authorizes $887 million in Federal funds over a period of 4 years to strengthen critical areas in education.

Includes science, mathematics, foreign languages; counseling, testing, guidance; graduate fellowships; research and experimentation in modern teaching tools (TV, films, etc.); and improvement in statistical and information services.

Mr. President, in the specific area of school construction—I should like to read from a report of the Legislative Reference Service dated February 1955.

This analysis treats of the historical role of Federal school construction activity.

CHAPTER II. HISTORICAL BACKGROUND OF THE QUESTION

(Contents: (A) Origin of Federal aid for school construction; (B) programs during the depression of the 1930's; (C) the World War II program; (D) postwar aid to December 31, 1954; and (E) legislative proposals and action, 1948-54.)

A. ORIGIN OF FEDERAL AID TO SCHOOL CONSTRUCTION

It might be said that Federal aid to school construction began with early land and monetary grants for the support of education in States formed from the public domain. Antedating the Constitution, the origin of these grants lies in an ordinance adopted by the Congress of the Confederation in 1785 for the disposal of public lands in the western territory.

As a result of this ordinance and subsequent action by the Congress of the Confederation and later by the Congress of the United States, education in each new State admitted to the Union received an endowment of public lands and in some cases monetary grants derived from the sales of public lands. However, these grants were for the establishment and support of schools in general. Some of the income from the early grants probably was expended by local communities for the construction of school buildings, but the Congress did not specify what portion of the lands or funds derived from the sale of them, if any, should be used for this purpose.

By furnishing sites for school buildings in some instances, and in other ways the early Federal land grants for the support of education undoubtedly gave an impetus to school construction.

In relatively recent years the Federal Government has extensively participated directly in financing the construction of public schools in times of (a) economic depression and (b) war or intensive activity for the national defense.

B. PROGRAMS DURING THE DEPRESSION OF THE 1930'S

During the economic depression of the 1930's the Federal Government provided large-scale financial assistance to communities throughout the Nation for the construction of public schools. The principal Federal agencies which disbursed Federal aid for school construction were the Public Works Administration (earlier called the Federal Emergency Administration of Public Works) and the Work Projects Administration (earlier called the Works Progress Administration). The methods of operation and policies of the PWA and of the WPA differed substantially.

In addition to making allotments for Federal public works the PWA advanced about $2.5 billion in loans and grants to local governments for public works. Besides thus aiding the localities in constructing schools, hospitals, et cetera, vital to community life, the PWA program provided much-needed employment.

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

Mr. McNAMARA. I yield.

Mr. MORSE. I am very glad the Senator from Michigan has spoken of the

PWA Federal aid to education program. When I go about the country, to talk about Federal aid to education, I find that many persons labor under misapprehension in regard to the amount of money—the millions and millions of dollars—which the Federal Government has for many years contributed to education in the States. In some of my speeches I have stated that one of the most substantial programs by way of Federal aid to education was the PWA program itself. Many a school building in the United States was really built by the Federal Government, in large measure through PWA funds. Many taxpayers do not realize that.

Does the Senator from Michigan happen to have the total amount of PWA funds which were expended for education? He has given us the total of expenditures; but is that amount broken down so as to show the amount of money which was expended for education?

Mr. McNAMARA. Yes; I shall present those figures later.

Mr. MORSE. I have interrupted now simply to emphasize this point, because the Senator from Michigan is rendering a great service by placing this body of information in the RECORD for future reference.

The American people simply are not aware of the fact that they have been spending millions of dollars for many years for aid to education; but they seem to get some kind of blockage when such a program is proposed in a bill for general aid to elementary and secondary schools. However, the Federal Government has built many elementary and secondary schools.

Also, I think it will be found that the WPA program benefited education, too.

Mr. McNAMARA. There is no question about it. In addition to what the Senator from Oregon has stated, the amount of money involved has been spent without Federal intervention. School boards still control their operations. Down through a long series of generations there has been Federal aid, but there has not been Federal intervention. That is an old bugaboo. It is an old saw which is dragged out every time Congress considers such a bill.

I think this statement will help to underscore that point as well as the point which the Senator from Oregon has raised.

Since the chief aim of the PWA was employment rather than relief, jobs on PWA projects were generally not restricted to the needy unemployed; nor were the locations of the projects confined to those areas especially hard hit.

PWA made allotments from July 1933 through June 30, 1942, for 6,687 elementary and secondary school-building projects costing over $979 million. In the territories and possessions of the United States as well as in every State of the Union, communities participated in this program of school-building construction. The importance communities attached to this type of construction was shown by the fact that construction of school buildings comprised about 40 percent of all non-Federal projects for which PWA made allotments.

Besides assisting communities in school construction, the PWA, over a period of 6 years, at a cost of $6,141,000, built 90 educational buildings on Federal lands reserved for Indians.

Unlike the PWA program, the program of the Work Projects Administration, initiated in the summer of 1935, concentrated on providing work for needy unemployed persons rather than for construction workers in general. The WPA program utilized nonrelief workers only for special jobs for which qualified relief workers were not available.

The WPA did not make lump-sum grants to State and local governments as did the PWA. The WPA bore the primary responsibility for the operation of a program of useful public works, of which school construction accounted for about one-third of the total cost. Although States and localities played important roles in the program, the Federal Government directly paid project workers and purchased materials supplied by WPA.

Under the WPA program, over 5,900 new school buildings were constructed and more than 33,000 other school buildings were enlarged, improved, or modernized over a period of 8 years. The estimated total cost—

And this is the figure about which the Senator from Oregon asked—

was $466,700,000, of which the Federal Government provided about 71 percent. New schools built with WPA assistance in practically all the States ranged from small buildings in rural areas to large city institutions. The types and materials of construction and the percentage of sponsor contribution varied widely according to the needs and means of the localities.

During the depression period the Federal Government also provided aid to school construction through other agencies besides the PWA and the WPA. In the 1933–34 school year alone, the Federal Civil Works Administration furnished about $19,500,000 and the Federal Emergency Relief Administration about $44 million for the construction and improvement of educational facilities throughout the country. Under the out-of-school work program of the National Youth Administration, over a period of several years, about 3,700 small educational buildings were erected and about 18,000 were improved or remodeled.

Owing to the impossibility of accurately segregating some of the Federal expenditures by purpose, an estimate of the total expenditure by the Federal Government in aid to school construction during the depression of the 1930's might be misleading. However, it is certain that the Federal expenditure which might be charged to this specific purpose during the depression period amounted to hundreds of millions of dollars.

C. THE WORLD WAR II PROGRAM

Federal aid to school construction during the depression of the 1930's was distributed fairly generally throughout the United States and its territories and possessions. On the other hand, such assistance during World War II was limited to localities having swollen school populations due to the influx of military personnel and war-workers. Under the Lanham Act (55 Stat. 351) these communities received assistance in the construction and maintenance of community facilities, including schools.

The Federal Works Agency initially administered the Lanham Act program, which, along with other functions of the FWA, was transferred to the General Services Administration in 1949.

Under the Lanham Act, municipalities applying for Federal aid in the construction of community facilities were expected to contribute toward the financing of construction. However, the act authorized construction of facilities wholly at Federal cost in case the community was unable to contribute and the facilities were adjudged essential to the successful prosecution of the war. Facilities thus constructed were generally rented to the communities during the war and afterward sold to them.

School construction accounted for about 27 percent of all construction costs under the Lanham Act program. As of June 30, 1946, Federal allotments had amounted to $80,700,000 on 1,151 school projects constructed at a total cost of $98,400,000.

D. POSTWAR AID TO DECEMBER 31, 1954

From July 1946 until after the enactment of Public Law 815, 81st Congress, approved September 23, 1950, no Federal aid was provided for the construction of local public schools.

However, title V of the War Mobilization and Reconversion Act of 1944 had authorized loans to States and localities for the advance planning of public works, including schools. Under this program new planning advances were approved until June 30, 1947, when such advances ceased temporarily. In October 1949 Congress reactivated the program with an authorization of $100 million in Federal aid for advance planning of various community facilities, including schools.

With the enactment of Public Law 815, in September 1950, the Congress established a new program of Federal aid to school construction in federally affected localities.

Public Law 815 recognized a responsibility on the part of the Federal Government for the impact of Federal activities on school-construction needs in certain types of localities. The act provided for Federal payment of the cost of constructing school facilities in federally affected areas in the manner and to the extent prescribed in the law.

Title I of Public Law 815 relates to surveys and State plans for school construction. A brief statement of the provisions of this title appears in a subsequent section of this report.

Mr. SPARKMAN. Mr. President, will the Senator from Michigan yield for a question?

The PRESIDING OFFICER (Mr. BURDICK in the chair). Does the Senator from Michigan yield to the Senator from Alabama?

Mr. McNAMARA. I am happy to yield to the distinguished Senator from Alabama.

Mr. SPARKMAN. I wish to say that I, for one, am very much pleased to have the Senator from Michigan detail this program, which has meant so much to various parts of the country.

I happen to live in a city which is an impacted area—Huntsville, Ala.—near the Redstone Arsenal, which probably is responsibile for more than doubling the population of that area during the last 10 years. In fact, if I correctly recall the census figures, in the last 10 years the population there has increased more than 300 percent, and I would say the major cause of that is the activities of the Federal Government.

We have a fine school system there; but it would have been absolutely impossible for the city—and also the county, I may add, although the county as a whole has not been affected as much as the city has—to have taken care of the schoolchildren there, if it had not been for this program, which the Senator from Michigan is outlining at the present time.

I think it is excellent that he is reminding us of what the program has done in the past; and of course I am happy

that this measure has been brought to the floor at this time. Certainly the program should continue.

I have favored an overall program; but certainly the Congress should not adjourn without extending this program, which has meant so much to the federally impacted areas. So I commend the Senator from Michigan and his subcommittee, or is it the subcommittee of the Senator from Oregon?

Mr. McNAMARA. The chairman of the subcommittee is the Senator from Oregon [Mr. MORSE].

Mr. SPARKMAN. I commend them for reporting this measure to the floor, and I am indebted to the Senator from Michigan [Mr. McNAMARA] for his presentation.

Mr. McNAMARA. Mr. President, I wish to thank the Senator from Alabama for his remarks on the pending aid-to-education bill. I assure him that I know of his activities in this field, and also those of his colleague, the chairman of the Committee on Education and Labor, which handles these measures—the distinguished senior Senator from Alabama [Mr. HILL]. They have long been in favor of a program of this type, and I appreciate their continued help.

Mr. SPARKMAN. Let me say that in 1936, when I first ran for election to Congress, one of the few planks I had in my platform, and had printed on the back of a small campaign card which I used, was "Federal aid for education, without Federal control."

I remember that quite well. I advocated it then. I have advocated it ever since.

Mr. McNAMARA. I am certainly glad to have the Senator's help in the passage of this legislation.

Title II of Public Law 815 provided for Federal aid to school construction in federally affected areas. Following is a condensed statement of the principal provisions of this title.[1]

The title authorized, during the fiscal years 1951 to 1953 inclusive, the appropriation of necessary sums for grants to local school districts for emergency school construction. The need for such construction must have arisen from certain Federal activities.

The title provided for such Federal contributions in the amount of 95, 70, and 45 percent of the average per pupil cost of school construction in the State concerned, multiplied by the number of schoolchildren in three respective categories: (1) Children residing on Federal property with a parent employed on Federal property, if, during the current fiscal year they were 15 or more in number and constituted at least 5 percent of the estimated average daily attendance of the local educational agency; (2) children residing on Federal property partly or wholly situated in the same State as the local educational agency if they were 15 or more in number and constituted at least 5 percent of the attendance; and (3) children whose attendance resulted from activities of the United States if they were 20 or more in number and constituted at least 10 percent of the attendance, and if the construction of additional facilities would impose an undue burden on the taxing and borrowing ability of the local agency.

In the case of agencies having an average daily attendance of over 35,000 during the fiscal year 1950, the percentage-of-attendance requirement was doubled in each category, and provision was made for payment only on the basis of the number of such children in the three respective categories in excess of 5, 5, and 10 percent of average daily attendance during the current fiscal year.

The act provided for the deduction from grants of the amount of Federal assistance to local school construction since 1939, and authorized the reimbursement of local agencies which had already provided facilities for children in the categories named. It made special arrangements for cases in which the effect of Federal activities was determined to be temporary, and in which local agencies were unable to provide education to children residing on Federal property. It authorized the Commissioner of Education to reserve 10 percent of appropriations for special additional grants, in the most urgent cases, to local agencies unable to finance the non-Federal share.

The act prohibited all Federal direction, supervision, or control of the personnel, curriculum, or program of instruction of any school or school system of any local or State educational agency.

Total appropriations, to remain until expended, for school construction in federally affected areas under title II of Public Law 815 had amounted to $341,500,000 as of June 30, 1953.

As of that date the U.S. Commissioner of Education had reserved funds in the amount of $338,195,500 for the construction of 1,336 schoolbuilding projects to house approximately 350,000 pupils. These were located in the federally impacted areas in 44 States, Alaska, Hawaii, and Puerto Rico.

As of June 30, 1953, 191 projects had been completed and 972 were in varying stages of completion. On these 1,220 projects $169,190,368.16 had been paid to date of which $37,608,037.51 was for final payments on completed projects and $131,582,330.57 was for partial payments on the remaining 972 still under construction. In addition to the Federal funds expended and obligated, the applicants had furnished an additional $80 million, or approximately 25 percent, from State and local funds to supplement the Federal grants on the projects.

The administration of the law had accomplished in large measure its major purpose for the period of its effectiveness. Federal funds had not been made available, however, for (1) reimbursement of school districts for expenditures already made on account of increased enrollments due to Federal activities, and (2) aid to districts still experiencing rapid growth because of Federal activities. A new authorization of appropriations for these purposes, and other amendments to Public Law 815 were made effective by Public Laws 246 and 731, 83d Congress. Chapter III of this report contains a digest of these laws.

As of December 31, 1954, the Commissioner of Education had reserved funds on a total of 2,438 school-construction projects under all sections of Public Law 815 as amended by Public Law 246 and as provided under Public Law 357, the Third Supplemental Appropriation Act of 1954. (No funds had been reserved on projects under Public Law 731 as of that date.) Federal funds committed on these projects amounted to $501,280,000.

Of these projects, 1,242 were completed and 498 were under construction on December 31, 1954. Of the 698 approved projects not yet under construction, 266 were pending final revision under Public Law 357, which gave school districts an election as to whether to request reimbursement on previously constructed projects or to initiate new construction.

Total Federal payments under the program as of December 31, 1954, amounted to $370,085,000. Local funds added to approved projects partly financed with Federal funds amounted to over $170 million. All projects authorized to December 31, 1954, are estimated to house in excess of 600,000 pupils.

Mr. President, I turn now to our present needs in school construction.

The U.S. Office of Education, Department of Health, Education, and Welfare, has furnished us a chart, detailing our needs on a State-by-State basis.

I ask unanimous consent that it be printed in the RECORD at the conclusion of this portion of my statement.

The PRESIDING OFFICER (Mr. SMITH of Massachusetts in the chair). Is there objection to the request of the Senator from Michigan? The Chair hears none, and it is so ordered.

(See exhibit 1.)

Needs in housing and full-time public elementary and secondary day schools, by State—Additional instruction rooms needed (as of fall 1960)

Total United States (50 States and District of Columbia)	142,160
Region and State:	
North Atlantic	36,076
Connecticut	1,060
Delaware	155
Maine	893
Maryland	2,912
Massachusetts	2,342
New Hampshire	294
New Jersey	3,839
New York	16,000
Pennsylvania	6,548
Rhode Island	407
Vermont	849
District of Columbia	777
Great Lakes and Plains	39,213
Illinois	8,699
Indiana	1,321
Iowa	705
Kansas	2,007
Michigan	10,762
Minnesota	3,816
Missouri	4,354
Nebraska	358
North Dakota	902
Ohio	3,919
South Dakota	820
Wisconsin	1,550
Southeast	45,968
Alabama	7,335
Arkansas	2,410
Florida	4,744
Georgia	3,714
Kentucky	8,906
Louisiana	1,457
Mississippi	2,597
North Carolina	3,714
South Carolina	1,859
Tennessee	2,984
Virginia	4,326
West Virginia	1,922
West and Southwest	20,162
Arizona	1,085
California	4,000
Colorado	1,371
Idaho	812
Montana	443
Nevada	302
New Mexico	1,104
Oklahoma	2,300
Oregon	699

[1] Subsequent statement based upon Digest of Public General Bills With Index, 81st Cong., 2d sess., final issue. Prepared in the Legislative Reference Service, Library of Congress. For the full text of Public Law 815, see 64 Stat. 967, ch. 995.

Needs in housing and full-time public elementary and secondary day schools, by State—Additional instruction rooms needed (as of fall 1960)—Continued

Region and State:	
Texas	4,438
Utah	962
Washington	2,383
Wyoming	263
Alaska	295
Hawaii	446
Outlying parts:	
American Samoa	35
Canal Zone	7
Guam	243
Puerto Rico	4,860
Virgin Islands	97

Mr. McNAMARA. I refer to the table I had already obtained unanimous consent to have inserted in the RECORD. I should like, for the purpose of identification, to say that this is a table prepared by the Department of Health, Education, and Welfare and is headed "Housing in Full-Time Public Elementary and Secondary Day Schools by States."

I mention only a few of the States and the additional instruction rooms needed as of the fall of 1960. Connecticut, which according to this compilation prepared by the Department of Health, Education, and Welfare, stands third, 1,060 classrooms; Delaware, 155; Maine, 893; Maryland, 2,912; Massachusetts, 2,342; New Hampshire, 294; New Jersey, 3,839; New York, 16,000; and Pennsylvania, 6,548.

Dropping down the schedule, Michigan is short 10,762 classrooms, according to this compilation. I shall not take the time to read all these figures. Unanimous consent has been granted to have the table printed.

Mr. President, earlier this evening the distinguished majority leader expressed the desire that the Senate adjourn this evening between 8 and 8:30. The material I have prepared for this discussion of my school construction amendment is by no means exhausted. I expect to bring more of it to the attention of the Senate. However, in compliance with the desire of the majority leader, I am prepared to halt my presentation at this time until tomorrow.

Mr. CASE of South Dakota. Mr. President, I ask unanimous consent that there be printed at the conclusion of the remarks by the distinguished senior Senator from Michigan a statement by the distinguished junior Senator from Maryland [Mr. BEALL] with respect to S. 2393, indicating his support therefor.

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

STATEMENT BY SENATOR BEALL

I support S. 2393, which would extend for 1 year aid to impacted areas under Public Laws 815 and 874. At the same time, I hope the Senate will adopt an amendment to extend the program for 2 or 3 years.

It is not necessary to justify the extension of these laws at this time. School districts throughout the country have already committed themselves to faculty assignments and curriculums for the 1961–62 school year. To allow these programs to terminate now, would be an unconscionable breach of responsibility on the part of the Federal Government. Even the strongest opponents of this program agree that any termination must be gradual, thus allowing a transition period during which the local school districts could make necessary adjustments in their budgets.

I favor a 2- or 3-year extension because I feel that this program should be considered separate and apart from any general education bill. Earlier this year efforts were made to solicit votes for a general aid bill by including an extension of the impacted areas program. If a 1-year extension is approved, I have no doubt that the proponents of a general aid to education bill will repeat their efforts next year.

The impacted areas legislation was not enacted to improve the educational standards of this Nation. Rather, the purpose of these laws is to compensate the States for lands taken off the tax rolls by the Federal Government. I submit that the provisions of these laws have no place in a general aid to education bill. For this reason, I support an extension of 3 years or, at the very least, the 2-year extension provided by the House bill.

Mr. McNAMARA. Mr. President, I ask unanimous consent that I may yield to my colleague from Michigan [Mr. HART], with the understanding that I shall not lose the floor, and that his remarks will follow the conclusion of my own speech.

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

Mr. HART. Mr. President, as a cosponsor with the distinguished senior Senator from Michigan [Mr. McNAMARA], of the bill S. 8, in both the 86th and 87th Congresses, it is obvious that I would be and am wholeheartedly in favor of his amendment.

However, all of us are aware of the inequities which might result from legislation which allows Federal funds to be spent solely for new construction.

Every Senator can cite districts in his own State which have exerted a monumental effort to build the schools necessary to house their children.

These districts have, at enormous sacrifice, passed bond issue after bond issue so that their children would not be on double shifts or receive their instruction in dangerous, overcrowded, ill-lighted classrooms.

These very same districts, because of this construction effort, are hard put to find the funds necessary to attract and keep a qualified teaching staff.

Whatever legislation Congress passes in the nature of a broadly based Federal assistance program should take into account the plight of such courageous and responsible school districts.

For that reason I have offered an amendment to the McNamara amendment which would permit States to allocate not more than 20 percent of their Federal grants for debt service.

Thus a district which had already taken care of its school construction needs, and is unable to raise the funds necessary to hire fully qualified teachers, would be able to use its Federal grant to retire existing construction obligations.

As a consequence, the funds which it is now spending from its own resources for construction obligations would be released for operational purposes.

The amendment I offer would, I believe, provide the kind of flexibility in a school assistance program which would enable the States to put the Federal money where they consider the need to be most justified. As other Senators have indicated, I regret that the broad comprehensive Federal aid to education bill (S. 1021), which the Senate passed earlier this year, has not become law. As in so many areas, here is one where we are running out of time. As we approach the end of this session I hope we can at least add funds for school construction, with the amendment which I propose permitting some flexibility and regard for the school districts which have done a real job.

Senator McNAMARA has told me that he will accept my amendment to his proposal, and I hope that the Senate shares his views.

Surely I hope that the Senate will limit to 1 year only the extension of the 2 impacted areas laws.

Mr. MORSE. Mr. President, will the senior Senator from Michigan yield, to allow me to ask the junior Senator from Michigan a question or two, with the understanding that my interruption will not cause him to lose the floor?

Mr. McNAMARA. I am happy to yield to the senior Senator from Oregon with that understanding.

Mr. MORSE. If I correctly understand the amendment of the junior Senator from Michigan [Mr. HART], I believe it is a very sound one. I should like to ask him the following questions:

Is the amendment offered because he recognizes that in a number of places in the Nation, including, apparently, a number in his own State, a considerable number of bond issues have been voted by the taxpayers, thereby increasing their taxes on their real property, although they felt they could ill afford those bond issues and the increased taxes; but when they had to make a choice between unreasonable taxes on their real property and denying their children the adequate educational opportunities which they believe they should have, of course they have been voting for the bond issues. Nevertheless, that has worked an injustice on those districts; and I understand that, therefore, the Senator from Michigan believes it is only fair that if Congress passes a school construction amendment or, next year, a bill, school districts which already have passed such bond issues and have raised their taxes accordingly should be able to receive some Federal aid to help them retire those bond issues. Is that the way the Senator from Michigan feels about this matter?

Mr. HART. It is, and for the reasons the Senator from Oregon has so excellently stated. That is exactly the way I feel about this matter.

Mr. MORSE. At the hearings this year some of the witnesses who stated that there is no need for Federal aid to education cited the instances in which bond issues had been voted by the people of various districts, and the conclusion those witnesses reached was that that fact shows that no Federal aid is needed. But I replied that it does not show that at all, and that all one need to do is

look at the districts in which the bond issues have been voted and determine whether the districts can afford the bond issues or whether the situations were such that the people were willing to make the further sacrifice—but an unreasonable one to expect of them—of floating the bond issues in order to provide their children with the education which the parents felt they needed.

And, of course, that means more than regressive taxation on the real property, and is very unfair to the real property owners; and, as we said at the time of the issuance of the bond issues, we did not feel that that was a proper way to treat the taxpayers.

So I enthusiastically support the position of the Senator from Michigan, and I believe there should be Federal aid to school construction; and then we should determine how many districts have imposed such bond issue burdens upon themselves. Certainly they should be in line to receive assistance to the extent of the whole or a certain percentage of the money for school construction made available by them, through the issuance of the bonds. I think the Senator has proposed 20 percent. That would be only pure equity.

Mr. HART. I was sure that would be the position of the Senator from Oregon, even though I did not inquire in advance as to his attitude.

Let me say that in dealing with an area such as this one, which involves education, I would always discuss with my distinguished senior colleague [Mr. McNAMARA] any amendment which I proposed to offer. I would do so for the reason that Senator McNAMARA long has been a leader in the effort to raise educational levels and his leadership predates the presence of either of us in this body. If I correctly understood his remarks—and he does not speak obscurely—he will accept this amendment.

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

Mr. McNAMARA. I yield.

Mr. MUSKIE. In addition to the statement the Senators have made, I believe it should be stated that there are districts which have so committed their revenues to the servicing of such bond issues that for some years in the future they cannot be expected to do an adequate job in the fields of school construction and the payment of teachers' salaries. For that reason, as well as the other reasons stated, I hope the senior Senator from Michigan will accept the amendment offered by his junior colleague [Mr. HART].

Mr. McNAMARA. Mr. President, if I have the right—and I believe I do—to accept this amendment as a perfecting amendment to my pending amendment, I shall be happy to accept it, and also to thank the Senators who have spoken in favor of it.

The PRESIDING OFFICER (Mr. HICKEY in the chair). The Senator has a right to modify his amendment.

Mr. McNAMARA. Then I am happy to modify my amendment accordingly, at the request of my junior colleague [Mr. HART] and other Senators.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had passed, without amendment, the following bills of the Senate:

S. 1528. An act to increase the relief or retirement compensation of certain former members of the Metropolitan Police force, the Fire Department of the District of Columbia, the U.S. Park Police force, the White House Police force, and the U.S. Secret Service; and of widows and children of certain deceased former officers and members of such forces, department, or service;

S. 1529. An act to amend the act entitled "An act to regulate the height of buildings in the District of Columbia," approved June 1, 1910, as amended; and

S. 1762. An act to regulate the practice of physical therapy in the District of Columbia.

The message also announced that the House had agreed to the amendment of the Senate to the bill (H.R. 4669) to amend the law relating to gambling in the District of Columbia.

The message further announced that the House had disagreed to the amendment of the Senate to the bill (H.R. 4670) to amend the law relating to indecent publications in the District of Columbia; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. DOWDY, Mr. ST. GERMAIN, and Mr. HARSHA were appointed managers on the part of the House at the conference.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 7035) making appropriations for the Departments of Labor, and Health, Education, and Welfare, and related agencies, for the fiscal year ending June 30, 1962, and for other purposes; that the House receded from its disagreement to the amendments of the Senate numbered 15, 24, 36, 41, 45, 46, and 48 to the bill and concurred therein, and that the House receded from its disagreement to the amendments of the Senate numbered 7, 29, and 50 to the bill, and concurred therein severally with an amendment, in which it requested the concurrence of the Senate.

PROHIBITION OF TRAVEL OR TRANSPORTATION IN COMMERCE IN AID OF RACKETEERING ENTERPRISES—CONFERENCE REPORT

Mr. EASTLAND. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill—S. 1653—to amend title 18, United States Code, to prohibit travel or transportation in commerce in aid of racketeering enterprises. I ask unanimous consent for the present consideration of the report.

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

The legislative clerk read the report.

(For conference report, see House proceedings of today.)

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

There being no objection, the Senate proceeded to consider the report.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

ORDER FOR ADJOURNMENT TO 9 A.M. TOMORROW

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the Senate adjourns tonight, it adjourn until 9 a.m., tomorrow morning.

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

THE FEDERAL MUTUAL SAVINGS BANK BILL

Mr. SPARKMAN. Mr. President, on July 1, 1960, for the senior Senator from Connecticut [Mr. BUSH] and myself, I introduced a bill to authorize Federal mutual savings banks—S. 3796. At the time I noted that leaders in the mutual savings banking industry requested us to introduce such a measure for study and discussion of its merits by interested groups and the public. On that day I also inserted in the RECORD an article by Mr. Arthur Upgren, an outstanding economist, who noted that the Commission on Money and Credit, originally set up by the Committee for Economic Development, would be studying the adequacy of the Nation's monetary supply. Mr. Upgren stated that no more important report for our welfare would be written in this decade. A copy of S. 3796 was invited to the attention of the Chairman of the Commission, Mr. Frazar B. Wilde, chairman of the Connecticut General Life Insurance Co.

I am pleased to report that the bill has received helpful consideration both from private and Government organizations.

In his preface to the June 1961 report of the Commission on Money and Credit, Chairman Wilde stated that Commission members were deliberately selected with the advice of a distinguished selection committee to provide a group with different backgrounds, including banking, business, Government, labor, and the professions. Noting that all members had broad, practical economic experience, he commented:

> It could fairly be said that their conclusions represent a consensus of American philosophy and economic judgment today.

Among the recommendations made by this noteworthy Commission of private citizens in its report was the following:

> The Commission recommends that Federal charters be made available for mutual savings banks.

In support of this recommendation, the Commission stated:

> At present commercial banks and savings and loan associations may obtain Federal charters. Since only 17 States now provide for the establishment of savings banks, it is not possible to establish savings banks in two-thirds of our States. Federal charters

for savings banks would permit operation in any State, and this would stimulate competition and enterprise among financial institutions, improve the banking facilities in some communities, and perhaps encourage greater conventional mortgage lending activity in all areas.

Federal agencies expressed the opinion that establishment of Federal mutual savings banks should also be helpful in expanding the flow of funds into the Federal Housing Administration and Veterans' Administration sectors of the home mortgage market. Both FHA and VA responded to an invitation from the Senate Committee on Banking and Currency to comment upon S. 3796.

The Housing and Home Finance Agency stated:

This Agency believes that legislation providing for the Federal chartering of mutual savings banks would be desirable because it would encourage an increased flow of funds into the mortgage market.

It is probable that the encouragement which Federal chartering would give to the organization of additional mutual savings banks, now operating under State charters in only 17 States, would attract a portion of savings now being placed in commercial bank time deposits. This would tend to enlarge the supply of mortgage funds since mutual savings banks traditionally have invested more of their funds in mortgages than have commercial banks. Also, the anticipated geographically expanded operation should tend to improve the interregional flow of FHA insured and VA guaranteed mortgages. Finally, by increasing competition among different types of lending institutions, the net result would most likely be an increase in total savings placed with financial establishments, including those which customarily provide major sources of mortgage credit.

The Veterans' Administration had the following comment to make on that bill:

Mutual savings banks have actively participated in the GI loan program. As of December 31, 1959, nearly 30 percent of the outstanding VA guaranteed loans were held in their portfolios. To the extent that the proposed legislation would encourage new mutual savings banks in areas where the system would attract new savings for mortgage loan investment, it would doubtless aid veterans in their search for home loan financing.

In reply to a similar invitation from the Senate Committee on Banking and Currency, the Board of Governors of the Federal Reserve System stated that the bill merits careful consideration in determining whether it can make an important contribution to the economy.

Of all the Federal agencies that commented on that bill to the committee, only the Federal Home Loan Bank Board expressed fear that the conversion of savings and loan associations to Federal mutual savings banks would be accompanied by a decrease of funds flowing into the home mortgage market. However, certain evidence has since been developed to allay that fear. I am pleased to note that, in response to my June 22, 1961, letter to the new Chairman of the Federal Home Loan Bank Board, the matter of Federal charters for mutual savings banks is being discussed by a task force established by that Chairman. In anticipation of a favorable outcome of that study, the senior Senator from Connecticut and I have decided to introduce for study a revised version of S. 3796. The bill being introduced by us today will name the Federal Home Loan Bank Board as the chartering and supervisory agency for Federal mutual savings banks, instead of entrusting these functions to the newly created independent agency proposed in S. 3796. The revised bill will continue the S. 3796 requirement that each Federal mutual savings bank qualify for deposit insurance by the Federal Deposit Insurance Corporation.

Other changes from S. 3796 include the following:

The new bill deletes the authority of Federal mutual savings banks to exercise all powers now or hereafter generally possessed by State-chartered mutual savings banks. Thus, these Federal institutions will look to the provisions of this bill for their powers.

Expenses of examining Federal mutual savings banks may be charged to the institutions examined.

Some specific investment powers of Federal mutual savings banks have been expanded, but there has been deleted all power of the supervisory agency to expand investment powers beyond those expressly designated in the new bill.

Express authority has been granted to Federal mutual savings banks to issue certificates of deposit in $100 multiples for maturity of 2 years or more at an interest rate, terms, and conditions prescribed in the certificate.

Commercial banks accepting savings are expressly added to the list of thrift institutions to be protected against undue injury through the chartering of a Federal mutual savings bank.

Branching powers of Federal mutual savings banks have been enlarged to include States that permit chain or group banking even though they do not permit branches as such for financial institutions.

This new bill clarifies actions that an out-of-State Federal mutual savings bank may take within a State without being deemed to do business in that State.

All these changes are designed to improve the operation of Federal mutual savings banks and the public benefits to be derived from such institutions. Together with basic provisions retained from S. 3796, they combine the best features of State laws affecting mutual savings banks.

The senior Senator from Connecticut and I wish to afford an opportunity for further study of this improved version of a Federal mutual savings bank bill. Therefore, we join in introducing this bill near the end of the current session of the present Congress in the hope that further valuable comments on the bill will be ready for consideration by the Congress when it reconvenes early in 1962.

Mr. President, I ask unanimous consent to introduce, out of order, the bill to which I have referred, that it be printed at this point in the RECORD, and that there also be printed in the RECORD a section-by-section analysis of the bill.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the bill and the analysis will be printed in the RECORD.

The bill (S. 2528) to authorize the establishment of Federal mutual savings banks, introduced by Mr. SPARKMAN (for himself and Mr. BUSH), was received, read twice by its title, referred to the Committee on Banking and Currency, and ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Federal Mutual Savings Bank Act."

DECLARATION OF POLICY

SEC. 2. The Congress declares that, to carry out more effectively its responsibility for promoting maximum employment, production, and purchasing power in the national economy, it must facilitate and encourage an increased flow of real savings to finance new housing and other capital formation on a sustainable noninflationary basis. The Congress further declares that the increased savings necessary to the security and welfare of the individual as well as to the Nation should be provided within the private institutional framework of our competitive economy and within the dual banking system. These objectives will be advanced by authorizing the establishment of privately managed federally supervised mutual savings banks. Consistent with these objectives, the Congress recognizes the continuing need for maintaining and strengthening the vitality of our State-chartered banking system under the supervision of the various State banking departments. Federal mutual savings banks, together with State-chartered mutual savings banks, will bring to individuals in all States the opportunity of having mutual banks of deposit available to them which are dedicated to encouraging the practice of thrift, thereby increasing the total flow of voluntary savings in the economy. The record of mutual savings banks over nearly a century and a half of providing safety, ready availability of deposits and reasonable returns on these deposits, indicates that new Federal mutual savings banks will stimulate additional savings in the areas in which they are located. The record further indicates that these institutions will devote the bulk of their accumulated savings to the sound, economical financing of housing and home ownership. Moreover, additional funds will become available to support local business enterprise, urban redevelopment, and governmental capital outlays. The welfare of the public will be enhanced not only because economic growth will be fostered by capital formation but also because the earnings of Federal mutual savings banks, after expenses and provision for necessary reserves for safety of deposits, will be distributed entirely to depositors.

DEFINITIONS

SEC. 3. As used in this Act—

(1) The term "Board" means the Federal Home Loan Bank Board;

(2) The term "conventional loan" means a loan secured by a first mortgage or deed of trust on real property or a leasehold estate other than a loan guaranteed or insured by a Federal or State agency;

(3) The term "doing business" shall not be considered to include any one or more of the following activities:

(a) The acquisition of loans (including the negotiation thereof) secured by mortgages or deeds of trust on real property situated in a nondomiciliary State pursuant to

commitment agreements or arrangements made prior to or following the origination or creation of such loans;

(b) The physical inspection and appraisal of property in a nondomiciliary State as security for mortgages or deeds of trust;

(c) The ownership, modification, renewal, extension, transfer, or foreclosure of such loans, or the acceptance of substitute or additional obligors thereon;

(d) The making, collecting, and servicing of such loans through a concern engaged in a nondomiciliary State in the business of servicing real estate loans for investors;

(e) Maintaining or defending any action or suit or any administrative or arbitration proceeding arising as a result of such loans;

(f) The acquisition of title to property which is the security for such a loan in the event of default on such loan;

(g) Pending liquidation of its investment therein within a reasonable time, operating, maintaining, renting, or otherwise dealing with, selling, or disposing of, real property acquired under foreclosure sale, or by agreement in lieu thereof;

(4) The term "financial institution" means a thrift institution, a commercial bank, a trust company, or an insurance company;

(5) The term "mutual bank" means a Federal Mutual Savings Bank chartered under this Act;

(6) The term "State" includes the Commonwealth of Puerto Rico, the Virgin Islands, Guam, Samoa and the District of Columbia;

(7) The terms "State of domicile" and "domiciliary State" mean the State in which a mutual bank's principal office is located; and

(8) The term "thrift institution" means a State-chartered mutual savings bank, a cooperative bank, a homestead association, a mutual savings and loan association, a mutual building and loan association, or a mutual bank.

CHARTERING OF MUTUAL BANKS

SEC. 4. (a) Upon written application by five signatories from among not less than twenty-one individuals acting in the capacity of qualified corporators named in the application, the Board may issue a charter for a mutual bank.

(b) Such a charter shall be issued whenever the Board finds that a mutual bank will serve a useful purpose in the community in which it is proposed to be established, that there is reasonable expectation of its financial success and that its operation will not unduly injure existing thrift institutions or commercial banks accepting funds from savers on deposit.

(c) Any mutual bank shall include the words "Federal", "Mutual", and "Savings" in its title.

(d) Any mutual bank, upon being chartered, shall become a member of the Federal Home Loan Bank of the district in which it is located or, if convenience shall require and the Board approves, shall become a member of the Federal Home Loan Bank of an adjoining district. Mutual banks shall qualify for such membership in the manner provided in the Federal Home Loan Bank Act with respect to other members.

CORPORATORS

SEC. 5. (a) Each corporator of a mutual bank shall be an individual of financial responsibility and good character and shall never have been adjudged a bankrupt, and shall, within such time after his election, and in such form as the Board may prescribe, file proof of his compliance with these requirements with the Board. Without in any way limiting, by the enactment of this subsection, the general regulatory power granted the Board by this or any other Act, the Board is hereby expressly authorized to prescribe standards of conduct for corporators, except that any such standards shall be no more (and may be less) restrictive than those set forth for trustees in section 6(e)(1).

(b) No person shall be a corporator of a mutual bank who is not a resident of the State in which the principal office of the mutual bank is located, except that one less than one-half of the whole board of corporators may be residents of other States.

(c) At their organizational meeting, the corporators shall adopt rules governing the conduct of their business and may amend them from time to time. Such rules shall set forth the number of corporators and shall prescribe that any number not less than one-quarter of those at the time in office shall constitute a quorum for the purpose of doing business. At such organization meeting, or any adjournment thereof, the corporators shall divide the total number of corporators into three classes of equal size, one class to serve for a term of four years, one class to serve for a term of seven years, and one class to serve for a term of ten years, so that at each election of corporators following the first meeting an equal number of corporators shall be elected. The requirements of this section shall be satisfied if the number of corporators in any class does not exceed by more than one the number of corporators in any other class. Thereafter, each corporator shall be elected for a term of ten years, and until his successor is elected and shall have qualified. Successor and additional corporators shall be elected, subject to the requirements of this section, by a majority vote of the corporators, including those whose terms are expiring, present at a duly constituted meeting. Any corporator may be removed from office for cause upon the affirmative vote of two-thirds of the whole number of corporators.

TRUSTEES

SEC. 6. The board of trustees of a mutual bank shall be elected by and from the corporators and shall consist of not less than seven nor more than twenty-five. No person shall be a trustee of a mutual bank who is not a resident of the State in which the principal office of the mutual bank is located, except that one less than one-half of the whole board of trustees may be residents of other States. The corporators shall, by majority vote of those present at their organization meeting, elect a board of trustees, in three classes in the following manner: One-third for a term of one year; one-third for a term of two years; and one-third for a term of three years. Thereafter trustees shall be elected to serve for a term of three years. The requirements of this section shall be satisfied if the number of trustees in any one class does not exceed by more than one the number of trustees in any other class. The office of any trustee shall become vacant if he shall cease for any reason to hold office as a corporator.

(b) The management and control of the affairs of a mutual bank shall be vested in the trustees. The trustees may adopt, amend and repeal bylaws governing the affairs of the mutual bank.

(c) No person acting as trustee of a mutual bank shall hold office as trustee, director, or officer of another thrift institution.

(d) The office of a trustee shall become vacant whenever he shall have failed to attend regular meetings of the trustees for a period of six months, unless excused during such period by a resolution duly adopted by the trustees.

(e)(1) It shall be unlawful for any trustee—

(A) to receive remuneration as trustee except reasonable fees for attendance at meetings of trustees or for service as a member of a committee of trustees;

(B) to borrow funds other than pursuant to section 11(10)(B) or in any manner become an obligor for funds borrowed from the mutual bank for which he is trustee; and

(C) to make a profit, directly or indirectly, from any property sold to or services performed for the mutual bank or in connection with any loan made by the mutual bank for which he is a trustee.

Nothing contained in this subsection shall be deemed to prohibit or in any way limit any right of a trustee who is also an officer of or attorney for the mutual bank from receiving compensation for service as an officer or attorney.

(2) Upon application by a mutual bank, exceptions may be granted to any prohibition contained in this subsection following a determination by the Board that the exception sought is equitable and in the best interests of the depositors of the mutual bank.

(3) The Board may from time to time grant, by regulation, exceptions of general application to the prohibitions contained in this subsection.

(f) No mutual bank shall deposit any of its funds except with a depositary approved by vote of a majority of all trustees of the mutual bank, exclusive of any trustee who is an officer, partner, director, or trustee of the depositary so designated.

COMMENCEMENT OF OPERATION

SEC. 7. (a) No mutual bank may commence operations except upon approval by the Board, which shall not be granted prior to qualification by such mutual bank as an insured bank under the Federal Deposit Insurance Act. Any mutual bank may so qualify in the same general manner as is provided for a State nonmember bank under that Act. No mutual bank shall continue operations if it shall at any time cease to be so qualified.

(b) No mutual bank may commence operations until there shall have been advanced in cash to the credit of such mutual bank, as an expense fund, such sums as the Board may require. Any such sums so advanced shall be evidenced by transferable deferred payment certificates. Outstanding certificates may have such terms and be repaid pro rata in such installments, and shall be entitled to receive interest at such rate, as may be approved by the Board.

RESERVE FUND

SEC. 8. (a) Prior to authorizing the issuance of a charter for a mutual bank, the Board shall require that there be advanced in cash to the credit of such mutual bank not less than $50,000, which shall constitute the initial reserve fund. All sums so advanced as the initial reserve fund shall be evidenced by transferable deferred payment certificates. Outstanding certificates may have such terms and may be repaid pro rata in such installments, and shall be entitled to receive interest at such rate, as may be approved by the Board.

(b) As soon as practicable following the close of each of its first ten fiscal years, each mutual bank shall credit to the reserve fund an amount not less than 10 per centum of its net earnings before interest for such preceding fiscal year and at the close of each fiscal year following the first ten fiscal years shall credit to the reserve fund such proportion of its net earnings for such preceding fiscal year, not exceeding 10 per centum, as the Board may by regulation prescribe; except that credits to the reserve fund shall be required only when the reserve fund shall not equal 12 per centum of deposit liabilities. A mutual bank may credit such further amounts to the reserve fund as it may determine.

(c) The reserve fund of an operating mutual bank shall be available only for the purpose of meeting losses.

BORROWING

SEC. 9. A mutual bank may borrow funds subject to such regulations as the Board may prescribe.

DEPOSITS

SEC. 10. (a) A mutual bank may accept any savings deposit and may issue a passbook or other evidence of its obligation to repay any such savings deposit.

(b) A mutual bank, subject to such regulations and restrictions as the Board finds to be necessary and proper, may accept deposits and issue its certificate of deposit therefor in units or denominations of one hundred dollars or multiples thereof for periods of not less than two years and agree to pay interest thereon at the rate, for the term and subject to the conditions specified on the face of such certificate.

(c) Each mutual bank may:

(1) reject any sums offered for deposit; and

(2) repay any deposit at any time.

(d) Except as otherwise provided in this Act, a mutual bank may pay interest on deposits from net earnings and undivided profits at such rates and at such intervals as shall be approved by its trustees.

(e) A mutual bank may at any time by resolution of its board of trustees require that up to ninety days' advance notice be given to it by each depositor before the withdrawal of any deposit or portion thereof; and whenever the board of trustees shall adopt such resolution, no deposit need be paid until the expiration of the notice period applicable thereto in accordance with such resolution. A mutual bank shall notify the Board in writing on the day of adoption of such resolution. Notwithstanding adoption of such resolution, a mutual bank may, in its discretion, permit withdrawal of all or any part of all deposits prior to the expiration of the notice period prescribed by such resolution. Any such resolution may be rescinded at any time.

(f) Whenever any mutual bank shall have been closed by action of its board of trustees or by the authority having supervision of such bank, as the case may be, on account of inability to meet the demands of its depositors, the Board shall appoint the Federal Deposit Insurance Corporation receiver for such closed mutual bank and the Federal Deposit Insurance Corporation shall accept appointment as receiver thereof. The Board and the Federal Deposit Insurance Corporation shall thereupon proceed to handle the affairs of the mutual bank in accordance with the provisions of the Federal Deposit Insurance Act applicable to a closed national bank.

(g) In order to prevent the closing of a mutual bank determined by the Federal Deposit Insurance Corporation to be in danger of closing, or in order to reopen a closed mutual bank, the Federal Deposit Insurance Corporation may exercise any or all of the authority conferred upon it by the provisions of section 13(c) of the Federal Deposit Insurance Act.

(h) The Federal Deposit Insurance Corporation, in its own right as receiver of a closed mutual bank, may exercise any or all authority conferred upon it in either capacity by the provisions of section 13(d) of the Federal Deposit Insurance Act.

(i) In order to facilitate the sale of the assets of an open or closed mutual bank to and assumption of its liabilities by another insured bank, as defined in the Federal Deposit Insurance Act, or to facilitate a merger or consolidation of a mutual bank with another insured bank, as so defined, the Federal Deposit Insurance Corporation may exercise any or all of the authority conferred upon it by the provisions of section 13(e) of the Federal Deposit Insurance Act, subject to the conditions therein expressed. Any mutual bank is authorized to contract for sales or loans and pledge any of its assets to secure loans effected pursuant to the provisions of such section.

INVESTMENTS

SEC. 11. A mutual bank may invest in the following: (1) Obligations of the United States and those for which the faith of the United States is pledged to provide for the payment of the interest and principal and obligations of any agency of the United States;

(2) Obligations of any State and those for which the faith of any State is pledged to provide for the payment of the interest and principal;

(3) Obligations issued by a city, village, town, or county in the United States or by a department, agency, district, authority, commission or other public body of the United States, or of any one or more States, but in so doing the mutual bank shall exercise the same degree of care and prudence that persons prompted by self-interest generally exercise in their own affairs;

(4) Any property improvement note issued pursuant to the provisions of title I of the National Housing Act; and other property improvement loans subject to such regulation as the Board may prescribe;

(5) Obligations of the Dominion of Canada or Provinces of the Dominion of Canada payable in United States funds;

(6) Bonds, notes, or other evidences of indebtedness which are secured by property registered and recorded first mortgages or deeds of trust upon legal property, including leasehold estates, if the security for the loan is a first lien upon the real property or leasehold estate, and subject to the following conditions:

(A) No investment in mortgages executed by any one mortgagor shall in the aggregate exceed 2 per centum of the assets of the mutual bank at the time the investment is made or $25,000, whichever is greater;

(B) No investment in any one mortgage shall exceed 2 per centum of the assets of the mutual bank at the time the investment is made, or $25,000, whichever is greater, or more than 80 per centum of the appraised value of a one- to four-family residence securing a conventional loan or more than 90 per centum of the appraised value of such a residence constructed within not more than ten years before the making of the loan, or more than 75 per centum of the appraised value of any other real property securing a conventional loan;

(C) No investment shall be made in a conventional loan secured by a mortgage on a one- to four-family residence unless the mortgaged property is located either within the State in which the mutual bank has its principal office or within a radius of one hundred miles of its principal office and unless the mortgage has a maturity of not longer than thirty years from the date the loan is made;

(D) No investment shall be made in a conventional loan if the aggregate unpaid principal of all conventional loans in which the mutual bank has invested exceeds 80 per centum of its assets at the time;

(E) A mutual bank may (i) participate with one or more financial institutions, trusts, or pension funds in any bond or note or other evidence of indebtedness secured by a mortgage or deed of trust which such mutual bank is authorized to invest in its own account: Provided, That the participating interest of such mutual bank is not subordinated or inferior to any other participating interest; and (ii) participate in the same securities with other than financial institutions, trusts, or pension funds: Provided, That the participating interest of such mutual bank is superior to the participating interests of such other participants;

(F) No investment shall be made in a mortgage upon a leasehold unless (i) the principal amount of the mortgage loan is not in excess of 70 per centum of the appraised value of the leasehold, and (ii) provision is made for complete amortization of the loan prior to the expiration of 80 per centum of the remainder of the term by periodic payments as the Board may prescribe; and

(G) Nothing contained in this paragraph (6) shall be deemed to prevent investment by a mutual bank in any bond, note, or other evidence of indebtedness which is guaranteed or insured by a Federal or State agency, or for which a commitment to guarantee or insure has been issued by a Federal or State agency;

(7) Bankers' acceptances eligible for purchase by Federal Reserve banks;

(8) Corporate securities, but in so doing the mutual bank shall exercise the same degree of care and prudence that persons prompted by self-interest generally exercise in their own affairs, and subject to the following further conditions:

(A) No mutual bank shall invest in any corporate obligation, other than pursuant to paragraph (10), that (i) will mature by its terms within one year from the date of issuance, or (ii) if issued or made in series, or repayable in installments, will have an average maturity as of the date of issuance of less than one year; and

(B) No mutual bank shall invest in stocks an amount greater than 5 per centum of its assets or 100 per centum of its reserve fund and undivided profits, whichever is the greater; and

(9) Obligations of a mutual bank or of a State-chartered mutual savings bank;

(10) Promissory notes of the following types:

(A) Any promissory note payable to the order of the mutual bank which is (i) secured by one or more mortgages in which a mutual bank may invest, if the amount so invested in any such note shall not exceed 90 per centum of the principal sum secured by such mortgage or mortgages. The assignment of every mortgage taken as security for any such note shall be recorded or registered in the office of the proper recording officer of the county in which the real property described in such mortgage is located, unless such mortgage or mortgages have been so assigned by a mutual bank; (ii) secured by any of the stocks and bonds in which a mutual bank may invest; or (iii) secured by a life insurance policy, to the extent of such policy's cash surrender value; and

(B) Any promissory note payable to the order of the mutual bank which is secured by the assignment of a deposit or share account in any thrift institution, if the amount of the investment in any such note is not in excess of the amount of such deposit or share account.

BRANCHES

SEC. 12. (a) A mutual bank may, with the approval of the Board, establish and operate one or more branches in the State in which its principal office is located, but only if and to the extent that any financial institution accepting funds from savers on deposit or share accounts and chartered by such State is authorized to establish and operate branches: *Provided*, That in any State where the law expressly prohibits branches or, in the absence of any such law, the establishment and operation of branches are not in conformity with the practice within the State, if the Board determines that chain, group or affiliated financial institutions operate within the State, a mutual bank may with the approval of the Board establish and operate one or more branches in the State.

(b) Before approving the establishment and operation of a branch office by a mutual bank, the Board shall make with respect thereto to the findings required prior to the granting of a charter to a mutual bank.

(c) Notwithstanding any provision of this Act, a mutual bank resulting from conversion, consolidation, or merger may retain and operate any one or more offices in operation on the date of such conversion, consolidation, or merger, and, in addition, may retain any and all unexercised branch rights or privileges enjoyed prior to such date, but only if such office is situated, or such branch right or privilege was exercisable, within the State in which the principal office is located.

CONVERSION

SEC. 13. (a) With the approval of the Board, and subject to all other provisions of this Act applicable to the chartering of a newly organized mutual bank, unless specifically excepted herein, any thrift institution other than a mutual bank may convert itself into a mutual bank upon the affirmative vote of not less than a majority of the votes cast by those entitled to vote upon the affairs of such thrift institution at a meeting duly called and held for that purpose, and shall thereupon possess the powers of and be subject to the duties imposed upon mutual banks under the provisions of this Act: *Provided,* That any such conversion shall not be in contravention of the laws under which the converting thrift institution is organized.

(b) The minimum requirements of twenty-one corporators and seven trustees prescribed by sections 4(a) and 6(a) shall not apply in the case of a thrift institution making application to convert to a mutual bank.

(c) Before approving any such conversion, the Board shall find that the thrift institution seeking conversion has the ability to discharge the duties and conform to the restrictions upon mutual banks and has previously so conformed to the extent required by the Board. However, such institution may retain and service all accounts lawfully held by it on the date of its conversion.

(d) Any mutual bank upon affirmative vote of a majority of its corporators may convert itself into any type of thrift institution organized pursuant to Federal law or the laws of the State in which its principal office is located, but any such conversion of a mutual bank shall be subject to requisite approval of any regulatory authority having jurisdiction over the creation of the thrift institution into which the mutual bank seeks to convert and no such conversion of a mutual bank shall take place unless under the law of the State in which such mutual bank is located the type of thrift institution into which the mutual bank is seeking to convert may, without approval by any State authority, convert into a mutual bank under limitations or conditions no more restrictive than those contained in this section with respect to the conversion of a mutual bank into such a thrift institution.

(e) Any conversion pursuant to this Act shall be subject to section 18(c) of the Federal Deposit Insurance Act.

MERGER AND CONSOLIDATION

SEC. 14. (a) (1) Subject to the provisions of section 18(c) of the Federal Deposit Insurance Act, any two or more mutual banks having their principal offices in the same State, or any one or more mutual banks and one or more State-chartered mutual savings banks having their principal offices in the same State, may (A) with the approval of the Board where the surviving or consolidated institution is a mutual bank or with the approval of the appropriate State authority where the surviving or consolidated institution is a State-chartered mutual savings bank, (B) upon the affirmative vote of not less than two-thirds of the corporators of each such mutual bank, and (C), where applicable, upon compliance with the procedure prescribed by the State, enter into an agreement of merger or consolidation. Thereafter the merger or consolidation shall be effective in accordance with the terms of such agreement.

(2) No mutual bank may participate in a merger or consolidation, when the surviving or consolidated institution is to be a State-chartered mutual savings bank, unless under the law of the State in which the mutual bank is located State-chartered mutual savings banks may participate without approval by any State authority, under limitations or conditions no more restrictive than those contained in this section, in a merger or consolidation in which the surviving or consolidated institution is to be a mutual bank.

(b) Before approving a merger or consolidation the Board shall give consideration to the purposes of this Act and the prospects of the surviving or consolidated mutual bank for financial success and its ability to discharge the duties and conform to the restrictions imposed upon a mutual bank.

(c) Upon such a consolidation or merger, the corporate existence of each of the constituent institutions shall be merged into and continued in the surviving or consolidated institution, which shall be deemed to be the same corporation as each of the constituent institutions.

(d) All rights, franchises, and property interests of the merged or consolidating mutual bank or banks or State-chartered mutual savings bank or banks shall be transferred to and vested in the surviving or consolidated institution by virtue of the merger or consolidation without the requirement under this Act of any deed or other instrument of transfer; and the surviving or consolidated institution shall be entitled to exercise all rights and privileges of the merged or consolidating mutual bank or banks, or the State-chartered mutual savings bank or banks, in accordance with the terms of the merger or consolidation agreement.

(e) The surviving or consolidated institution shall be responsible for all debts and obligations of the merged or consolidating mutual bank or banks or the State-chartered mutual savings bank or banks, in accordance with the terms of the merger or consolidation agreement.

GENERAL POWERS

SEC. 15. (a) For the purpose of carrying out its functions under this Act, a mutual bank—

(1) shall have indefinite succession;

(2) may adopt and use a seal;

(3) may sue and be sued;

(4) may adopt, amend, and repeal rules and regulations governing the manner in which its business may be conducted and the powers vested in it may be exercised;

(5) may make and carry out such contracts and agreements, provide such benefits to its personnel, and take such other action as it may deem necessary or desirable in the conduct of its business;

(6) may service mortgages for others;

(7) may appoint and fix the compensation of such officers, attorneys, and employees as may be desirable for the conduct of its business, define their authority and duties, require bonds of such of them as the trustees may designate and fix the penalties and pay the premiums on such bonds;

(8) may acquire by purchase or lease such real property or interest therein as the trustees may deem necessary or desirable for the conduct of its business, and sell, lease, or otherwise dispose of such real property or interest therein;

(9) shall have authority, notwithstanding any provision of this or any other Act or regulation, to exercise all the powers possessed now or hereafter by any mutual savings bank chartered by the State in which the mutual bank is located.

(b) In addition to powers expressly enumerated or defined herein, a mutual bank shall have power to do all things reasonably incident to the exercise of such powers.

ANNUAL REPORT

SEC. 16. The Board shall submit to the President for transmission to the Congress an annual report of its operation under this Act.

EXAMINATION

SEC. 17. The Board shall conduct an examination twice in each calendar year into the affairs and management of each mutual bank for the purpose of determining whether such bank is being operated in conformity with the provisions of this Act, any rules and regulations promulgated hereunder, and sound banking practice, but the Board, in the exercise of its discretion, may waive one such examination or cause such examinations to be made more frequently if considered necessary. The waiver of one such examination as above provided shall not be exercised more frequently than once during any two-year period. The Board may accept, for any year, in lieu of such examination of any mutual bank, an examination of the mutual bank in such year by the Federal Deposit Insurance Corporation. The expenses of the Board examination herein provided for shall be assessed by the Board upon mutual banks in proportion to their assets. The assessments may be made more frequently than annually at the discretion of the Board. The annual rate of assessment shall be the same for all mutual banks, except that mutual banks examined more frequently than twice in one calendar year shall in addition be assessed the expenses of the additional examinations.

TAXATION

SEC. 18. (a) No State shall impose or permit to be imposed any tax on such mutual banks or their franchise, deposits, assets, reserve funds, loans, or income greater than that imposed or permitted by such State on other similar local mutual or cooperative thrift or home financing institutions.

(b) No State other than the State of domicile shall impose or permit to be imposed any tax on franchises, deposits, assets, reserve funds, loans, or income of institutions chartered hereunder whose transactions within such State do not constitute doing business.

AUTHORITY TO APPOINT CONSERVATORS AND RECEIVERS

SEC. 19. (a) The Board may, in its discretion, take possession forthwith of the business and property of any mutual bank and appoint a conservator or receiver for such bank, whenever it shall appear that such bank—

(1) has violated any provision of this Act;

(2) is conducting its business in an unauthorized, unsound, or unsafe manner;

(3) is in an unsound or unsafe condition to transact its business;

(4) has neglected or refused upon proper demand to comply with the terms of any order, rule, or regulation of the Board; or

(5) has refused to submit its records and affairs for inspection by the Board or the Federal Deposit Insurance Corporation.

(b) The Board shall appoint only the Federal Deposit Insurance Corporation as receiver for any mutual bank.

(c) At any time within ten days after the Board has taken possession of the property and business of any mutual bank, any officer of such mutual bank may apply to the United States district court for the district in which the mutual bank has its principal office for an order requiring the Board to show cause why it should not be enjoined from continuing such possession and, if a conservator or receiver has been appointed, why such appointment should not be vacated; and the district court is hereby granted jurisdiction to hear such cause, to grant such injunction, to direct the Board to surrender such possession, to vacate such appointment, and to take such other action as is necessary or appropriate to carry out the purposes of this

section. Any such proceeding in the district court shall be given precedence over other cases pending therein, and shall be in every way expedited.

SEPARABILITY

SEC. 20. If any provision of this Act or the application of such provision to any person or circumstance shall be held invalid, the remainder of this Act and the application of such provision to any other person or circumstance shall not be affected thereby.

RIGHT TO AMEND

SEC. 21. The right to alter, amend, or repeal this Act is hereby expressly reserved.

The section-by-section analysis presented by Mr. SPARKMAN is as follows:

SECTION-BY-SECTION ANALYSIS OF THE FEDERAL MUTUAL SAVINGS BANK ACT

Section 1. Title: Federal Mutual Savings Bank Act.

Section 2. Declaration of policy: The purpose of establishing a system of Federal mutual savings banks is to promote thrift and use the accumulated savings for home financing and other investments.

Section 3. Definitions: The following terms are defined: "Board," "conventional loan," "doing business," "financial institutions," "mutual bank," "State," "State of domicile," and "thrift institution." "Thrift institution" includes mutual savings banks and mutual savings and loan associations. "Financial institution" includes thrift institutions as so defined, commercial banks, trust companies, and insurance companies.

Section 4. Chartering of mutual banks: Five signatories from 21 or more individual corporators may apply for a charter from the Federal Home Loan Bank Board. To issue a charter, the board must find the mutual bank will serve a useful purpose in the community, have reasonable expectation of financial success, and not unduly injure thrift institutions or commercial banks accepting savings deposits. Mutual banks must have the words Federal, mutual, and savings in their titles. Each must join the Federal home loan bank system.

Section 5. Corporators: Qualifications for corporators, who select trustees for their mutual bank, and their method of procedure, are prescribed. They are chosen for staggered terms of 10 years.

Section 6. Trustees: Qualifications for trustees of a mutual bank, who manage and control affairs of the mutual bank, are prescribed. The board numbers from 7 to 25. Restrictions against self-dealing are imposed. Trustees are elected by corporators for staggered terms of 3 years.

Section 7. Commencement of operation: Mutual banks must qualify for and maintain Federal Deposit Insurance Corporation insurance of deposits to commence or continue operations. Before opening, a mutual bank must have a cash expense fund in the amount required by the Board. Contributions to the fund will be evidenced by transferable deferred payment certificates.

Section 8. Reserve fund: Before obtaining a charter, a mutual bank must also have a cash initial reserve fund of $50,000 or more as fixed by the Board. Contributions to this fund will also be evidenced by transferable deferred payment certificates. For the first 10 years each mutual bank must place in its reserve fund at least 10 percent of net earnings before interest. Thereafter the percentage shall be fixed by the Board, not over 10 percent. The reserve fund need not be built higher than 12 percent of deposits. The reserve fund is usable only to meet losses.

Section 9. Borrowing: A mutual bank may borrow subject to Board regulations.

Section 10. Deposits: A mutual bank may accept or reject deposits and repay them any time. It may use a passbook or other evidence of its obligation to the depositor. It may issue certificates of deposit for 2 or more years in hundred dollar multiples and agree to pay interest at the rate specified in the certificate. It may pay interest on deposits from net earnings and undivided profits as approved by the trustees. It may invoke a 90-day advance notice of withdrawal. Any closed or weak mutual bank may be treated as specified in the Federal Deposit Insurance Act.

Section 11. Investments: A mutual bank may invest in Federal obligations, municipal securities, property improvement loans insured by FHA under its Title I or subject to Board regulation, Canadian Dominion or Provincial obligations payable in U.S. dollars, bankers' acceptances, corporate securities under the prudent man rule plus stated restrictions, mutual savings bank obligations, certain promissory notes, and first mortgage loans on real property under specified restrictions on class of loan, maturity, geographical limits and loan-to-value ratio. A mutual bank may participate in mortgage loans subject to requirements as to equality or priority of lien.

Section 12. Branches: With Board approval, a mutual bank may establish branches in the State of its principal office only to the extent any State-chartered financial institution can, or in chain or group banking States that otherwise permit no branch banking. The Board must first make the findings required for issuing a mutual bank charter. A mutual bank resulting from conversion or consolidation may retain all existing offices and unexercised branch rights within the State of its principal office.

Section 13. Conversion: With Board approval and subject to new charter provisions, any thrift institution may convert into a mutual bank, under the specified procedure. Such conversion cannot contravene laws of the State under which the converting institution is organized. Minimum requirements for corporators and trustees need not apply to converted institutions. To approve conversion the Board must find the converting institution can perform the duties of and meet the restrictions on, mutual banks. A converted mutual bank may retain all accounts lawful on the date of conversion.

A mutual bank may convert into any thrift institution, with approval of the authority regulating the resulting institution. Before a mutual bank can convert to a State-chartered thrift institution, the State must allow conversion in the opposite direction on no more restrictive terms. Conversion is subject to FDIC controls under section 18(c) of the Federal Deposit Insurance Act.

Section 14. Merger and consolidation: Mutual banks may merge or consolidate with each other or with State-chartered mutual savings banks in the same State (with State approval if the resulting mutual savings bank is State-chartered). The law of the State must allow State-chartered mutual savings banks to merge or consolidate with a mutual bank without State approval, before a mutual bank can merge or consolidate with a resulting State-chartered mutual savings bank. Before approving, the Board must consider the purposes of this act, the prospects of financial success and ability to perform duties and meet restrictions of a mutual bank. The corporate existence of all institutions taking part in a consolidation or merger is continued in the survivor, and all rights and obligations are automatically transferred.

Section 15. General powers: A mutual bank is expressly given general operational powers by this section. It also may exercise all powers possessed now or hereafter by mutual savings banks chartered by the State in which the mutual bank is located. A mutual bank is also given powers reasonably incident to the exercise of express powers.

Section 16. Annual report: The Board must submit an annual report to the President for transmission to the Congress.

Section 17. Examination: The Board must examine each mutual bank at least three times every 2 years, but may accept FDIC examinations instead. Expenses of examinations are to be assessed upon mutual banks in proportion to assets under a uniform annual rate, but additional examinations over two a year may be assessed against the mutual bank so examined.

Section 18. Taxation: No State shall tax mutual banks higher than they do similar local mutual or cooperative thrift or home financing institutions. No State other than the State of domicile shall tax mutual banks for transactions within the State that do not constitute doing business.

Section 19. Authority to appoint conservators and receivers: The Board may take over a mutual bank and name a conservator or receiver for any of the reasons listed in this section. It shall name only the FDIC as receiver. Within 10 days after takeover, any mutual bank officer may apply to the proper U.S. district court for an order to the Board to show cause why it should not be enjoined from continuing in possession. The court is empowered to vacate the appointment of a conservator or receiver if warranted. The court proceedings are entitled to precedence over other pending cases.

Section 20. Separability: If any provision of the act or its application to any person or circumstance is held invalid, the rest of the act and its application to other persons or circumstances is not affected by that fact.

Section 21. Right to Amend: The right to alter, amend, or repeal the act is expressly reserved.

Mr. BUSH. Mr. President, I am pleased to join my friend, the distinguished Senator from Alabama [Mr. SPARKMAN], in introducing a bill to authorize Federal mutual savings banks. For well over a century mutual savings banks have enjoyed an enviable and well-deserved reputation for public service and safety in my State of Connecticut and in other States where they provide service. Mutual savings banks were first established in the United States in 1816. The first mutual savings bank in Connecticut was organized in 1819 and is still operating successfully. Mutual savings banks now total 515 in number, of which 71 are located in my State of Connecticut. On the boards of trustees that guide the operations of mutual savings banks are found outstanding citizens of their communities. Mutual savings banks are located in 17 States in this Nation. All presently operate under charters issued by the respective States in which they operate.

Enactment of the bill we are introducing today will make it possible for mutual savings banks to operate in any State in this Nation, provided the qualifications for organization and operation are met.

Commercial banking operates under a dual system of Federal charters for National banks and State charters for State banks. Credit unions have the opportunity to organize under either Federal or State charters. Savings and loan associations enjoy the privilege of organizing under State charter or seeking a Federal charter from the Federal Home Loan Bank Board.

Our bill would remove the discrimination in this respect that now exists against the $42 billion mutual savings

banking industry by authorizing mutual savings banks also to seek Federal charters from the Federal Home Loan Bank Board. By this process, mutual savings banks could extend their location to States in which they presently cannot organize. The residents of these States would then have an opportunity to enjoy the benefits of local mutual savings banking.

On July 1, 1960, I introduced an earlier version of a bill—S. 3796, 86th Congress—to authorize Federal charters for mutual savings banks.

Meanwhile many private and governmental groups have studied its provisions. I note with satisfaction that the idea of Federal charters for mutual savings banks has had the benefit of considered study by the Commission on Money and Credit, a carefully selected group of members having broad, practical economic experience. This Commission operated under the chairmanship of a very capable gentleman from Connecticut, Mr. Frazar B. Wilde, who is chairman of the Connecticut General Life Insurance Co. The Commission in its June 1961 report recommended that Federal charters be made available for mutual savings banks. I believe that the Congress should give great weight to that objective recommendation of such a committee of private citizens that includes many who are expert in the field of banking and finance.

Under the presidency of my friend, Samuel W. Hawley, of Bridgeport, Conn., the National Association of Mutual Savings Banks has performed a most helpful service in collecting and evaluating the results of studies of S. 3796. The revision of the bill we are introducing today reflects many worthwhile suggestions made as a result of these studies. I think it most appropriate that the bill as so revised be introduced before the present session of the Congress ends, so that further careful study can be given to those provisions that presently seem to represent the best thought of the mutual savings banking industry and other knowledgeable groups that have taken the time to consider this idea. At an appropriate time during the next session of the 87th Congress, our bill will be ready for further congressional action. Enactment of a bill along these lines would bring to a logical state of development the dual banking system in the United States.

I commend this bill to the attention of my colleagues and others who may be interested in extending the field of public service rendered by the financial institutions of this country.

EXTENSION OF SALINE WATER CONVERSION PROGRAM—CONFERENCE REPORT

Mr. BIBLE. Mr. President, will the Senator yield so that I may call up a conference report?

Mr. McNAMARA. I will yield to the Senator with the understanding that I shall not lose my right to the floor.

The PRESIDING OFFICER (Mr. BOGGS in the chair). Is there objection to the request of the Senator from Michigan? The Chair hears none and it is so ordered.

Mr. BIBLE. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 7916) to expand and extend the saline water conversion program being conducted by the Secretary of the Interior. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER (Mr. BOGGS in the chair). The report will be read for the information of the Senate.

The report was read, as follows:

CONFERENCE REPORT (H. REPT. NO. 1158)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 7916) to expand and extend the saline water conversion program being conducted by the Secretary of the Interior, 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 amendments of the Senate, and agree to the same with an amendment as follows:

"In lieu of the language inserted by the Senate amendment insert the following:

"That the Act of July 3, 1952 (66 Stat. 328), as amended (42 U.S.C. 1951–1958), is further amended to read as follows:

"'SECTION 1. In view of the increasing shortage of usable surface and ground water in many parts of the Nation and the importance of finding new sources of supply to meet its present and future water needs, it is the policy of the Congress to provide for the development of practicable low-cost means for the large-scale production of water of a quality suitable for municipal, industrial, agricultural, and other beneficial consumptive uses from saline water, and for studies and research related thereto. As used in this Act, the term "saline water" includes sea water, brackish water, and other mineralized or chemically charged water, and the term "United States" extends to and includes the District of Columbia, the Commonwealth of Puerto Rico, and the territories and possessions of the United States.

"'SEC. 2. In order to accomplish the purposes of this Act, the Secretary of the Interior shall—

"'(a) conduct, encourage, and promote fundamental scientific research and basic studies to develop the best and most economical processes and methods for converting saline water into water suitable for beneficial consumptive purposes;

"'(b) conduct engineering research and technical development work to determine, by laboratory and pilot plant testing, the results of the research and studies aforesaid in order to develop processes and plant designs to the point where they can be demonstrated on a large and practical scale;

"'(c) recommend to the Congress from time to time authorization for construction and operation, or for participation in the construction and operation, of a demonstration plant for any process which he determines, on the basis of subsections (a) and (b) above, has great promise of accomplishing the purposes of this Act, such recommendation to be accompanied by a report on the size, location, and cost of the proposed plant and the engineering and economic details with respect thereto;

"'(d) study methods for the recovery and marketing of commercially valuable byproducts resulting from the conversion of saline water; and

"'(e) undertake economic studies and surveys to determine present and prospective costs of producing water for beneficial consumptive purposes in various parts of the United States by the leading saline water processes as compared with other standard methods.

"'SEC. 3. In carrying out his functions under section 2 of this Act, the Secretary may—

"'(a) acquire the services of chemists, physicists, engineers, and other personnel by contract or otherwise;

"'(b) enter into contracts with educational institutions, scientific organizations, and industrial and engineering firms;

"'(c) make research and training grants;

"'(d) utilize the facilities of Federal scientific laboratories;

"'(e) establish and operate necessary facilities and test sites at which to carry on the continuous research, testing, development, and programing necessary to effectuate the purposes of this Act;

"'(f) acquire secret processes, technical data, inventions, patent applications, patents, licenses, land and interests in land (including water rights), plants and facilities, and other property or rights by purchase, license, lease, or donation;

"'(g) assemble and maintain pertinent and current scientific literature, both domestic and foreign, and issue bibliographical data with respect thereto;

"'(h) cause on-site inspections to be made of promising projects, domestic and foreign, and, in the case of projects located in the United States, cooperate and participate in their development in instances in which the purposes of this Act shall be served thereby;

"'(i) foster and participate in regional, national, and international conferences relating to saline water conversion:

"'(j) coordinate, correlate, and publish information with a view to advancing the development of low-cost saline water conversion projects; and

"'(k) cooperate with other Federal departments and agencies, with State and local departments, agencies, and instrumentalities, and with interested persons, firms, institutions, and organizations.

"'SEC. 4. (a) Research and development activities undertaken by the Secretary shall be coordinated or conducted jointly with the Department of Defense to the end that developments under this Act which are primarily of a civil nature will contribute to the defense of the Nation and that developments which are primarily of a military nature will, to the greatest practicable extent compatible with military and security requirements, be available to advance the purposes of this Act and to strengthen the civil economy of the Nation. The fullest cooperation by and with Atomic Energy Commission, the Department of Health, Education, and Welfare, the Department of State, and other concerned agencies shall also be carried out in the interest of achieving the objectives of this Act.

"'(b) All research within the United States contracted for, sponsored, cosponsored, or authorized under authority of this Act, shall be provided for in such manner that all information, uses, products, processes, patents, and other developments resulting from such research developed by Government expenditure will (with such exceptions and limitations, if any, as the Secretary may find to be necessary in the interest of national defense) be available to the general public. This subsection shall not be construed as to deprive the owner of any background patent relating thereto of such rights as he may have thereunder.

"'SEC. 5. (a) The Secretary may dispose of water and byproducts resulting from his operations under this Act. All moneys received from dispositions under this section shall be paid into the Treasury as miscellaneous receipts.

"'(b) Nothing in this Act shall be construed to alter existing law with respect to the ownership and control of water.

"'SEC. 6. The Secretary shall make reports to the President and the Congress at the beginning of each regular session of the action taken or instituted by him under the provisions of this Act and of prospective action during the ensuing year.

"'SEC. 7. The Secretary of the Interior may issue rules and regulations to effectuate the purposes of this Act.

"'SEC. 8. There are authorized to be appropriated such sums, to remain available until expended, as may be necessary, but not more than $75,000,000 in all, (a) to carry out the provisions of this Act during the fiscal years 1962 to 1967, inclusive; (b) to finance, for not more than two years beyond the end of said period, such grants, contracts, cooperative agreements, and studies as may theretofore have been undertaken pursuant to this Act; and (c) to finance, for not more than three years beyond the end of said period, such activities as are required to correlate, coordinate, and round out the results of studies and research undertaken pursuant to this Act: *Provided*, That funds available in any one year for research and development may, subject to the approval of the Secretary of State to assure that such activities are consistent with the foreign policy objectives of the United States, be expended in cooperation with public or private agencies in foreign countries in the development of processes useful to the program in the United States: *And provided further*, That every such contract or agreement made with any public or private agency in a foreign country shall contain provisions effective to insure that the results or information developed in connection therewith shall be available without cost to the United States for the use of the United States throughout the world and for the use of the general public within the United States.'

"SEC. 2. Section 4 of the joint resolution of September 2, 1958 (72 Stat. 1707; 42 U.S.C. 1958 (d)), is hereby amended to read:

"'The authority of the Secretary of the Interior under this joint resolution to construct, operate, and maintain demonstration plants shall terminate upon the expiration of twelve years after the date on which this joint resolution is approved. Upon the expiration of a period deemed adequate for demonstration purposes for each plant, but not to exceed such twelve-year period, the Secretary shall proceed as promptly as practicable to dispose of any plants so constructed by sale to the highest bidder, or as may otherwise be directed by Act of Congress. Upon such sale, there shall be returned to any State or public agency which has contributed financial assistance under section 3 of this joint resolution a proper share of the net proceeds of the sale.'"

HENRY M. JACKSON,
ALAN BIBLE,
JOHN A. CARROLL,
THOMAS H. KUCHEL,
GORDON ALLOTT,
Managers on the Part of the Senate.

WAYNE N. ASPINALL,
LEO W. O'BRIEN,
WALTER ROGERS,
JOHN P. SAYLOR,
CRAIG HOSMER,
Managers on the Part of the House.

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

There being no objection, the Senate proceeded to consider the report.

Mr. BIBLE. Mr. President, on August 31, the Senate debated and amended S. 2156, the saline water bill, sponsored by the distinguished chairman of the Senate Interior and Insular Affairs Committee [Mr. ANDERSON] and 17 other Senators from both sides of the aisle. After the third reading of S. 2156, the Senate took up the House measure, H.R. 7916, which had passed the House subsequent to the reporting by the Interior and Insular Affairs Committee of the Senate bill. The Senate struck out all after the enacting clause in H.R. 7916 and in lieu thereof inserted the text of the Senate bill as amended.

The House and Senate conferees on H.R. 7916, as amended by the Senate, met and after a full discussion reached an agreement.

The conference report was signed by all members of the conference. The principal provisions upon which the two Houses had differed and upon which agreement was reached by the conferees are as follows:

One. Appropriations of $75 million over a 6-year period are authorized for the research and development program. The House originally had authorized $50 million for a 5-year period, while the Senate had followed the recommendation of the Secretary of the Interior and had authorized $100 million over a 10-year period.

Mr. CASE of South Dakota. Mr. President, will the Senator yield?

Mr. BIBLE. I am happy to yield to the distinguished Senator from South Dakota, one of the outstanding leaders in the field of salt water conversion.

Mr. CASE of South Dakota. I am glad to note the report is a unanimous report on the part of the conferees. I have a couple of questions to ask the senior member of the conferees with respect to the provisions he has mentioned.

With respect to the change in the amount of authorization, as I understand, the research program is to be put upon a 6-year basis, and the amount to be available or authorized for appropriation is to be $75 million, which is half way between the $50 million originally proposed by the House and the $100 million proposed by the Senate.

Mr. BIBLE. That is true so far as the amount is concerned. Actually, the time was shortened. The Senate version, as the Senator will recall, authorized $100 million over a period of 10 years. The House version was $50 million over a period of 5 years. In the conference, we compromised between the $100 million and the $50 million, by providing $75 million, but we shortened the period of time for carrying out the program. I think we were in agreement completely on the point that the saline water conversion program should be accelerated, particularly on research in basic and applied sciences.

Mr. CASE of South Dakota. The language agreed to by the conferees would permit that. Does the language also provide that the research program may be continued 2 years, or that the appropriation will be available for an additional 2-year period of time?

Mr. BIBLE. The program could continue for an additional 2 years to permit fulfillment of contracts entered into during the 6-year period.

Mr. CASE of South Dakota. If a project is getting underway, or is midway, there will be 2 additional years in which to complete it?

Mr. BIBLE. The Senator is correct. That is for the purpose of completing contracts. I wish to make the RECORD clear.

Mr. CASE of South Dakota. That refers to contracts made within the period of 6 years.

Mr. BIBLE. There would be an additional 2-year period permitted for the purpose of completing such contracts.

Mr. CASE of South Dakota. Under that program will it be possible for the Department of the Interior, Office of Saline Water, to contract with municipalities for a part of that research program?

Mr. BIBLE. I should think that is abundantly clear. I invite the attention of the Senate to section 3 of the bill, which was unchanged in the conference. Section 3 of the bill provides that the Secretary of the Interior may cooperate "with other Federal departments and agencies, with State and local departments, agencies and instrumentalities." I think that language makes it abundantly clear that cooperation with the agencies mentioned, including municipalities, would come under the specific authorization.

Mr. CASE of South Dakota. Mr. President, I think the language is broad enough to cover that. I have asked these questions for the purpose of establishing the understanding of the senior Senator from Nevada as chairman of the conferees in this regard. I think it is a part of the legislative history, and it will make the record abundantly clear.

Mr. BIBLE. I may say that the House managers concur in this understanding of the provision. There was no difference between the Senate and the House versions as to the language I have read.

Mr. CASE of South Dakota. The Senator has referred to the deletion of the section in the Senate bill which would have authorized a special demonstration plant construction program.

Mr. BIBLE. Yes.

Mr. CASE of South Dakota. The Senator from Nevada has called attention to the extension of time in the basic Demonstration Plant Act, which is the act of September 2, 1958. I have a copy of that act before me. It provides authority for the construction, operation, and maintenance of not less than five demonstration plants.

The act went on to specify that not less than three should be designed for the conversion of sea waters and not less than two plants should be designed for the treatment of brackish waters.

Can the Senator state for the RECORD what balance there may be in the authorization of appropriations under the 1958 act which would be available during the period of the operation of the act, which was extended by the conference, as I understand, from the original 7 to 12 years?

Mr. BIBLE. Yes, we amended the 1958 act by extending it, as the Senator has pointed out, from 7 years to 12 years. The last section of the 1958 act provided for an authorization of $10 million. During the hearings on the Senate bill, the committee was advised that today approximately $7 million of this authorization has been appropriated, so there still is a remaining authorization of $3 million under the 1958 act.

Mr. CASE of South Dakota. The Senator has referred to $7 million as having been appropriated. I assume that amount is essentially obligated?

Mr. BIBLE. I think it is by straight appropriation. I understand most of it has been obligated.

Mr. CASE of South Dakota. So there remains approximately a $3 million authorization for appropriations which could be obligated subsequently during the extended period?

Mr. BIBLE. The Senator has stated my own understanding of the situation. There is substantially $3 million remaining of the original authorization of $10 million for construction of demonstration plants. This $3 million has not yet been appropriated; we extended the authorization.

Mr. CASE of South Dakota. Did the conferees make any recommendation or give any indication of their intent with respect to whether or not the amount available for appropriation should be devoted to the conversion of sea water or the treatment of brackish water, or were they silent in that respect?

Mr. BIBLE. We did not specifically deal with that point, because, as the Senator from South Dakota knows, during debate in the Senate on the measure we incorporated an amendment which he offered on the floor of the Senate to define saline water in rather broad language to include salt water, brackish water, and other mineralized or chemically charged water. The term "saline water" is carried throughout the act and reads back to the definition, which is a rather all-embracing definition.

Mr. CASE of South Dakota. The Senator from South Dakota is satisfied with the explanation. In view of the fact that the basic 1958 act authorizing the demonstration plants specified that not less than three plants should be devoted to the conversion of sea water and not less than two plants for the treatment of brackish water, and both those requirements have been met in the plants already designated, it is satisfactory to the Senator from South Dakota that, with the definition which embraces brackish water as well as ocean water, the determination of the greatest need for additional demonstration plants be left to the administrators of the act, and I have no objection on that point.

I merely want to bring out that the possibility exists, and I assume that the Senator will agree with me that the responsibility would rest with the Secretary of the Interior to determine where the greatest benefit could be achieved in placing additional demonstration plants.

Mr. BIBLE. The Senator is correct. The Administrator is charged with that responsibility. Of course, the Secretary of the Interior has established an Office of Saline Water in the Department of the Interior, with which the Senator from South Dakota is very familiar.

Mr. CASE of South Dakota. Mr. President, in conclusion, I wish to say to the distinguished Senator from Nevada that I think that we, as Members of Congress, and the people of the country as a whole are indebted to him and his coworkers on the committee and in the conference for presenting a good, workable bill in the conference report. I hope progress in the years ahead can be as significant to the country as the progress that has already been made.

Mr. BIBLE. I thank the Senator. I share his hope that we may have even greater acceleration of the program in the future.

Mr. MONRONEY. I join the Senator from South Dakota in complimenting the acting committee chairman who was charged with the handling of the bill, the senior Senator from Nevada, for achieving a very excellent result in the conference with the House. The bill was funded with only about $50 million when it came from the House and was limited to a 5-year period, and the Senate agreed to an amendment, of which I was the sponsor, increasing the program to $100 million for a period of 10 years.

I believe that with all the problems in arriving at an adequate compromise, the members of the committee have protected as well as possible the principal purpose of the Monroney amendment. The main purpose of the amendment was to accelerate the program as rapidly as humanly possible because of the great impact which we could achieve if we were able to unlock the secret of turning sea water into fresh water for human use and for the production of an adequate supply of food for hundreds of millions of people who live near the sea.

I should again like to ask the distinguished Senator whether the Appropriations Committees would be free to provide any portion of the $75 million which is authorized for research at any stage, rather than providing an equal amount for each year of the 6-year period. I would not like to see the program dragged out on a basis of equal annual appropriations in each of the 6 years.

It seems to me that the faster we can get the great scientific minds of America working to improve our already developing systems, the sooner we shall be able to say to the world that the genius of America has made this great contribution to science for life instead of science for death.

The program will have far greater impact on the minds of the people of the developing nations of the world than anything that we could do in outer space or in development of missiles.

If the conference report provides for acceleration beyond the 6-year average, which I understand it does, I think the conference committee has created a very satisfactory arrangement to move the program forward at an accelerated rate.

Mr. BIBLE. Mr. President, I respond to my distinguished friend from Oklahoma in much the same manner as I did when we discussed the same question at the time the bill was under debate in the Senate.

The Senate committee report makes abundantly clear that there is no intention to limit funds for the program on an annual basis by dividing the amount which was at that time in the bill, $100 million, by 10, or $75 million by 10, so that an equal amount would be spent each year. I think we made abundantly clear in the Senate report and I am of the impression—I have asked the staff to check it out—that there was a similar provision in the House report on the question of the flexibility and size of the program. We specifically so stated in our report. That is also my analysis of the bill as it comes to us from the conference. There is no intention of limiting any annual appropriation to a pro rata share of the total.

In a program involving a fast-moving science and technology, funds should be available to take advantage of the promising opportunities offered. That provision was written into the Senate report on the problem of the size of the program and the need for its acceleration.

I share the hope of the Senator from Oklahoma. That was one of the reasons why we shortened the program from a 10-year program to a 6-year program. We wished to score some breakthroughs, if possible, in the field of basic research and applied research, because it is in those fields that the real impetus must be given.

I think that the Senator from Oklahoma, as a member of the Committee on Appropriations, will realize that justification may be made for, say, a $20-million program in the first year of operation. The provision is not written into the bill. I do not want to mislead the Senator from Oklahoma. But I think the legislative history is very clear that the expenditures could be $20 million the first year, $20 million the second year, possibly $10 million the third year, and possibly $10 million the fourth year, or any other combination that developments might merit. There is no intention to limit the expenditures to equal annual amounts.

Mr. MONRONEY. I am very glad to have this bit of legislative history in the RECORD. What has been said, and what is contained in the original report, shows the great advantage of acceleration.

I would like to again raise another matter which perhaps is a little beyond the jurisdiction of the committee. As we develop these pilot plants, which are already beginning to prove an economical source of municipal water supply for human consumption, there is no limitation in the bill which would prevent the foreign aid agency from using its own funds to establish demonstration plants in extremely arid parts of the world, where water for human consumption is so desperately needed. In countries where starvation is a daily experience, because of the lack of food or lack of water, we could build pilot plants in order to demonstrate the progress that I feel will be made by our technicians.

Mr. BIBLE. In responding to the Senator from Oklahoma—again I do not want to mislead him in the slightest—title III of the bill as it came from the Senate, which was the title to which the Senator from Oklahoma has alluded, was deleted in conference.

This was a provision which was drafted by the administration and submitted to the committee. It was retained in the Senate version. There was considerable discussion on it during debate in the Senate. The bill as it comes from the conference does not contain that title.

That is, the open-end appropriation authorization for large-scale demonstration plants was deleted, and is therefore no longer in the bill. The thinking was that the great need today is in the field of basic and applied research, not in the need for more demonstration plants. There was a conviction on the part of many of the conferees that private industry was ready, willing, and able to construct operating plants.

I say to the Senator from Oklahoma that I feel section 8 of both the House and Senate versions of the bill, which was retained in the conference measure, states that there is hereby authorized appropriation of certain sums of money—$75 million for a period of 6 years, "*Provided*, That the funds available in any one year for research and development may, subject to the approval of the Secretary of State to assure that such activities are consistent with the foreign policy objectives of the United States, be expended in cooperation with public or private agencies in foreign countries in the development of processes useful to the program in the United States."

I take this to mean, in view of the fact that it is retained in the context of the research and development program, that expenditure of funds authorized by the bill is limited to developing processes in basic and applied research. I do not want to indicate that the bill now before the Senate provides authorization for construction of demonstration plants overseas with Federal funds made available by this program.

Mr. MONRONEY. The Senator and I are in agreement on this point. I did not mean to indicate that there are any funds authorized in this bill that would be available for such an operation. What I am saying is that as the virtues of this operation become apparent in this country, there is no limitation in the bill which would prohibit the use of foreign aid funds for certain demonstration projects, provided they were funded and authorized by the foreign aid bill.

Mr. BIBLE. The Senator's statement is correct. The point is that funds authorized by this particular measure for this particular program could not be used for construction of demonstration plants in foreign countries.

Mr. CASE of South Dakota. Mr. President, will the Senator yield?

Mr. BIBLE. I yield.

Mr. CASE of South Dakota. I should like to see this statement clarified a little. I have every desire that the foreign aid funds shall be used for the best benefits that can be derived from whatever expenditure we are making under the authority of the Foreign Aid Act; and, in my judgment, no better use could be made of those funds in many places in the world than by assisting in the development of a good water supply. A water supply is basic in any foreign aid development of improvement. I believe that foreign aid funds can be logically used for that purpose.

Also, I hope that the processes that we might develop here might give some guidance to those who expend the foreign aid funds. However, it is my understanding—and I should like to have a positive statement on it by the distinguished chairman of the conference committee—that, having deleted the section in the bill which authorized a new program of demonstration plants in the United States that funds in the bill and the $3 million balance out of the 1958 act would not be used to establish demonstration plants in other countries.

Mr. BIBLE. I think that is a correct statement. I do not believe we can use these funds for the development of demonstration plants in foreign countries.

Mr. MONRONEY. I agree with both of my colleagues. What I am trying to say is that the limitation on demonstration plants in the United States does not exclude the construction of plants which are otherwise eligible under the Foreign Aid Act, if they are funded under the Foreign Aid Act. Whatever technology develops from this program would be useful if interchanged; provided that no funds would be allowed to be transferred from this program to the foreign aid program, but plants would have to be funded by the foreign aid program. If it were eligible under that program, it would seem to me that we would be wise in trying two or three of these plants at strategic points of the world where it would do the most good in America's search for these secrets.

Let us take, for example, the area of the Sahara Desert where the problem of Algeria threatens the stability of the Republic of France. In that area has been discovered one of the world's largest fields of methane gas. There is no use for this gas. It cannot be bottled. It cannot be piped under the Mediterranean. Yet it might serve as the fuel which would make this process practical and produce fresh water comparable to surface water. It could accomplish a great deal in our effort to demonstrate America's scientific competence. Even though in the United States the high fuel cost of such a project would not make it possible to consider it an economical project, over there, with water so scarce, we might find it possible to use this gas for this purpose.

Mr. BIBLE. I thank the Senator.

Mr. President, I believe I can finish my presentation of the conference report in 2 or 3 minutes. First, I wish to read an additional statement from the report of the managers on the part of the House of Representatives:

> The Department would have flexibility in the use of these funds in that no year-by-year limitation is intended. So both the Senate and the House have nailed that point down.

Now, as to the second major point of difference between the House and Senate bills. As has been made clear, the open-end appropriation authorization for large-scale demonstration plants, which the Senate had approved upon the recommendation of the Department of Interior, was deleted. Instead, the current authorization for construction and operation of such plants provided for in the joint resolution of 1958 was extended from the 7 years provided in the 1958 resolution to 12 years. No increase in appropriation authorization for construction and operation of demonstration plants was provided. The majority of the conferees were of the opinion that private industry is willing and able to construct and operate such plants.

The third point also has been discussed. Title III of the Senate bill as amended, which authorized technical and financial assistance to foreign nations for establishing saline water conversion plants in their countries, was deleted by the conferees. This provision had been in the draft of legislation submitted by the administration, and was adopted by the Senate. Since provision for construction and operation of demonstration plants in the United States was dropped from the legislation, the conferees did not believe that public funds should be used to assist foreign nations to construct and operate such plants in their countries.

The fourth point is the acceptance in its entirety of the Senate's patent provision. This provision insures that the results of research and developmental activity into saline water conversion undertaken by use of Federal funds, whether in the United States or a foreign country, shall be available to the general public. Included in the patent provision is protection for the owner of any background patent and the Secretary is authorized to make exceptions to the general rule in the interest of national defense.

Mr. President, the Senate conferees are convinced that the agreement reached between the managers on the part of the House and those of the Senate is a fair and reasonable compromise of the differences between the two Houses. The resulting measure is, in our opinion, a strong bill, and one that will accomplish the purposes of the legislation. Again I point out that the report was signed by each of the House and Senate conferees.

I move acceptance of the conference report on the part of the Senate.

The PRESIDING OFFICER (Mr. BOGGS in the chair). The question is on agreeing to the conference report.

The report was agreed to.

ORDER OF BUSINESS

Mr. METCALF. Mr. President, will the Senator yield to me so that I may make a statement, with the understanding that the Senator will not lose his right to the floor?

Mr. CASE of New Jersey. Mr. President, reserving the right to object——

Mr. McNAMARA. Mr. President, I shall be glad to yield if there is no objection.

Mr. CASE of New Jersey. Mr. President, reserving the right to object, I wonder if I may inquire as to the intention of my distinguished and beloved colleagues, as to how long they intend to occupy the floor tonight.

Mr. McNAMARA. I shall refer that question to the majority leader. I have no way of knowing. I am sure the majority leader has something in mind.

Mr. President, I ask unanimous consent that I may do so without losing my right to the floor.

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

Mr. MANSFIELD. All I can say is that I hope it will be possible for the Senate to adjourn some time between 8 and 8:30 p.m. I think that is a reasonable time.

Mr. CASE of New Jersey. It is not too early.

Mr. MANSFIELD. No.

Mr. McNAMARA. The Senator from Michigan is very happy to go along with the suggestion of the Senator from Montana, the majority leader.

Mr. CASE of New Jersey. I had no intention of interfering with the Senator's remarks.

Mr. McNAMARA. I assume I shall be permitted to yield to the junior Senator from Montana without losing my right to the floor.

Mr. CASE of New Jersey. I have no objection.

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

Mr. METCALF. Mr. President, the yielding is with the further understanding that the remarks may be printed at another point in the RECORD, so that the remarks of the Senator from Michigan may continue uninterrupted.

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

AID TO SCHOOLS IN FEDERALLY IMPACTED AREAS

The Senate resumed the consideration of the bill (S. 2393) to extend for 1 year the temporary provision of Public Laws 815 and 874 relating to Federal assistance in the construction and operation of schools in federally impacted areas and to provide for the application of such laws to American Samoa.

Mr. METCALF. Mr. President, I have some misgivings and trepidation about getting into the debate following the Senator from Oregon and the Senator from Michigan, who have made fine statements, who have fine records of knowledge of the educational problems, and who have demonstrated friendship for the boys and girls of America.

However, I feel that at this time we should reappraise some of the educational programs we have adopted in recent years and adopt some basic principles as to a measure of the program we shall enact for the future.

In my research on Federal aid to education in all its various components—and I have been associated with the program ever since I first came to Congress, 8 years in the House, and a year as a Member of this body—one of the best reports and one of the best analyses of the problem I have come across is a report of the National Advisory Committee on Education appointed by President Hoover in 1930. The report was issued in 1931.

The members of the Commission were all outstanding educators of that period. I was attending Stanford University at the time. Our great and distinguished dean of education on that campus was a member of the Commission. That was Mr. E. P. Cubberley. Other members of the Commission included the former famous and longtime Commissioner of Education, Mr. George F. Zook, former president of the University of Akron at Akron, Ohio; the man who later became secretary of the National Education Association, J. W. Crabtree, and others. Outstanding educators of that period participated in the survey and made a report of the National Advisory Committee on Education to President Hoover.

The commission said that the controlling principles and policies, in laying down the responsibility of the Federal Government with respect to education in the States, were as follows:

1. Responsibility: There are national responsibilities for education which only the Federal Government can adequately meet.

(a) From an early period of our national life, the leaders of the American people have recognized their obligation to cooperate in fostering the education of all the people, without regard to State jurisdiction.

(b) The children of the people in all the States are neither more nor less the potential units of popular sovereignty when regarded as potential citizens of the United States than when regarded as potential citizens of the various States.

(c) The collective citizenship of the United States is not different from the aggregate citizenship of all the States.

(d) The preservation of the spirit and the method of the American democratic civilization, which underlies all our governments, is an obligation of all the people, as expressing their will both through the Federal Government and the State governments.

2. Management: Although the educational obligations of each of the three levels of American government—Federal, State, and local—are equally full and binding, these obligations may and ought, in fact, to be discharged by each of these governments in a somewhat different manner.

(a) Our long political experience reveals that each type of governmental operation can best contribute to the provision and management of public education, if the different strengths and weaknesses manifestly inherent in Federal Government, State government, and local government are recognized in each case. Assignment of governmental responsibilities and function with regard to education should follow the inclusions and omissions of responsibilities and functions suggested thereby.

Obviously no one type of government should attempt to parallel all the responsibilities and all the functions of the others. Nor should we foster the disposition to locate all responsibility and commensurate authority in education upon any single governmental level. Together they should supplement, complement, and reinforce each other in the achievement of the common national purpose.

Our civilization seems to call for neither complete local decentralization, where we began, nor for the exercise of complete State power, which is the existing legal theory, nor for an increasing Federal management and control, toward which policy we have been recently tending.

(b) Experience seems to indicate that we require a balanced distribution of educational obligations and functions on all governmental levels. In some cases these functions will be exercised in different degree on more than one level; in other cases they will be specialized and exercised on a single level. Always the total governmental situation must be viewed as a whole since American popular sovereignty is a unit, though several governments with different geographical scope may be utilized in the full and final expression of the popular will.

There is the problem with which we are today confronted. At the Federal, State, and local levels we have responsibilities for education. But in order to carry out the responsibilities, we have a different manner and a different approach. At the Federal level we make a contribution. At the State level we may have equalization, establish standards for teachers, and establish courses of study. At the local level we have direct control by boards, commissioners, or whatever they are called, in the various local districts.

The Commission then continued:

3. Decentralization: It is particularly unwise to centralize in the Federal Government the power of determining the social purposes to be served by educational institutions or of establishing the techniques of educational procedure.

(a) Centralization is a radical departure from the longstanding American tradition of school management, which has given the American people a system of schools that is so responsive to the democratic popular will, need, and aspiration. It is most nearly free from social caste or class bias. In all its present trends it aims to discover and to cultivate in each member of the whole population the personal talents most useful to society and to the individual.

(b) A system of decentralized school management is best adapted to a democratic nation of wide geographical expanse and varied economic, social, and other human conditions. The political domination of education by a remote central government, managed by administrative officers far removed from local conditions and sympathies, has always led to the evils of bureaucratic unresponsiveness to local and to changing needs, to bureaucratic standardization, red-tape, and delay, and to official insensitiveness to the criticism of far-distant parents and citizens. Education is of too intimate concern to the American parents to be brought under a far-removed civil administration which tends toward relative inflexibility.

(c) Partisan or class propaganda bringing itself to bear upon mature citizens in legislation is a serious enough difficulty for a democracy. Once it is allowed to operate on the plastic and uncritical minds of youth at school, democracy faces a catastrophe. A decentralized system of management and control of schools is the one absolutely reliable antidote to the easy capture of schools by the propagandists of an economic, social, or political cult.

A class or party may capture a central government by revolution or by some exigency of politics; it cannot as readily capture 48 States and more than 145,000 local school communities which really determine by their agreements what the national educational policy and procedure shall be. Two national school systems of Europe have been captured under centralized, national control of education. In the United States one or two States may for a time be the victims of propaganda on a single subject of instruction, but not all States on all subjects. A few misguided local communities may distort their schools with propaganda on a number of subjects. But the State law often, and the examples of other communities and States always check this tendency. A decentralized national system of schools, uniform in all essential respects because of the common response of all its units to the common soul of America, can never be completely captured.

Our highly decentralized school system is a peculiar and effective American characteristic. We alone among the democracies possess this final safeguard against a class or individual dictatorship which might usurp a central government, and by decrees indoctrinate the young with partial and prejudiced teachings designed to sustain and perpetuate class government, favorable to only some of the people, as opposed to a democratic government considerate of the interests of all the people.

That section again points out the same problem we have had, which is finding where the social issues will be determined, the problem of finding out who will decide what the textbooks will be, who the teachers will be, who will make the contracts with the teachers, hire and fire them. Who will make the decisions that will shake the minds of the boys and girls in the local schools with everyone working toward the end that control will be at the local level?

Awhile ago the Senator from Alabama [Mr. SPARKMAN] told us that when he first ran for Congress many years ago he had on his campaign card, "Federal aid to education without Federal control." They were thinking about the same things in those days.

When Mr. Hoover's Commission was studying the problem of decentralization of our school districts—about 150,000 in those days and about 40,000 in these days—there were considered ways to keep Federal control out of the courses of study, the curriculums, and the books that the boys and girls would work on in the local districts.

The report of the National Advisory Commission in paragraph 4 continued as follows:

4. Tax systems: The American people are justified in using their Federal tax system to give financial aid to education in the States, provided they do this in a manner that does not delegate to the Federal Government any control of the social purposes and specific processes of education.

(a) Such a policy is old, not new. It has been the accepted practice of the American people since the preconstitutional period. The simple policy of making land and money grants to the States for education in general was followed up to the Civil War.

(b) Such financial grants covering a considerable period in our history did not foster control of education in the States by the Federal Government. The grants were made in a manner to foster local initiative and self-government.

(c) Federal money grants given since the Civil War were made to foster specific types of education believed to be necessary for special groups of people. Many of the acts granting these subsidies define limited specific purposes for which the moneys granted may be used; they establish limiting conditions as to so specific a matter as length of class exercises; and they often provide that many details of the work are subject to the approval of Federal officials with authority to reject plans and withhold funds. True, these acts are not effective unless the conditions of the act are accepted by State legislatures. But when a State legislature, in order to secure the money grant, accepts those conditions, it thereby delegates to the Federal Government some of its own responsibility for control of the social purposes and specific processes of education.

(d) Changing economic conditions in the United States have increased the income disparities of States without relieving them of a common national obligation to educate each citizen resident within their boundaries. The drift toward greater fiscal disparities is indicated by such evidence as we have. If this should prove to be the case, Federal aid to education in general may prove to be a necessary fiscal policy.

(e) Adequate data are not now available to prove on economic grounds whether Federal grants to the States in aid of education are or are not justified. With the wide variations in the methods of taxation used in the various States and with the rapidly changing economic conditions, it is not at present possible to determine unequivocally whether Federal aid to education or to other public services will tend to retard or to promote reforms in local systems of taxation. Adequate studies on these points are needed, if the American people are to settle this vital question wisely in their own ultimate interest and not as a mere matter of guesswork, sentiment, and passing philanthropic impulse.

The Senator from Michigan [Mr. MCNAMARA] in his historical development of the way in which Federal aid to education has grown, has borne out and developed, since 1930, the same principle that this Commission brought out in the report.

The report of the National Advisory Commission continued:

5. Grants: If federally collected tax money is used to give financial aid to the States, it should be given to aid education as a whole and not as special grants for the stimulation of particular types of training.

(a) Our long experience shows that general Federal grants do not tend to interfere with our essentially American method of keeping educational management as close to the people as is consistent with effective service.

(b) The widely current notion that control of education always follows any and all types of financial grants is not verified by experience; this false generalization arises from our comparatively recent Federal attempts to stimulate and standardize special types of education in the States through money rewards and deprivals. Federal control followed, not from financial aid as a major purpose but from its use as an instrument for enforcing certain specific educational policies and methods in the States.

(c) Complete financial audit gives the publicity that protects the Federal Government and is an adequate safeguard against State expenditure of Federal funds for anything outside the broad educational purposes contemplated.

(d) Wisdom in State allocation and expenditure of funds given by the Federal Government is best guaranteed by full and detailed reports to the Federal Government. The printing and wide distribution of the same by the Federal Government will inform public opinion, the only competent check upon which popular government may rely in the long run.

(e) State governments are closer to the needs and aspirations of their communities than is the Federal Government. They can check results better than a more remote and centralized political authority. The smaller the area of governments, the more intimate, accurate, direct, and insistent is the criticism of administrative officers by citizens.

When a central government has jurisdiction over a country as geographically large, as industrially varied, as socially differentiated, as historically accustomed to local self-government, and as democratically constituted as is the United States, the inflexible rules inevitably associated with highly centralized administration seriously interfere with effective local action. Smaller governmental units have less difficulty in adapting their own procedures to their own conditions and needs.

(f) Increased Federal control and weakened local initiative have been distinct products of attempts to use the Federal Government to spread desirable, special types of education by money controls used to achieve quick, wide and uniform conduct of the special education stimulated.

Such use of special grants has steadily increased the tendency of the Federal Government to impose its educational policy on the State governments through the psychological influence of Federal participation, through bureau or board administration, and finally through specific legal enactments. Each succeeding special grant has tended to widen, intensify, and fix final control by a Federal agency.

Federal standards of procedure when first inaugurated generally represent the best selections from the then existent widely divergent, and spontaneous experiments of many local communities. Such experimentation tends to be discouraged and restricted after a decade or more of standardization under central governmental influences, and progress halts with the retardation of free inquiry and experiment.

(g) When special grants by the Federal Government are inaugurated as temporary and transitional policies, in order to meet some apparent emergency of national importance, they tend to become permanent to a far greater degree than when made by State and local governments. The administrative officers interested in the financing of such projects are more remote from the scene of local action. While theoretically the servants of the people, they operate closer to the seat of Federal Government and often have a greater argumentative influence in Congress than do the unorganized millions of people supposed to be served by the special grants. This is not true in anything like the same degree where a State government sets up a special, transient policy, and administration. A policy which has served its purpose is more readily revised or revoked in the States.

(h) Such Federal favoring of special types of education obstructs the growing American tendency and aspiration to see and deal with the child's life and with society's needs as a balanced whole.

A tendency to set up more than one system of educational management within the States seems to have inhered in the system of special grants and special managements set up by Federal grants, in spite of the natural resistance of the States.

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

Mr. METCALF. I gladly yield.

Mr. HART. I wonder if the Senator would not agree, in light of the section of the report he has read, that Members of Congress who voted for the NDEA program in fact must conclude that they are not greatly concerned about controls, because is it not true that the Federal Government under the NDEA program exerts a greater force and direction to education than would be true in the omnibus Federal-aid proposal? Specifically, did not Congress in the NDEA program, when it adopted it into law, say to the States, "You shall have the money provided you use it to teach A, B, C, D, and E"? A majority of Senators saw no danger in such a provision. Where is the majority now when we talk about an omnibus bill?

Mr. METCALF. The Senator has stated a point that would be very well to discuss now. I was building up to that very point. I am glad that the Senator from Michigan has injected it at this time. It is ironic that the very people who are talking to us about Federal control of education are the ones who are saying that we should extend the National Defense Education Act for 2, 3, or 4 years. The very ones who come in this Chamber to deplore the fact that a general aid to education bill would mean Federal control are the ones who write this indirect Federal control into the proposed legislation.

Mr. HART. Mr. President, will the Senator yield further?

Mr. METCALF. I yield.

Mr. HART. Is not the same irony involved when one of those who are half way along the road with us says: "I am for construction but not for teachers salaries"? Is he not in effect saying that the Federal Government will tell the State what to do with the money rather than letting the State use its own judgment?

Mr. METCALF. In their foresight and wisdom those people say, "We are going to use this as money reward or a deprival for the States."

Let me give the Senator from Michigan a specific example of the kind of Federal control that is built into the National Defense Education Act.

As the Senator knows, we have in one of the titles a provision that, in order to stimulate science and scientific education, we will match dollar for dollar on scientific equipment. In a little while I shall discuss the subject of matching.

However, in my State, a rather wealthy district built a new school. It is a very attractive school. They had a separate room set aside for a school library. When it came time to purchase the books for the school library, the commissioners of the district and the school trustees sat down and they said, "Wait a minute. We do not know how long the National Defense Education Act will be in effect. It is in effect now. For every dollar we spend for scientific equipment, we can get a matching dollar. So let us not buy any books for the school library this year. Let us buy some extra scientific equipment." So there is that beautiful library, empty, without a reference book in it. Yet they have established for themselves a backlog of scientific equipment, because they had the opportunity to get some matching funds under the National Defense Education Act.

I have cited a specific example. It means that the course of study is going to be distorted. It means that the trustees in the districts are always going to say, "We actually need an English teacher. We need to strengthen our history department. However, we can get a little National Defense Education Act money. So let us spend our money for a mathematics teacher, or someone in the foreign language department."

That is the very point that I wish to make. It is that we must be cautious about extending these emergency programs. Let us not make the National Defense Education Act a permanent program or semipermanent program until we have had an opportunity to do as was suggested in 1930 and has been suggested every since, to pass a general education law that will be fair and will relieve us of these inequities and will not bring about Federal control that we inherently find in these specialized programs.

The senior Senator from Michigan has pointed out how these programs have grown—the Smith-Hughes Act, the Vocational Act, the Distributive Education Act, the National Education Act, and so on. These are the specialized programs that he talked about. Time after time they have distorted courses of study in the curricular and have indirectly inspired Federal control and Federal supervision over these school districts.

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

Mr. METCALF. I am glad to yield.

Mr. MUSKIE. I know that the junior Senator from Montana is a longtime friend of education and has become an expert in the field of this kind of control. I would like to ask what his impression is of the control exerted by the Federal Government in the matter of the impacted area program.

Mr. METCALF. I am glad the Senator from Maine has brought up the special problem connected with this subject, because as a Member of the House of Representatives I served on the special subcommittee of the Committee on Education and Labor that handled two of the extensions of this bill. I was chairman of that subcommittee the last time Public Law 815 and Public Law 874 were extended.

Mr. MUSKIE. It is my impression, from my experience with the school districts in my State, which have benefited from these programs—and we have had many of them—that there has been no Federal control, or at least there has been none which has been considered undesirable.

Mr. METCALF. The Senator's impression is correct. Time after time, from witness after witness, the challenge has been thrown during the hearings in the House—and I know the same thing has happened in the Senate committee—"Show me one example of Federal control over the textbooks or over the choice of teachers or over the curriculums in these impacted areas."

Of course there is some Federal control. Federal control must be had, for example, in connection with compliance with the Davis-Bacon provisions in connection with labor standards, and there must be some control in connection with the Walsh-Healey Act. However, there is no Federal control over education. That is what we are driving at.

Mr. MUSKIE. And no dictation as to the curricula or the educational policy that must be followed by the local districts.

Mr. METCALF. In the 11 years of this act the opponents of the act and the enemies of Federal aid to education have been unable to come forth with one example of dictation so far as curricula is concerned or dictation with respect to textbooks or courses of study.

Mr. MUSKIE. Would the Senator say that within the districts which qualify as impacted areas the Federal program is a general school aid bill?

Mr. METCALF. Of course it is a general school aid bill. As the Senator from Oregon has repeatedly said, this money even goes to pay the janitor and to buy the chalk. It is for operation and maintenance.

Let me point out another difference. Under Public Law 814, which is for the operation and maintenance of schools in impacted areas, the school district goes directly to the Office of Education. It makes its application directly to that office. There is no intervening State agency, such as we have put into S. 1021, in the Morse bill that passed the Senate. In connection with this general aid to education bill we have said that the money will go to the States, to be distributed as the State school officer or the person in charge of education in the State shall determine. However, under Public Law 874, the local district comes directly to the Office of Education and makes application direct to that office for money that is to be used for textbooks and teachers' salaries and for the operation and maintenance of the schools. In some districts, such as those across the river, more than 50 percent of the cost that goes for operating and maintaining the schools comes from the Federal Government.

If there had been any inherent danger, in the last 11 years it would have come out.

Mr. MUSKIE. The lesson to be learned from our experience and from the colloquy here today is that there is greater danger of Federal control under these specialized programs, such as NDEA, than there is from a general school aid bill. Is that not correct?

Mr. METCALF. Yes; because regardless of the good will we have, this indirect sort of Federal control creeps into a specialized program.

Mr. MUSKIE. I thank the Senator.

Mr. METCALF. I thank the Senator from Michigan and the Senator from Maine for their contributions.

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

Mr. METCALF. I yield.

Mr. HART. I wonder, as a conclusion, whether we could not agree that we do not have overall support for Federal education?

Mr. METCALF. That is, general support for an education act that would provide that the State and local districts would determine where the Federal money would go would take care of most of the problems that we have involved in these specialized programs. If we stimulate some sort of specialized program it should be added onto a general Federal aid to education act instead of the other way around, whereby we pass a national defense education act, and a vocational education act, separately, and then we try to fill in the cracks with a very modest general aid to education bill.

Mr. MUSKIE. Mr. President, will the Senator yield once more?

Mr. METCALF. Gladly.

Mr. MUSKIE. I am tempted to ask the Senator this question. As I observe the almost overwhelming support which the impact area program has in both Houses of Congress, I am tempted to believe that whether or not the program for education gets support depends on whether or not it has been in effect. For example, if a general school-aid bill should ever pass and should be signed by the President, I suspect that it would have thereafter, whenever it came before Congress for renewal, the same kind of overwhelming support that the impact area legislation has.

Mr. METCALF. The Senator has made an argument, perhaps, against a general aid bill, because we have seen today the Senator from Oregon reciting some of the abuses that have crept into Public Law 874. Our friends who are in favor of a 2- or 3- or 4-year extension would continue the abuses. Before I am through I hope to be able to point out some of the inequities and injustices inherent in the basic law. It would be desired to continue those, too.

Mr. MUSKIE. I would suggest to the distinguished Senator from Montana that perhaps we ought to enact the amendment proposed by the senior Senator from Michigan and myself. That would be a step toward progress.

Mr. METCALF. I do not think it is quite long enough a step. I would prefer to take the long step that the Senate took earlier this year.

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

Mr. METCALF. I gladly yield.

Mr. MORSE. I am very glad that the Senator from Maine has made the comment that he has made just now. I believe that we ought to pass in this Congress a general Federal aid to education bill such as S. 1021, which permits aid for teachers' salaries and school construction and school maintenance. Referring to what the Senator from Montana said a few moments ago, the responsibility is up to the local authorities to decide where they can best spend each Federal dollar for the benefit of the boys and girls going to school in their districts. That is the ideal. That is what I had hoped could be done this year. The Senate did it. I think it is most regrettable that the House did not do it. It is the program which the President stood for in the election of 1960; it is the program he has recommended this year.

The Senator from Maine is unanswerably correct when he says that if we cannot get that program, we ought to get at least the principle of a general Federal aid to education bill on the books. I do not quote anyone in the administration, but I say I am satisfied that the administration is dedicated to the goal of seeking to have the principle of Federal aid to education established. The amendment of the Senator from Michigan would do that.

We recall the controversy not so many weeks ago over the compromise package proposal which the Secretary of Health, Education, and Welfare, Mr. Ribicoff, representing the administration, tried to reach with our associates on the House side. For a time it appeared as though that package proposal might succeed. Had it succeeded, the principle of Federal aid to education would have been adopted. I did not like the package proposal for a good many reasons; but I had to admit that there was one feature of it which I thought outweighed its disadvantages: it would, at least, have written onto the statute books general, not special legislation, such as Public Law 815 and Public Law 874, or the National Defense Education Act. It would have retained the general principle of Federal aid to education. I am satisfied that if we could pass such a bill, as the Senator from Maine has stated, and have a little experience with it, the people would demand not only its continuance but its enlargement.

I think once we get across the bridge, on the other side of the stream, the main part of the legislative journey will have been completed. The people will then receive such legislation with open arms, because I think they will then come to realize how sound we are in seeking to get an assurance of funds which will be available to help the schoolchildren of the country for years to come.

We all know there is another very tough factor connected with this problem. It is one of the reasons why a barricade has been thrown up at the entrance to the bridge. That is, what are we to do about private schools? In my judgment, we cannot justify ignoring that problem in any of these discussions. I repeat my plea: Let us get the principle of Federal aid to public school education enacted. Then let us go ahead to place on the books another general law to provide Federal aid to private schools within the limitations which the Constitution imposes upon us, whatever those limitations are, whether it is the type of limitation contained in the Clark-Morse bill or some other limitation in another bill.

In the Clark-Morse bill, we have said that we will provide for loans subject to judicial review.

I am at a loss to understand why some of the advocates of private school assistance are putting those of us who are advocating this kind of legislation at the whipping post these days. They seek to give the impression that we are performing some disservice to private school education. We know also, that there are other groups which are doing the same thing to us, but for opposite reasons.

It does not make any difference to me where the boy or girl goes to school, so long as the aid goes to the boy or girl. We must keep our eyes on the educational needs of the boys and girls of America. We live under a constitutional system of Government which puts some limits on us. I favor staying within that constitutional framework, but I am glad the Senator from Montana [Mr. METCALF] is saying what he is saying tonight, and that the Senator from Maine is asking him these penetrating questions.

I have one further comment, if the Senate from Montana will bear with me. The fallacious argument which is being used by the private school advocates, that unless private schools are incorporated in the same bill, we are somehow discriminating against the taxpayers representing the private school groups, whether they are Catholic taxpayers, Baptist taxpayers, Presbyterian taxpayers, Quaker taxpayers, or whatnot. The argument is a complete fallacy. I say to my Catholic friends: Remember 50 percent of the Catholic boys and girls are attending public schools, not Catholic schools. When a bill for general Federal aid to public schools is passed, those boys and girls will be benefited, as will every Catholic taxpayer be benefited—not only the Catholic taxpayers who send their boys and girls to public schools, but also the Catholic taxpayers who send their boys and girls to Catholic schools, because as we come to the aid of the public school with Federal funds, we pave the way for a reduction in real property taxes for all taxpayers in the school district, including the Catholic taxpayers. It is the height of fallacy to argue that when the Senator from Montana and the Senator from Oregon fight for a general school bill for public schools, we are somehow, in some way, discriminating against Catholics. It is a completely fallacious argument.

When a public school bill is on the books, I have made it clear—and I certainly have demonstrated by my record that I deliver on a program—that I will press for an independent bill for loans to private schools. Let the extent to which we can go be legally determined. That is the way I think the problem ought to be handled.

I know, as well as does any other Member of the Senate, that a part of the reason why a school bill did not pass the House is the religious reason. We do not have time, from the standpoint of the security of the country, to let an issue such as the religious issue rise to becloud the problem which confronts us. I shall continue to fight for a public school bill and for a private school bill, because I know when I do that I am fighting for the benefit of the boys and girls who need the educational

development that Federal aid to education will give them. Without a Federal aid to education bill, we will sacrifice the full development of millions of minds of boys and girls throughout the country.

I thank the Senator from Montana and the Senator from Maine for making a distinct contribution to the RECORD of the debate by the colloquy which has just occurred between them.

Mr. METCALF. I thank the Senator from Oregon.

Mr. MUSKIE. I thank the Senator from Oregon. I should like to make a comment and then ask one or two more questions.

First, in my judgment, a national program of general aid to education is coming. It is coming because the country needs it. I think the people see it. They see it perhaps even better than do Members of Congress.

As an illustration of that point, the lower house of the Maine Legislature—and it is an overwhelmingly rural, Republican house, conservative by all its inclinations—last winter voted overwhelmingly in support of the principle of Federal aid to education. So the people see its necessity. It seems to me it is a national objective, imposed upon those of us who see it as a national objective, with a responsibility to move toward it as quickly, as best, and as far as we can. This is why I support the amendment of the senior Senator from Michigan.

I understand that among Senators who agree upon this national objective there is a difference of opinion as to the sound tactics—namely, as to what gains we should be prepared to sacrifice today, in order to make some progress. This is a matter of tactical judgment. I must say that those who, like the junior Senator from Montana [Mr. METCALF], have been in the Congress longer than I have, probably are in a better position to make that tactical judgment.

But I should like to ask a few questions. I understand that, aside from the impacted areas bill and the National Defense Education Act, only one school bill has been passed, and that is the school construction bill of last year. Is that correct?

Mr. METCALF. That is correct.

Let me emphasize a statement made in the opening remarks today of the Senator from Oregon [Mr. MORSE], namely, that in the previous Congress the House of Representatives passed a general Federal aid to school construction bill; and the Senate passed a very similar bill, and the senior Senator from Michigan [Mr. MCNAMARA] succeeded in having added to that bill an amendment which called for aid for the construction of schools. So, under our constitutional system, both Houses passed a general aid to education bill. But thereafter the House Rules Committee, by a vote of 7 to 5, prevented the bill from going to conference.

If we believe in the bicameral legislative system, which we have under the Constitution, we must believe there is a way to iron out the differences between the two Houses.

This afternoon we were talking about the lack of majority rule in the House of Representatives. But consider the lack of majority rule in the Congress when the Senate is not allowed to carry out its constitutional function because of a vote of 7 to 5 in a committee of the other body.

Mr. MUSKIE. It is too bad that we cannot have all the victories at one time. This year the House won a victory in connection with the Rules Committee.

Mr. METCALF. But that was the first general Federal aid to education bill that had ever passed the House of Representatives.

Mr. MUSKIE. Prior to that the House came close to passing a bill for aid to school construction, did it not?

Mr. METCALF. Yes, within 5 votes.

Mr. MUSKIE. So it seems to me, as it does to the senior Senator from Michigan, that an aid-to-school-construction bill holds the best promise of enactment during this Congress. The bill which lost by 5 votes in the House of Representatives came up during the Eisenhower administration, I believe, and it did not generate all the controversy that this year's bill has generated.

So it seems to me that the combination of experience, both in terms of the private school controversy and acceptance by the House, holds high promise for the success of a bill for school construction, if passed and approved by the Senate. This is my reason for supporting the McNamara amendment.

Mr. MORSE. Mr. President, will the Senator from Montana yield?

Mr. METCALF. I am glad to yield.

Mr. MORSE. Again I think the Senator from Maine has made a very signal contribution to the debate, and I am glad he has referred to the record under the Eisenhower administration. But there is one fact that cannot be forgotten, and it is that during the Eisenhower administration high spokesmen for the private school groups did not take the position that there had to be a combined bill which covered both the public schools and the private schools.

But the sad fact is that this year, under a Democratic administration, after the President campaigned on a promise of providing Federal aid to education, spokesmen for the private school groups take the position—for the first time—of "all or nothing." Therefore, not only the House, but they, too, are going to have to assume their share of the responsibility for the fact that we cannot get all our victories at one time, as the Senator from Maine has pointed out.

So we might as well face the fact that all the groups involved—the public school groups, the private school groups, and the Congress itself—should be willing to take this a step at a time—namely, to pass a public school bill, and then to do as much as possible for the private school group. The groups should stop shooting at each other, because, after all, when they get into power plays between the legislative forces, the only group that really suffers is the group composed of the boys and girls of America.

Mr. METCALF. I suggest to the Senator from Oregon that that is another one of the irons in connection with the consideration of this proposed legislation. When we have a general Federal aid to education bill before the Senate, the private school groups want to participate. But when we have a simple extension of Public Law 874 before the Senate—a bill which, as the Senator from Maine [Mr. MUSKIE] has pointed out, is a general Federal aid to education bill for districts which are unable to enjoy these benefits—we do not hear a word from our friends who called for aid to the private schools; we do not hear from them a word about the areas that are paying increased taxes, but are not getting the benefits of this general type of Federal aid to education legislation.

Mr. MUSKIE. Before I conclude this colloquy with the junior Senator from Montana and the senior Senator from Oregon—a colloquy which has been stimulating and educational for me—I should like to state that it seems to me that what is needed at this point in the session, in connection with this issue, is practical wisdom. I can understand—although I do not agree with it—the position of those who ideologically oppose the idea of Federal aid to education. That is their prerogative, and is a matter of their conscience; and I do not quarrel with their right to entertain those views. But to those who believe this is a national objective toward which the country must move in the national interest, I say we must apply to our ideal the kind of practical wisdom that has been enunciated by the Senator from Oregon [Mr. MORSE] and the Senator from Michigan [Mr. MCNAMARA] as they have addressed the Senate; and I hope we can get in support of the McNamara amendment the combined support of all those who believe in Federal aid in the national field of education.

Mr. GRUENING. Mr. President, will the Senator from Montana yield to me?

Mr. METCALF. I yield.

Mr. GRUENING. I should like to ask whether the Senator doubts—in view of the fact that earlier in the session the Senate passed an excellent aid-to-education bill—that the amendment of the Senator from Michigan will receive the support of this body. It is an excellent amendment, and it should be supported by the same vote by which the Senate earlier in the session passed the aid-to-education bill.

Mr. MUSKIE. I hope that will happen. But there seems to have developed a general psychology to the effect that "We cannot get an aid-to-education bill enacted at this time. So let us retire from the field, and prepare as best we can for the battle at the next session."

Personally, I do not believe the prospects then will be any better than they are now. I am willing to carry on the fight then if we cannot succeed now; but I believe that some of those who favor Federal aid to education have already thrown in the towel—believing that we cannot get such a bill through the House, and that therefore it is best to give up the fight at this time, and continue the fight next year.

My children have just returned to school, so I am willing to fight for the bill either now or next year. But I think it better to continue the fight now.

The Senator from Alaska may be correct in believing that the McNamara amendment will be adopted; but I am afraid he may not be correct in assuming that all supporters of Federal aid to education will support the McNamara amendment.

Mr. GRUENING. Mr. President, will the Senator yield for a further comment?

Mr. METCALF. I yield.

Mr. GRUENING. Believing, as I strongly do, in Federal aid to education, I think it is our duty to stand firm for a better bill and see this through. If those who are so concerned for Federal aid for impacted areas, and only for impacted areas, were as much concerned as they appear to be, perhaps they would be willing to accept something additional, like the McNamara amendment. They seem to be anxious for impacted areas and nothing else. It seems to me those of us who are concerned for all the schoolchildren should stand together and do something for all the schoolchildren, and not merely for those whose schools happen to be in impacted areas.

Mr. MUSKIE. The definition of an "impacted area" is an area whose ability to support a school system is affected by Federal activities. I suggest that the entire country is an impacted area by that definition. We are engaged in a total war, and that phrase has been used over and over again—a total war which we cannot hope to win unless we commit all our resources; and we cannot commit all our manpower resources to this war if we leave their development to the varying resources of 50 jurisdictions. Every school district of this country, by any realistic definition, is an impacted area and deserves the aid of the Federal Government.

Mr. METCALF. And there is a responsibility for the boys and girls in those districts.

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

Mr. METCALF. I yield.

Mr. MORSE. I thank the Senator from Montana for his generosity and tolerance in yielding, but the Senator from Maine has stimulated me by his penetrating question and the comment made by the Senator from Alaska [Mr. GRUENING] causes me to make this comment. The Senator from Maine has said we need practical wisdom. We surely do. He has put his finger on a problem that concerns me. I always put my cards on the top of the table. I have the responsibility of being the floor leader on this bill. It is perfectly obvious that all afternoon I have not been champing at the bit to get to a vote; and the reason why I have not been champing at the bit is I do not think we have the votes yet. I think we need some passage of time in the Senate to reflect on the problem.

The Senator from Maine has talked about the need for practical wisdom and for unifying the leadership in regard to this matter. I wish to say something about that question for a moment or two. We have the leadership. We have it in the President of the United States. The President of the United States has made very clear his program. The President has suffered some setbacks in the House this year on education legislation. Up until now, the President of the United States has been able to get his program through the Senate. So we have this conflict between the two bodies.

We have now a proposal for extension of the Federal impacted areas law and the NDEA. The House has passed a bill which is not in line with the President's program at all—an extension that goes beyond 1 year; an extension which, in my judgment, pulls the rug out from under the President's program; an extension for a period of time which, in my judgment, will almost make certain, as I said earlier this afternoon, no general education bill next year if we pass the NDEA and impacted areas bill for the time as passed by the House.

Toward the end of the session our colleagues want to get home, or to Europe, or Africa, or Asia, or Latin America, or Outer Mongolia—anywhere but here. So I ask respectfully of our colleagues in the Senate, Are you prepared to accept temporarily a unicameral parliament for the United States of America—not a bicameral, but a unicameral parliament whereby you let the House of Representatives call the shots? I do not think either the House or the Senate should do that. I think differences ought to be adjusted in accordance with our constitutional processes. When the House is in disagreement with the Senate, or vice versa, we should get together to adjust the differences in a conference.

Now we have a mandate or a threat from the House that the Senate will either take its education bill on the extension or there will be no conference. My answer is, "Get on your way to Outer Mongolia, Europe, Tibet, or wherever else you want to go, if you do not want to stay here and transact the business that the people elected you to transact." The people did not elect a single Member of Congress to carry out that kind of legislative program, in my judgment.

So the Senator from Oregon is not in a great hurry to get to a vote on this question. I think we ought to have a few days of reflection here in the Senate, on the part of Republicans and Democrats alike, but particularly Democrats.

We all know that, as of the moment I speak, there are some Democrats who want to get this matter behind them. They are anxious to get to a vote, agree with the House, and go home, which means an extension as in the House program, and a further weakening of the President's position.

I am in a position where on this matter I can speak for the President, because I am his leader on the bill. I tell Senators again tonight, as I told them this afternoon, that the President does not want a 2-year extension. He wants a 1-year extension, because he believes that a 1-year extension is essential to his education program for next year. The President intends to keep his pledge on the matter of Federal aid to education. The President intends to do everything he can next year to get a general aid to education bill through Congress.

The Senator from Maine has said he is afraid chances will be no better next year than they are now. Our only hope is to take the question to the people between now and the time Congress convenes again. But if we pass a 2-year-plus extension on NDEA and impacted areas, we shall have given politician after politician the escape exit they are looking for. They will have satisfied the local interests, and that action is going to take the demand off them in enough jurisdictions in this country to the point where we will not have the votes next year to pass the bill which needs to be passed. Extend the law for only one year, and every local school district that comes under NDEA and federally impacted areas legislation is going to say, "Mr. Senator, Mr. Representative, what are you going to do about it this year?" Members of Congress will have to face up to the question again.

The President has told us he wants the program reviewed. He wants the time to present to the Congress the facts on the operation of the existing Federal aid to education program, the special programs the Senator from Montana is speaking about so eloquently here tonight.

I ask my Democratic colleagues, Does the President have the right to ask you to give him that support? Is not the support he is asking for really to carry out the Democratic platform? Are you going to deny the President this request, knowing that if you deny it to him you are going to weaken to a great degree the Democratic Party's promises to the American people on education? Is the President asking for anything unreasonable when he asks for a year's extension, which will take care of every school district in this country?

Not a single school district will suffer by a granting of the President's request. Every school district now receiving NDEA help in impacted areas help will be assured of it for another year.

We ask for leadership. We ask for practical wisdom. This is the President's wisdom.

Senators may say, "I am not bound to do what the President wishes me to do." Of course not. I do not know of any Senator who has demonstrated by his record more eloquently his honest, independent judgment, when he thinks the President is wrong, than has the senior Senator from Oregon.

I point out that what the President is asking cannot possibly damage a single school district in this country for the next year.

I make these remarks to my Democratic colleagues. I shall have some comments to make about the Republicans in a moment, but I am talking to Democrats now. I say to my Democratic colleagues in the Senate, "You ought to resolve this question in favor of the President." He is our leader for this

legislative program. He is the man, in behalf of all of us, who made the promises in the 1960 campaign. He is the man who took our party to victory in November 1960. He is the man who earned tens of thousands of votes upon the basis of the educational issue. He is the man who, in my judgment, on this issue ought to be supported by the Democrats in the Senate of the United States. He is the man to whom Senate Democrats should rally in view of the treatment he has received on the House side of the Capitol.

I do not think the Democrats in the Senate can countenance the course of action some Democrats took in the House against the leader of our party now in the White House. I think the time has come when, as Democrats, we must make perfectly clear that as a majority party we do not propose to let the Rules Committee of the House determine what legislation can be passed in the Senate and in what form it must be passed in the Senate. We must make clear that we shall not stand still for the position that if legislation is not passed in such a form as the House desires it will not even sit down in conference with us.

I say to my Democratic colleagues that whether we like it or not, this has now become—and it will be so interpreted across America in the months ahead—a clear party issue. The man on trial in connection with that issue is the President of the United States, John F. Kennedy. This bill happens to be the vehicle. This is the legislative issue which raises the question as to whether the Democrats in the Senate of the United States will rally behind their leader to support a 1-year extension of this program, thereby guaranteeing to every school district in this country a continuation of every dollar of aid it now gets under both the NDEA and impacted areas legislation.

One might say, "Senator, will that not drive Republicans away from us?" Not at all. Not at all, in my judgment, because I think many Republicans will recognize the soundness and merit of the points I am making. They will recognize that if we are to maintain the constitutional form of government set up as between the House and the Senate, with the separation of powers which exists between the two Houses—after all, Members of the Senate, even though they be Republicans, should support the proposal that we shall not let the House determine the form of legislation and the procedure to be followed by the Senate in considering legislation passed by the House, when it is legislation which ought to be passed by the Senate in accordance with its own policies.

I serve on a committee, which has had jurisdiction over this subject matter, with Republicans. I said earlier this afternoon, and I repeat tonight, we would not have had this proposed legislation before us all year long if we had not had Republicans on our committee who were educational statesmen, too. They recognize the importance of Federal aid to education.

I hope the Senate will reflect on the parliamentary situation confronting us. I am in no hurry to get to a vote. I agree with the Senator from Alaska [Mr. GRUENING]. We had better take a little time on this. I am perfectly willing to have it laid aside for a few days after we have made our case in chief, for people to reflect on it and for the country to be heard, because I will tell the Senators that once the American people take the time to know what this fight is all about I shall not worry as to whether the Senate will be sustained in the judgment of public opinion. Public opinion will be with us. We can take it before any jury. Any impartial jury will give us a unanimous verdict.

I am sorry I have taken so much time, but I thank the Senator from Maine [Mr. MUSKIE], because he made a call for practical wisdom. He was correct. I gave him the source of practical wisdom I think we ought to follow. That source is the President of the United States on this question. When the President asked for a 1-year extension and not a 2-year extension, I do not think local pressure from back home, any political consideration, any desire to get away quickly by capitulating to the House, can possibly be justified as a substitute for meeting the request of the President of the United States.

I say to fellow Democrats, "Relax. Study. Check back home. Look into the facts, such as the Senator from Michigan [Mr. MCNAMARA] and the Senator from Montana [Mr. METCALF] are putting into the RECORD."

After Senators have given this problem study, I have a feeling the vote may change. We may find we can get the program extended. We may adopt such amendments as the amendment of the Senator from Michigan. We may get a conference with the House.

I close on this note: What do Senators think would happen in a good many districts in this country if the Representative had to go back to face the fact that the reason the country did not get a bill passed was that the House would not go to conference with the Senate? We do not have to worry about the Senate's position in that kind of controversy. The responsibility will be clearly the responsibility of Members of the House of Representatives. They have asked for it. That is where I intend to put the responsibility.

I sincerely hope that when we finish with this debate a majority of our colleagues in the Senate will agree with us and that we shall get a 1-year extension, resulting in a conference with the House.

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

Mr. MORSE. I yield.

Mr. GRUENING. I congratulate my good friend the senior Senator from Oregon for his great eloquence, and for his magnificent support of what to me is the most important legislation which could possibly be passed by the Congress.

We in this session have passed a great deal of excellent and important legislation. We passed a depressed areas bill. We passed an airport bill. We passed a farm bill. We have passed a number of excellent bills to carry out the President's enlightened domestic program, but I think no proposed legislation is comparable in importance to the aid to education bill, something which goes to the heart of democracy, which affects not only this generation but also generations to come.

I hope the Senator will stick to the fight, and I hope all of us who believe as he does will do our utmost to see the fight through.

Mr. MORSE. I thank the Senator from Alaska.

Mr. METCALF. Mr. President, I thank the Senator from Oregon for a splendid contribution to the debate and for a keen analysis of the questions which are before us at this time.

The specific question before us is how long to extend Public Laws 815 and 874. Around that specific question are all the other questions the senior Senator from Oregon has outlined so eloquently and so well. I hope Senators who are not present, who are not able to hear the remarks of the Senator from Oregon, will read the RECORD, and I hope it will change many votes.

I wish to go forward with the recommendation from the National Advisory Commission.

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

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

RECOMMENDATIONS

The committee regards the foregoing principles and policies of dominant importance. Believing that they are the necessary guides in the evolution of Federal relations to American education and that it is essential to follow them if we would make the United States meet its responsibility for national aspects of education in ways that are consistent with our kind of democratic civilization, the committee submits the nine following specific proposals for action:

1. Continue special aid now in force: For at least 5 years and until the results of the finance surveys recommended in No. 4 below are adequate to provide a sound plan for an equitable and economical method of Federal financial assistance to the States, continue the special appropriations now in force for the purpose of aiding agricultural education and research, rural extension for adults, vocational education, and similar educational enterprises, but leave the States free to expend such moneys for the specific purpose designated without the requirement for matching of moneys and without Federal authority to approve or reject State plans.

2. Amend laws: Amend those existing laws which give or tend to give the Federal Government and its agencies power to interfere with the autonomy of the States in matters of education. These amendments should repeal all provisions that require the States and their local communities to match Federal funds or that grant power to the Federal agencies to approve or reject State educational plans, to prescribe the standards controlling instruction, or otherwise to supervise and direct educational or research activities within the States.

The foregoing discussion does not relate to Federal research activities in fields other than education save as these affect the autonomy of the States in the conduct of their educational affairs.

3. Restrict legislation: Enact no additional laws that grant Federal financial aid to the States in support of special types of education or that increase existing Federal grants for such special purposes as are already aided.

4. Study finances: In line with the study of school finance recently begun by the Office of Education, make further and continuing studies of tax systems, distribution of national income, living costs, public expenditures for eleemosynary institutions, bonded indebtedness, Federal aid to States for purposes other than education, and of such other features of the situation as may be necessary to understand the total economic, political, and fiscal organization of which the school system is a part. Such facts in particular should be sought as will reveal how far and by what methods the people are justified in using the Federal tax system to supplement State and local taxes in support of public education in the States in order to insure meeting fully the national responsibility for education.

Similar studies should also be made at once to answer two questions:

First: How far shall the Federal Government properly grant funds either to the States in support of specially designated institutions or directly to particular institutions?

Second: What are the right uses of the remainder of the public domain in the States for the uses of education?

5. Aid education generally: Make all future grants to States as grants-in-aid of education in general, expendable by each State for any or all educational purposes as the State itself may direct. Such grants should be made only after thorough educational and financial studies have shown to the satisfaction of the appropriating power that such Federal aid is justified. Such grants should in no case be flat grants of an equal amount for each State, but should be apportioned to the States on the basis of adequate educational and financial studies. Such grants should be made for a definite and not an inconclusive period, and be subject to review at the close of every 10-year census period, when needed readjustments may be made to meet changed conditions. The only restriction placed by Federal legislation on such educational grants should be the provision that every State, when it accepts the grant, agrees to make each year to the Federal headquarters for education a full report on all questions on which the Federal headquarters for education may require information concerning the manner in which the State has used the grant.

6. Restrict audits: Restrict the audits of the Federal Government to those made by the Treasury Department merely to determine whether or not monies granted have been spent for the general or special educational purposes as defined in the several Federal acts of appropriation, without making audit an indirect method of controlling or determining educational standards and processes.

7. Limit emergency aid: Emergency grants made by the Federal Government to meet some special and transient crisis involving the use of education should be restricted to financial aid to investigate the problem, to disseminate the needed information, and to promote cooperation among all the States and local communities. A new Federal agency may be created for this temporary purpose if the needs are such as to necessitate this, but financial grants to such a new agency should be made for a strictly limited period, and not renewed.

8. Create adequate Federal headquarters: Create an adequate Federal headquarters for educational research and information, so organized as to serve both as a reliable source of comprehensive, correlated, and accurate information regarding national aspects of education for all concerned in the States, Territories, and outlying possessions, and as a cooperating center for all Federal agencies with respect to the educational aspects of their work.

9. Increase appropriations: Increase the Federal appropriations for educational research and information service by the Office of Education, by the Federal Board of Vocational Education, by the Extension Service and the Office of Experiment Stations in the Department of Agriculture, and by other offices or bureaus of the Federal Government primarily concerned with the stimulation and improvement of various types of education in the States; and provide ample facilities to these offices for supplying to all concerned the results of research and statistical studies through publications and conferences.

Mr. METCALF. I wish to emphasize that the National Advisory Commission made recommendations that are particularly pertinent to the debate today. They said that we must continue the special aid now in force, and recommended that it be phased out.

No. 3. But we enact no additional laws that grant Federal financial aid to the States in support of special types of education or that increase existing Federal grants for special purposes as are already aided.

The Senator from Oregon said that President Kennedy had asked that the program be reviewed, but periodically the administration has asked that it be reviewed before.

In 1956, in his educational message, President Eisenhower said:

In continued recognition of the special school enrollment problems created in many communities by military and civilian activities of the Federal Government, I am recommending the extension for 2 years of the authority for providing assistance in paying for new school buildings in federaly affected areas.

Listen to this statement:

With the enactment of legislation to authorize general Federal assistance for school construction, the necessity for the further extension of special Federal aids for construction, and for maintenance and operation in these school districts will require reconsideration.

That was President Eisenhower's statement in 1956.

In 1958 he said:

Schools in federally affected areas: The Federal Government has a responsibility for aiding school districts when it creates serious financial problems for them. It has recognized this responsibility in the past by providing grants to help build and operate schools in districts where enrollment is swelled by Federal activities. Experience with these programs, however, suggests that they should be modified; many of the communities for which grants have been made no longer have problems as acute as those suddenly generated by the migration of workers and families to them during the Korean crisis.

In view of the continued maintenance of a substantial Defense Establishment with shifting locations, authority for grants for construction and operation of schools should be extended, but the assistance should be restricted to instances where the Federal personnel both live and work on Federal property. However, grants for operation of schools on behalf of people living on taxable property should be gradually reduced during an adjustment period, and then terminated. The special increase in Federal employment during World War II, which led to the enactment of this legislation in 1950—

That is the impacted area legislation—

has been superseded by a relatively stable Federal Establishment. In many cases the presence of Federal installations in the community adds to rather than detracts from the revenue base for the support of schools.

President Eisenhower then came out in support of the proposal of the senior Senator from Michigan:

The pressing need now is not for aid to federally affected districts on the basis initiated in 1950, but for general aid to help localities with limited resources to build public schools.

So we have before the Senate S. 2393 to extend the impacted program for 1 year. The President this year asked for a review. President Eisenhower asked for a review and reappraisal several times during his administration. We have a program that started as an emergency program and has been extended 1, 2, and at one time 3-year periods. But we have never sat down and considered just what the equities of the program are as compared with the permanent general school program, and it is time for us to do so. One of the best features of S. 1021 when it passed the Senate was that it provided for just such a review and just such an appraisal.

This afternoon in his opening address the senior Senator from Oregon pointed out some of the abuses and some of the misuses of Public Laws 815 and 874. He pointed out specifically examples in school districts that had been uncovered by the Comptroller General and investigators from the Office of Health, Education, and Welfare. In the few minutes that I have remaining I should like to point out some of the inequities and injustices that are inherent in the basic law that need to be reanalyzed and reappraised.

The basic principle then under which we have adopted Public Law 874 is that the Federal Government should provide assistance in the operation of the schools in those local school districts whose school revenues are impaired as a result of Federal activity on tax-exempt Federal property.

The same is true of Public Law 815. It is founded on the concept that where we have a Federal activity on tax exempt Federal property, and the local school facilities are overcrowded, then the Federal Government has a responsibility for providing for adequate facilities.

The reason for this Federal responsibility is that the children of parents who live and work on tax exempt Federal property are a burden on the district whose chief source of revenue is the property tax, and therefore the district cannot achieve a property tax on tax exempt Federal property. The ordinary tax resources available to finance school programs, either construction or operation and maintenance, are not available to the districts. Once such an entitlement is established, however, the Federal Government does not carry out its

responsibility on a basis of in lieu of taxpayments.

It carries them out rather on a measure of how much it would cost to educate that individual child.

During the hearings there was quite a discussion as to whether or not Public Laws 815 and 874 were in lieu of a tax program. Of course, they are not. In many areas the amount of money the Federal Government pays for the education of boys and girls who are federally affected would be 10 or 20 times as much as the tax revenues lost as a result of tax-exempt properties.

In other areas where we have highly complex and complicated Federal installations, perhaps the taxes lost would be many times the value of the local contributions. But we are looking at the cost to the school district for educating the federally affected boy and girl.

The Commissioner of Education ascertains the local contribution rate per child, which would be equal to the current expenditures per child in generally comparable districts.

That is subject to a proviso that the rate is not less than one-half the State average per pupil cost or one-half the national average per pupil cost in the second preceding year.

For example, in fiscal 1960 the average local contribution rate varied from $158.62 to $411.60. The average nationally was $208.82. But here is another one of those inequities in the legislation.

We talk about the local contribution rate. However, the State government also contributes. I am calling attention to table 26 on page 244 of volume 1 of the hearings. I ask unanimous consent that the table may be printed in the RECORD at this point.

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

TABLE 26.—*Estimated percent of revenue for public elementary and secondary schools received from the State, 1960–61*

	Percent
50 States	40.1
1. Delaware	79.6
2. South Carolina	71.8
3. North Carolina	71.1
4. Hawaii	70.8
5. New Mexico	70.6
6. Alabama	69.1
7. Louisiana	68.2
8. Georgia	64.1
9. Washington	61.6
10. West Virginia	57.0
11. Kentucky	55.3
12. Tennessee	55.2
13. Nevada	55.1
14. Florida	55.0
15. Mississippi	54.4
16. Pennsylvania	51.1
17. Arkansas	50.8
18. Texas	50.0
19. Alaska	47.5
20. Wyoming	45.2
21. Michigan	43.6
22. Utah	43.4
23. Oklahoma	42.8
24. New York	42.4
25. Arizona	40.9
26. California	40.4
27. Minnesota	37.9
28. Maryland	36.5
29. Virginia	36.1
30. Idaho	32.6
31. Indiana	31.4

TABLE 26.—*Estimated percent of revenue for public elementary and secondary schools received from the State, 1960–61*—Con.

	Percent
32. Maine	29.6
33. Missouri	29.4
34. Oregon	29.4
35. Ohio	29.1
36. North Dakota	28.3
37. Massachusetts	26.9
38. Connecticut	26.6
39. Montana	25.3
40. Rhode Island	24.9
41. New Jersey	23.8
42. Kansas	22.7
43. Colorado	22.1
44. Vermont	22.0
45. Wisconsin	21.3
46. Illinois	20.4
47. Iowa	11.6
48. South Dakota	8.2
49. New Hampshire	5.7
50. Nebraska	4.0

Mr. METCALF. Mr. President, the table demonstrates that Delaware, for example, has 79.6 percent of the cost for public elementary and secondary schools paid by the State government. Nebraska, which is No. 50 on the list, had about 4 percent paid by the State government. So the local contribution rate varies from something around 4 percent, in the case of Nebraska, to 80 percent in the case of Delaware. Here is one inequity that should be taken care of and rectified in subsequent legislation. If we extend the act for 2 or 3 or 4 years, we will not have the opportunity to rectify that inequity which is inherent in the present law.

Several situations occur wherein the Federal responsibility arises and payment is made under existing law.

The first is where the parent both lives and works on tax-exempt Federal property. Under these circumstances there is no question but that the local school district which educates these children should be reimbursed for the cost incurred by the school district. Under Public Law 874 the Federal contribution is an amount equal to the amount of the local contribution in the comparable areas. We have said that there is a permanent and continuing Federal responsibility in such a situation, and have made that permanent legislation. So that most of the situations that have been brought forward in the past few weeks as horrible examples which would work great injustices and hardships on school districts, if we failed to extend the law, just will not come about, because they are the result of children whose parents both live and work on Federal property, and the permament and continuing and general law is not affected by whether or not this law is continued.

The second situation is where parent works on tax-exempt Federal property but lives off the property. In such a case under Public Law 874 the district is entitled to one-half the local contribution rate. Sometimes, as when this law was first enacted, it was 70 percent. It has varied. There is no magic about this ratio. It is an arbitrary figure which is fixed at 50 percent now. That is unfair.

It is clear, under the premise which is the basis for aid, that if the Federal property is in the district in which the school is located, that school is entitled to assistance. However the Bureau of the Census report demonstrates that in the Nation as a whole commercial and industrial property constitutes only 27.7 percent of the locally assessed real estate tax base. In no State does the local assessed valuation of all commercial and industrial property reach 40 percent. The national range is from 37.1 percent to 9.3 percent. Therefore, the arbitrary rate of 50 percent gives a definite tax break to the districts that are the beneficiaries of aid under this category B. Some of them get as much as 40 percent of a tax break, but they all get a tax break under this provision.

On the other hand, where the parent lives in one school district and works on tax-exempt Federal property in another district, there is no point in giving any assistance. There is no need for one school district to tax real property in another, whether it is tax-exempt Federal property or private property. This is an indefensible proposition, whereby we pay category B for children whose federally-affected parent lives in one district and works in another, or, as locally, who lives in one State and comes to work in the District of Columbia. Perhaps that is why the State of Virginia, for example enjoys a 9.3 percent contribution from the Federal Government, when the national average is only 3.6 percent.

The third situation is where parents live on tax-exempt Federal property but work off that property. In such a case the payments are the same as in the other category, or Federal category B pupils. However, as we have seen, the tax impact is entirely different in such a situation because the majority of the local property tax is on residential property, rather than on commercial or industrial property.

These situations create an inequity in the other direction. However, the objections are the same when the district in which the parent lives is not the same district in which the school is located.

Then we have the so-called category C, where we have industrial or manufacturing property. An examination of the last report of the Office of Education on administration of the so-called impacted area demonstrates that while there are inequities it is not substantial reason, and perhaps that should be continued.

When President Kennedy suggested several changes in Public Law 815 and Public Law 874, he was not only thinking about the abuses and the misuses that have grown up as a result of the Comptroller General's letter or the investigation by members of the Office of Education, but he was also thinking of the very injustices that are inherent in the law. In my opinion some of them should be taken care of right away. Some of the suggestions that the President made at the beginning of this year were too far reaching. I think it was proper and right for the committee to say, "Let us extend it for another 2 years and have a study made, and let us have a report made and find out what the facts are."

That is what we are not faced with today. Unless we pass S. 2393 just as it is before us, for a 1-year extension, or if

we adopt some of the amendments for a 2- or 3- or 4-year extension, we will not have the opportunity to do that. We will not have the opportunity to make changes, and we will not have an opportunity to rectify the inequities that are inherent in the law.

I have every praise for the committee for increasing the amount of money that is available for Indian schools. We have exhausted the fund in title IV of the act.

I believe that title IV should be made permanent legislation for that sort of impact, because it is just as much a Federal responsibility as the impact on the boys and girls whose parents both live and work on Federal property.

On the other hand, there are parts of the program for category B children whose parents enjoy benefits to which they are not entitled and who are taking benefits away from districts that have much more need and much more impact.

So I urge the Senate to pass S. 2393, for a simple 1-year extension. If we do otherwise, we will go further and further away from the basic principle that a general school aid bill is the bill that gives the fairest distribution of Federal tax money, gives the least control, and makes it possible to have these specialized programs phased out and tapered out so that we can reappraise them as they go out, and give us an opportunity to pass the kind of bill that will bring justice to the boys and girls of America.

OUR GOOD NEIGHBOR: MEXICO, AND ITS PROGRESS

Mr. GRUENING. Mr. President, last Thursday the Senate, by unanimous vote, passed a bill introduced by my good friend, the senior Senator from California [Mr. KUCHEL] and cosponsored by a number of Senators of whom I was happy to be one, to present a statue to the people of Mexico.

The original draft of the bill, introduced over a year ago, proposed that this gift commemorate the independence of Mexico on the occasion of its 150th anniversity in 1960, and also the triumph, 100 years ago, of Benito Juarez, the great mid-19th century statesman who both promulgated the basic principles of social reform in Mexico and had them incorporated in the constitution of 1857, and drove out the French military invasion which made Maximilian, the Austrian prince, for a few years Emperor of Mexico.

The original intent of the Senators who sponsored this legislation was to give to Mexico a statue of Miguel Hidalgo y Costilla, the parish priest who, in 1810, sounded the call to revolution which severed Mexico from Spain, and is rightly deemed in Mexico to be the father of its independence.

But the Mexican Government made the suggestion that the monument be to one of our great men, and nominated Abraham Lincoln. It seems to me that in proposing a statue of Lincoln, the Government of Mexico effectively reaffirmed its own faith in the equality of men, its adherence to their unceasing quest for freedom, its belief in a government of, by, and for the people, all of which basic human aspirations Abraham Lincoln will eternally symbolize. As my distinguished colleague, the junior Senator from California [Mr. ENGLE] said, in speaking for the bill, this suggestion of the Mexican Government was "one more example to prove that Abraham Lincoln not only belongs to the ages but to all nations."

There is much that is heartening in this troubled and tragic era with its peril of impending cataclysm in the sane attitudes and friendly relations of the three nations that constitute the North American Continent: Canada, the United States, and Mexico.

The long-held, unprecedented relations with our northern neighbor; the uniquely undefended 3,400-mile common boundary, have long been matters of record and of appropriate rejoicing. Heirs to the same traditions of law and freedom, allies in two great wars for their preservation, we know that there are no differences between us that cannot be settled peacefully, at the conference table, in the manner of civilized people.

But it is of Mexico, our other land neighbor, that I would speak. For here, I deeply believe, that our two peoples, with far different heritages and backgrounds, have likewise entered—and I trust and believe, irrevocably—the phase of history when not only are our ideology, our aspirations, and our purposes compatible, but that the prospect for a close and harmonious relationship, of a partnership of purpose, lies invitingly before us. The alliance for progress has already begun here.

It was my privilege, some weeks ago, on the floor of the Senate, to insert in the CONGRESSIONAL RECORD, and to comment upon, the notable address delivered in Mexico City on the occasion of Freedom of the Press Day by Mexico's President, Adolfo Lopez Mateos.

That freedom of the press is not only celebrated in Mexico, but is a living reality—as it is enduringly in very few Ibero-American countries—is itself a fact of enormous significance. On that occasion, Mexico's President made clear that his country rejected the totalitarian philosophy of the right and of the left; that neither fascism nor communism were ideologies which appealed to the Mexican people, and that their Constitution, wrought during the political and social revolution of this century's second decade, was an indigenous and homegrown product derived out of Mexico's experience, designed to correct inherited evils and to respond to the needs of the Mexican people.

My interest in the prospect of an increasingly warm and constructive relation between our country and our only land neighbor to the south, indeed the geographic entry and bridge to all Latin America, led me to read President Adolfo Lopez Mateos' "state of the Union" address delivered to the Mexican Congress on September 1. I found this long, comprehensive report by the nation's chief executive to its legislative branch, a notable document and a heartening one, containing, in addition to a wealth of contemporary information, declarations of policy and purpose of historic import. Running through its recording of impressive progress in every sector of Mexican life—financial, economic, industrial, agricultural, social, hygienic, cultural, artistic, political, and, above all, spiritual—is implicit the long, arduous, and tortuous path over which the Mexican people have climbed.

For Mexico's history is far different from ours. While our early pioneers and their successors, deliberate refugees from Old World limitations, seeking liberty and opportunity, found both in a promised land abounding in natural resources which they could fashion as they would, Mexico appeared on the stage of recorded history as a conquered nation. Its established society, the most advanced self-evolved culture in America, was overthrown by force and subjected to an alien rule whose motivations in the 16th century were the established concept that to the victor belong the spoils.

For three centuries the people of Mexico suffered under an oppressive colonial domination. But unlike our Thirteen Colonies' severance from a far less restrictive oversea colonial rule, independence gave Mexicans little relief from the abuses of colonialism. The people of Mexico had merely changed masters. Political independence was followed by no economic or social liberation. The inherited feudalism, the mold of a caste society, continued. Juarez, in midcentury, fought for its abolition, but his political, economic, and social reforms were, after his death, obliterated by deeply intrenched and inherited habits, and by the long dictatorship of Porfirio Diaz. Under Diaz, Mexico, despite a financial stability, fostered by the entry of foreign capital and a Porfirian peace, which eliminated pretorian uprisings and banditry, was a feudal fief dominated by a small number of great hacendados and the representatives of foreign interests. The great mass of the people lived in abject poverty and squalor, illiterate and diseased. Peonage—virtual slavery—existed.

The revolution begun in 1911, and after Francisco Madero's, its leader's, murder, carried on by other leaders—Carranza, Zapata, Obregon, Calles—wrought, through the constitution of 1917, what were deemed the necessary political and social reforms, updating many which Benito Juarez had for a time established nearly three-quarters of a century earlier. It is under that constitution that Mexico has operated and progressed for something less than half a century.

The striking fact is that the history of the new Mexico, the Mexico of today, the emerging Mexico, the Mexico conscious and proud of its nationalism and of its uniquely characteristic traits, is of relatively recent origin. Although its political, social, and economic aspirations and, increasingly their validation in fact, have their ideological roots in "the reform"—as it is referred to in Mexican historiography—of Benito Juarez of a

century ago, subsequently to be dissipated and in 1917 revitalized and updated, the Mexico of today began with the revolution of the century's second decade, began with what is known universally in Mexico as the revolution.

Much of Mexico's rich cultural legacy, its delightful folkways and notable indigenous craftsmanship, go way back, long before the coming of Cortez, Aztec, Toltec, Maya, Zapotec, and other less famed regional arts and artifacts are all preconquest, and thus, in the Western sense, prehistoric. Spain made enduring contributions in its architecture, painting, literature, language, religion, and customs. But withal, Mexico, until 1911, was a feudal principality, ruthlessly dominated by a few for the few. The rest of the people could be characterized by the title of the work of the great Mexican novelist, Mariano Azuela—"Los de Abajo"—"those who are underneath." It is a novel of the revolution written during the revolution and its three-word title summarizes why the revolution had to be fought and was fought.

The great change that has come derives its ideology from the constitution of 1917. It is for Mexico what our Declaration of Independence and our Constitution are for the United States. But its implementation has been due to a succession of practical, intelligent, and generally public-spirited presidential administrators and their associates from Alvaro Obregon, the military genius of the revolution and the statesman President of the peace that followed, to President Adolfo Lopez Mateos. They have been men imbued with a sense of Mexico's destiny and of its potentials as a great nation. That sense of nationality, of nationhood has grown steadily. Its clarion call was sounded 45 years ago, during the chaos of revolution and before the drafting of the constitution of 1917, by Manuel Gamio, one of Mexico's great and internationally famed archeologists and ethnologists, in a classic volume entitled "Forjando Patria"—"forging the fatherland."

That awareness of nationhood, that new confidence in Mexico's destiny, has shown itself in a fusion of once disparate elements of class and race; in a shrewd domestic program; in a sound fiscal policy for which Antonio Ortiz Mena, the Secretario of Hacienda y Credito Publico—the equivalent of our Secretary of the Treasury—deserves much credit; in an enlightened foreign policy; in a flowering of the arts—music, painting, architecture, archeology, literature—the expressions of a naturally gifted people, and in increasing participation of Mexicans in the sciences and skills of this expanding age of invention.

But what is most striking, considering the long heritage, the wreckage of a decade of violent revolution, the lack of many kinds of essential experience, the brevity of the new purposefulness—less than half a century—is the fresh breath of freedom that has blown away the encrusted privilege, the ancient rigidities, the recurrence of caudillismo—the man on horseback—that have bedeviled and still throttle in varying degree the sister Hispanic nations. Note that dictatorship was never more intrenched than it is today in the mother countries of the Iberian Peninsula. Consider the political history of nearly all the New World offspring of Mother Spain and Mother Portugal: alternations of dictatorship and chaos interspersed with occasional attempts—always short lived—of representative government, and a persistent economic feudalism which stubbornly bars progress. This is one of the great obstacles to the success of President Kennedy's alliance for progress. Would that the other nations of this hemisphere who are scheduled for membership in this "alianza para progreso" had the orientation and purpose of Mexico.

Which brings me to President Lopez Mateos' great state of the union message. It is, I feel, far too long to ask that all of it be printed in the CONGRESSIONAL RECORD; moreover, much of it deals with details of direct concern to Mexicans only. But I should like to quote a few salient passages.

First, as to national purpose:

> General development so that without sacrificing liberty social justice may prevail—that is the political, economic, and social objective of the Mexican people. For this reason, our most important tasks are those which accelerate, without warping, the national growth * * * and so that the benefits of such development may be equitably distributed both geographically and socially.

But lest the purposefulness and direction of Mexican programs imply an easy and certain realization of them we should heed the President's warning of the magnitude and duration of the task:

> The fundamental tasks of Mexico are clearly within her territory. We have not reached sufficient level of development that permits us to think of the future without deep preoccupation. Mexicans, for several generations to come, will have to dedicate their best efforts to elevate the living standards which still retard the progress of great sectors of our population. Mexico—we must say without mincing words—is not a rich country, and besides we form part of a world which is growing smaller but more complex, where it is not possible to ignore the growing interdependence which day by day draws one state to another, including the more remote.

This statement of social responsibility which, called the Declaration of Mexico, was approved unanimously at the sixth reunion of the Inter-American Conference to which Mexico was host, and is quoted by the President:

> We believe that subhuman conditions of existence should be eliminated with the utmost urgency; that prosperity should be shared; that conditions of special privilege should yield to a growing and more widespread enjoyment, and that by a fulfillment of individual and collective obligations may be demonstrated that poverty, wherever it exists, constitutes a peril to the liberty of all men.

On private enterprise and labor:

> With the most profound revolutionary and democratic faith, my administration has invariably respected the autonomy of private enterprise. In the case of labor unions it believes in their control of their internal organization. In the case of both, the state will limit itself to the enforcement of existing statutes.

On foreign policy:

> In the last year the international climate has been afflicted with exacerbated tensions, and has grown graver. The world appears to have forgotten the experiences of two great wars in this century and circumstances cast dark shadows over the hopes for a better world—a world of peace and justice—for which millions of men gave their blood.
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> Serene judgment, the exercise of a normal rationality, and mere consideration of the destructive power of nuclear weapons, which should absolutely bar any use of force, are set aside. And states, particularly the small or medium sized, such as Mexico, which need peace to solve their own urgent problems, are subject to pressures and currents which emphasize the need for serenity of mind and strict adherence to the validation of the rights of man.
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> Notwithstanding these unfavorable conditions, the Government of Mexico has worked intensively in the field of bilateral relations and in the international organizations to which we belong, sustaining our traditional foreign policy and emphasizing respect for the dignity of man under conditions of social justice; striving for the liberty and independence of peoples, and for the complete sovereignty of all states with all the attributes thereof, such as the right to decide freely its external and internal policies. In the midst of skepticism which clouds these concepts, we persist in the quest for a rebirth of confidence, of mutual understanding, of tolerance, and of the elementary impulse of solidarity which unites men so that they may face the unknown future without anxiety. The foreign policy of Mexico, like its domestic policy, is based on the unbreakable faith we have in the moral values of man.
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> When we advocate absolute respect for the principle of self-determination of peoples whether it be in Europe, Asia, Africa or America, we do not pretend—as has been erroneously or perversely interpreted—that nations should convert themselves into islands, removed from the reality of the world in which we live. On the contrary, we are convinced that this principle does not impede, but helps states to collaborate with each other to facilitate the spiritual and material conquests of humanity.
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> In this connection, I would like to make clear once more our position on the question of Cuba. Mexico has invariably asked, as in many other cases, that the principle of nonintervention be applied, but has never suggested, nor can suggest, that this principle be observed by only one group of states, since the vigor of the doctrine depends on the universality of its application. On the other hand, I would like to remind you that a year ago, on this same occasion, upon reiterating the sentiments of sympathy for the revolutionary aspiration of the Cuban people, I placed them clearly in the sphere of inter-American solidarity when I said that "our Republics constitute a family of nations formed in history and for history" and that "our mission of each one of these nations, consists in maintaining ourselves united in peace and concord within the great common causes."
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> On several occasions, particularly during my trip to South America, I expressed the conviction that culture is the best vehicle for communication between peoples. Like no other, it facilitates the comprehension between men who, regardless of nationality, political views or religion, recognize equality in the great enterprise of human thought. Therefore, we have tried within the limits of our resources to accentuate Mexico's cultural participation abroad in expositions, conferences, interchange of people, donations of books, etc., which have had great results.

The activity of Mexico in international organizations has been particularly intense. The increasing of tensions has been felt with intensity in these organizations even in those of technical character, but most especially in the General Assembly of the United Nations. The juridical position of countries like Mexico, who wish to maintain their freedom of criteria has become delicate and sharp, exposed to misunderstanding and misinterpretation.

Mexico attends international meetings in a spirit of sincere cooperation. Her invariable line is to help find conciliatory solutions which can contribute to progress in international relations. Mexico has no possessions beyond her frontiers. Her armaments are limited to those indispensable to guarantee internal security. She does not belong to any organized bloc in the cold war. What can she follow, then, without the conservation of the principles of law, which make international friendship possible, such as the right of self-determination of peoples and of nonintervention consecrated in the Charter of the United Nations? In these circumstances it is necessary to underline the preoccupation with which we view the risk that the international community drift away from the principles and purposes of the charter and fail to comply with its aims. The principle of collective security would be exposed to a second and more serious failure with all the grave consequences which this would carry. Mexico proposes to maintain inalterable her well-known fidelity to this basic principle of the modern international organization—we want to erase the least doubt in this respect—whether it is suggested as a purpose of the United Nations and the Organization of American States or as the result of treaties and agreements, voluntarily accepted by our country in exercise of her sovereignty to guarantee the collective security.

Mexico has attended in the past year no less than 30 international conferences.

In the sphere of the Organization of American States there were two events of exceptional interest. The first, the meeting of the Special Commission To Study the Formulation of New Methods of Economic Cooperation held in Bogotá in September 1960, where the Act of Bogotá recognized that the social and economic progress of the countries of Latin America is of importance for all and that deficiencies in any of them have repercussion in the rest. At the same time it declared that the primordial object of all economic development is the promotion of social justice.

The other event was the recent extraordinary meeting of the Inter-American Economic and Social Council in Punta del Este, Uruguay, in which for the first time the American Republics have considered the possibility of vigorously promoting their development toward necessary goals on a program which assures a substantial flow of economic assistance to Latin America in advantageous conditions with absolute respect for sovereignty.

Like other nations of Latin America, Mexico has high hopes in this development which, if carried forward with decision and wisdom, will permit the multiplication of resources, indispensable base for any economic expansion to provide well-being for our peoples.

I have already spoken of the participation of our country in the Latin American Association for Free Trade which today will begin negotiations on products for which various member states will request exemption or reduction of import taxes.

As I have stated, Mexico was the site of several international conferences. I mention the Mexico-North American Parliamentary Meeting in Guadalajara, although it concerns the field of action of your sovereignty, because I wish to congratulate the Mexican legislators for the atmosphere of sincerity in which they carried out their conversations and for the light they gave toward better understanding of our mutual problems.

We must underline the importance of technical assistance, necessary factor for the acceleration of progress and we propose to participate in it, more and more, within the limits imposed by our resources.

The foreign policy of a nation is the product of a combination of many elements. Among these is the geographic situation, history, relative power, national interests, commitments through treaties and agreements freely arrived at, universal desire to improve, and the noble concept of collaboration among peoples. The play of all these elements is dominated by the order, very weak still, of international law. Force, unfortunately, continues to be preponderant in the march of the world.

Within this situation, the foreign policy of Mexico follows concrete objectives. Historically it is the result of painful experiences which her people—her dignified men and resigned women—remember without bitterness but with the objectivity that a stern lesson engraves in the memory. It is not possible, from the historic viewpoint, to fail to take into account the experience of this people, in a partial estimation of our foreign policy. Mexico never has fought a war of aggression nor has represented a threat to anyone nor has tried to impose her political or social ideas on another country. The Mexican revolution is of Mexico and for Mexico.

Geography has placed us on the same continent together with countries which were born almost with us, at the end of the 18th or beginning of the 19th century, within a mold of revolutions—democratic and republican of the epoch. We have political, economic, and social ties with these nations which contribute to a unity achieved only in this region of the planet. America, as I have said on other occasions, is our natural habitat.

This does not prevent us from having ties with other nations of the world, or of making specific commitments such as bind all in their status as members of the United Nations. Consequently, neither as part of the inter-American system nor as members of the world organization are we neutrals. We have been, we are, and we shall continue to be independent; but we hope that independence which is not neutrality shall be respected, in whatever way it manifests itself, as one of the loftiest expressions of the dignity of a nation. The Government of Mexico cannot associate with international movements which are imperialistic in character, whether of the extreme right or of the extreme left. The will of the Mexican people is to maintain a representative republic, democratic and Federal, and the prime responsibility of its officials is to carry out the mandate of the constitution of the Republic.

The words of Mexico's great President speak for themselves. But although, clearly, Mexico is on the march, I would be remiss if I did not particularly call attention to his warning that his country's inherited problems will not be solved overnight; that the road ahead is still long and arduous; that there is still great economic disparity, great poverty, unemployment, undernourishment, disease, illiteracy, in Mexico, and that generations of dedicated effort will be required to reach the goals of economic and social equality and generally high living standards to which Mexicans rightfully aspire.

What to me is inspiring is that despite the profound differences between the history and the heritage of our two neighbor nations, our thinking, our ideals, and our objectives have today become similar, and indeed in many respects identical. As never before, I believe, our mutual understanding is at its highest level. It is true, as the Senator from Montana [Mr. MANSFIELD], our esteemed majority leader, said in paying tribute to "the great amity, friendship, understanding, and tolerance which exists between the great Republic of Mexico, at the present time under the leadership of one of the great leaders in the hemisphere and of the world, Adolfo Lopez Mateos and our country," that "there are many things in the past we would like to forget or at least not to remember."

True. But, fortunately, times change. We know now that the people of Mexico and the people of the United States have much to give to each other; much to learn from each other; and that we can and shall, now and henceforth, work together in harmony, with mutual respect and affection for common goals, and for the solution of each other's problems. We shall, in short, be good neighbors and carry out, by deeds, the good-neighbor policy that one of our greatest Presidents, Franklin Delano Roosevelt, proclaimed and sought to implement nearly 30 years ago.

Mr. KUCHEL. Mr. President, that was a splendid address by the Senator from Alaska. No one in American Government is better acquainted than the Senator from Alaska with the people of Mexico, their culture, and their history. I have had the honor of reading his book on Mexico and its history, which is acknowledged today to be one of the outstanding works on that subject.

Surely, Mr. President, it is thrilling to realize that we in this country live in peace, with no barbed wires separating us, with our neighbor to the south and our neighbor to the north, and with no military personnel patrolling the borders on either side. I think that is eloquent testimony to the fact that the hopes and aspirations of the people and the Government of Mexico are identical with those of the people and the Government of the United States. We live in freedom. We pray for freedom for all peoples. We seek peace with justice for all.

I wish to congratulate my friend, the Senator from Alaska [Mr. GRUENING], and to pay testimony to the fact that, perhaps unique in the background of those of us who serve the Government of our country, is his long acquaintance, on the basis of having spent some years of his life in that country, with our great sister republic to the south of us.

Mr. GRUENING. I thank the Senator from California, whose State is one of the four States which border on our great neighbor to the south. Many of his constituents are of Mexican birth or origin; and he must know, as I do, what friendly, kindly, and lovable people they are. I know of no particular phase of our foreign policy which is of greater

importance than the demonstration by our deeds of our ability to live in peace and amity with our immediate neighbors.

As I said a few minutes ago, we have taken that for granted for many years in our relations with Canada. We take pride in the 3,000 miles of undefended boundary line—now 4,300 miles, since Alaska has become a State—between our country and Canada; and many years ago it seemed to me most important to establish a similar relationship with our neighbor to the south. We are doing that now, most definitely; and it is a matter of great satisfaction, not only to me, but to all the rest of those who prize peace and good will to men on earth.

I know of no people who are more responsive to good will and kindness than our neighbors to the south. They are pretty generally practitioners of the Golden Rule, and their country is enchanting and lovely. Its arts and crafts, ancient temples, snow-covered peaks, folkways, and beautiful songs emanating from the humblest huts combine to make it a beautiful and charming country. We can contribute much to it, and it can contribute much to us. I believe that a mutual exchange of what each has to give will make for a happy development on both sides of the border; and I believe we are making excellent progress in that direction.

Mr. KUCHEL. I agree with the Senator from Alaska; and I look forward to the further growth of that progress and to the time when the existing amity between the two countries will be even greater.

TRANSACTION OF ADDITIONAL ROUTINE BUSINESS

By unanimous consent, the following additional routine business was transacted:

ADDITIONAL REPORTS OF A COMMITTEE

The following additional reports of a committee were submitted:

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

H.R. 6494. An act to provide for withdrawal and reservation for the use of the Department of the Air Force of certain public lands of the United States at Nellis Air Force Range, Nev., for defense purposes (Rept. No. 972).

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

S. 1063. A bill to amend the act of April 22, 1960, entitled "An act to provide for the establishment of the Wilson's Creek Battlefield National Park, in the State of Missouri" (Rept. No. 970); and

H.R. 2470. An act to provide for the establishment of the Lincoln Boyhood National Memorial in the State of Indiana, and for other purposes (Rept. No. 971).

ADDITIONAL BILL AND JOINT RESOLUTION INTRODUCED

The following additional bill and joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred, as indicated:

By Mr. HOLLAND:

S. 2529. A bill to authorize the appropriation of adequate funds to provide for the completion of the construction of the Inter-American Highway; to the Committee on Public Works.

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

By Mr. McGEE:

S.J. Res. 136. Joint resolution to determine the susceptibility of minerals to electrometallurgical processes and other purposes; to the Committee on Interior and Insular Affairs.

(See the remarks of Mr. McGEE when he introduced the above joint resolution, which appear under a separate heading.)

CONCURRENT RESOLUTION—PREVENTION OF ACCIDENTS AND PROMOTION OF SAFETY ACTIVITIES

Mr. CAPEHART submitted the following concurrent resolution (S. Con. Res. 46); which was referred to the Committee on Commerce:

Whereas ninety thousand Americans are killed yearly in accidents; and

Whereas nine hundred thousand Americans are injured every year in accidents; and

Whereas the annual monetary costs of all accidents in the United States have been estimated at $13,000,000,000; and

Whereas the cost in human suffering and heartaches of such accidents is incalculable; and

Whereas it is the duty of all of the citizens of the United States to take the strongest measures possible and exert utmost efforts to help lessen this waste of our Nation's most valuable resource, its people: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress that (1) existing safety organizations and all interested citizens in each State should combine their efforts to establish therein, as a division of the National Safety Council, a State safety council whose main function would be to provide leadership and knowledge to intensify safety activities and programs in such State in all safety fields, and (2) each State safety council would reach its greatest effectiveness by the establishment, in each of the counties (or other comparable political subdivisions) of each State, of a local safety council whose main functions would be to develop and promote community support for governmental agencies charged with the promotion of public safety and to make safety a matter of concern in every home.

AUTHORIZATION FOR APPROPRIATION TO COMPLETE CONSTRUCTION OF INTER-AMERICAN HIGHWAY

Mr. HOLLAND. Mr. President, under authority granted me by the distinguished chairman of the Appropriations Committee, the Senator from Arizona [Mr. HAYDEN], I had the privilege between December 10 and 20 of last year of making a field trip over virtually the entire mileage of the Inter-American Highway below the Republic of Mexico.

Our party began our inspection trip in the vicinity of the Mexican-Guatemalan border and completed it at Panama City. I reported this field trip to the Senate in detail on February 9, together with certain comments on the highway and recommendations regarding the importance of completing the highway. At that time, I was advised by the Bureau of Public Roads that in its judgment approximately $28 million was needed to complete our commitments on that part of the highway lying below the Mexican border. I had hoped that a specific administration proposal for the needed authorizations and appropriations would have reached Congress and been enacted into law prior to this time, since I regarded the completion of this highway as the most important commitment we have to our Latin American friends. However, apparently it has not been possible to formulate specific recommendations, particularly in view of the many crucial decisions which have pressed upon the leaders of the executive branch during the earlier portions of this year.

Mr. President, today I am introducing a bill to authorize an additional $28 million as our contribution to complete this highway in the friendly republics of Guatemala, El Salvador, Honduras, Nicaragua, Costa Rica, and Panama and in belated recognition of the fact that the friendly Republic of Mexico has completed, through her own resources, construction of the entire mileage of the Inter-American Highway lying within her borders. In doing so, it is my hope that my proposal will be a means of bringing forth for the consideration of Congress in January specific recommendations of the Bureau of Public Roads and of the Bureau of the Budget. It is further my hope that by means of this proposal Congress may have the benefit of the planning of the various executive branches and agencies when this matter is considered next year.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 2529) to authorize the appropriation of adequate funds to provide for the completion of the construction of the Inter-American Highway, introduced by Mr. HOLLAND, was received, read twice by its title, and referred to the Committee on Foreign Relations.

STUDY OF MINERALS IN ROCKY MOUNTAIN AREA

Mr. McGEE. Mr. President, I introduce, for appropriate reference, a joint resolution which I believe can make a significant contribution to the development of our water and mineral resources which is a prime concern to those of us in the Rocky Mountain area.

The PRESIDING OFFICER. The joint resolution will be received and appropriately referred.

The joint resolution (S.J. Res. 136) to determine the susceptibility of minerals to electrometallurgical processes and other purposes, introduced by Mr. McGEE, was received, read twice by its title, and referred to the Committee on Interior and Insular Affairs.

Mr. McGEE. Mr. President, it is a Senate joint resolution which calls on the Secretary of Interior to undertake,

in cooperation with appropriate departments and agencies in the Federal Government and with the individual States and private industry, a comprehensive study of the minerals in the Rocky Mountain area. The study would determine the susceptibility of those minerals to electrometallurgical processes, the potential economic impact upon the economy of the Rocky Mountain area and the Nation of the development through electrometallurgical processing of these minerals to economic utility and marketability, the relation of such mineral development to the development of potential hydro and thermal power supplies and requirements in the Rocky Mountain area and to the energy requirements of the entire Nation and the relationship of this mineral development to the security needs of the United States. Under the resolution, the Secretary would report the results of this study to the President and the Congress within 12 months after approval of this resolution.

Also, Mr. President, I ask unanimous consent to have printed at this point a letter from the junior Senator from Utah [Mr. MOSS], the junior Senator from Montana [Mr. METCALF], the junior Senator from California [Mr. ENGLE], and me to the chairman of the Senate Interior and Insular Affairs Committee [Mr. ANDERSON], written on August 31, urging the committee to give special attention during the approaching recess of Congress to speeding up research work on the reduction of evaporation of water from reservoirs.

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

U.S. SENATE,
COMMITTEE ON INTERIOR
AND INSULAR AFFAIRS,
August 31, 1961.

Hon. CLINTON P. ANDERSON,
U.S. Senate,
Washington, D.C.

DEAR MR. CHAIRMAN: Extensive drought in the Western States this year has underscored the need for acceleration of research in water conservation as recommended by the Select Committee on Water Resources in its January 30, 1961, report.

We are particularly interested in seeing the research work on control of evaporation from reservoirs and other water impoundments speeded up to the fullest extent that can soundly be done. This work gives promise of greatly increasing useful water supplies from existing facilities at comparatively small costs and without requiring large investments or long waits through construction periods.

Inasmuch as agencies in the Department of the Interior are conducting research on evaporation control, directly and through contracts with universities and colleges, this is written to urge that the Committee on Interior and Insular Affairs undertake, during the coming recess of Congress, such studies and hearings as are advisable to determine the current status of these research programs, and to guide us in the 1962 session on a program to assure all-out effort in this field.

If increase in facilities, personnel, or authorities will speed this promising work it should be provided as early as possible.

The initiative you have taken during the past few months to implement the recommendations of the Committee on Water Resources has been a great service to the West and the Nation. We hope it will be as possible to give some special attention to evaporation control and the conservation and more efficient use of available water supplies.

Sincerely yours,

FRANK E. MOSS.
LEE METCALF.
GALE W. MCGEE.
CLAIR ENGLE.

Mr. MCGEE. Mr. President, this measure is being introduced because of my growing concern for a greater sense of urgency in the development of our God-given resources. Almost 3 years ago I made my first address to this body, which was my "maiden" speech, as the first speech of freshmen Senators is called. At that time my remarks centered on the relationship between the building of a more productive economy for the United States and our ability to meet the obligations of the cold war by an aggressive development program for our natural resources. It was with a great deal of pleasure that same year that we saw the passage of Senate Resolution 48 creating the Senate Select Committee on National Water Resources, and it was particularly gratifying to me since I firmly believe if any one resource can be described as basic to the development of all others, that resource is water. This fact became even more clear to me as a member of that newly created Water Committee when, for more than 2 years, we held hearings, gathered the results of expert studies by various departments and agencies, and heard hundreds of witnesses all across the country.

The impact of that report, Mr. President, was sobering and challenging. It revealed that in the next 20 years this Nation, on both a public and private basis, is going to have to spend more than $200 billion on the development of water resources alone. This task, Mr. President, is not only one that might be done; it not only could be done; it not only should be done—it is one that must be done. In view of this staggering challenge, those of us who served on the Water Committee were greatly heartened that the theme of natural resource development formed such a significant part of President Kennedy's campaign appeal; and we were also pleased with the President's stirring words to the Congress on the subject of resource development. We had hoped that the completion of our report, when coupled with the administration's viewpoint, would make two significant impacts—first, an absolutely indispensible, popular understanding of the magnitude, the urgency, and the importance of the need to develop our water resources; and second, the catalytic effect which would result in a series of specific legislative recommendations by Members of Congress.

However, since the day of the committee report, our legislative record has not reflected the urgency which I, at least, had hoped. Excluding bills which duplicate each other, as well as bills which are so similar as for all practical purposes to duplicate each other, a total of 102 bills has been introduced in this Congress on the subject of water development. Yet, after 8 months have elapsed, only four of these bills have even been reported from committee. This is not, of course, a reflection on the record of any Senator nor of any committee, but is pointed out only to suggest that this record can hardly be claimed as an adequate response to our Nation's needs.

Another discouraging aspect of our overall attack, or lack of it, in the water resources field is the current program of the Bureau of Reclamation. The Bureau has reported that between now and the end of the century its program, involving the construction of 75 percent of Federal projects and 90 percent of the non-Federal projects included in the list of 1,085 reclamation projects furnished to the committee, could provide food and fiber for 25 million more people; would enable us to build a quarter of a million full-time family size farm units; would add 40,000 new local retail enterprises to our economy; and would add nearly a billion dollars to the Federal Treasury each year. However, when I asked the Bureau what definite plan it had to build its share of the total of the $18 billion worth of the water storage needed by the year 2000, the Bureau's reply was that their rate of progress was "on the minimum side," that their general investigations program would have to be doubled at least, and that it would not be physically possible to complete a list of projects already authorized within the next 6 years.

Equally disheartening was the Bureau's information that the predicted need of 440 million acre-feet of additional water storage by the year 2000 cannot be met at the present rate of development. They now have 26 reservoirs under construction which would increase our storage capacity by 41 million acre-feet, and they say there are 150 additional projects which, if completed within the next 6 years, would add another 22 million acre-feet to our total storage capacity. Between the years 1967 and 2000, however, they could add only an additional 50 million acre-feet even at twice the present rate of Federal reclamation development.

These figures are not cited here today to embarrass the Bureau of Reclamation or the Interior Department. They are given as an example of the type of metamorphosis that can set in if we allow ourselves to become sidetracked or if we do not become sufficiently aroused to tackle the job that must be done. It is abundantly clear to me, Mr. President, that without public disposition to accept or even demand greater activity and increased expenditures in the field of water development there can be but little hope for major strides forward.

Mr. President, we cannot hope to maintain our position of world leadership by overcautious programs and compromise measures which do little to add to the real strength of our Nation's economy. Ours is not a nation of unending resource abundance, whose resources need only minimal development by man to supply his needs. It is true that we have the resources, but they must be developed. The economy of this country does not, without adequate resource development that in turn abets

national economic growth, contain within itself sufficient strength to win the world contest in which we are now engaged.

I believe it is highly significant that Nikita Khrushchev in his latest Communist Manifesto—the draft of the program of the Soviet Communist Party to be presented in October—says that "priority will be given to developing easily exploitable resources that provide the greatest economic effect."

He continued his statement:

The industry in the areas to the east of the Urals, where there are immense natural riches, raw materials, and power resources, will expand greatly.

The following must be achieved within the next 20 years; in Siberia and Kazakhstan—the creation of new large power bases using deposits of cheap coal or the water power resources of the Angara and Yenisei Rivers, the organization of big centers of power-consuming industries and the completion in Siberia of the country's third metallurgical base, the development of new rich ore and coal deposits, etc.

These words should serve as a sufficiently grim and ominous warning to convince anyone that, whether we develop our own resources or not, the Soviet Union surely intends to develop its resources. What Russia is going to do is what we have been waiting to do. Are we, Mr. President, some day in the future going to look back and say that we can recall the time when, if we had had the vision and the courage to begin aggressive development of our natural resources, we would still be able to maintain our pace with the Soviet Union and we would still enjoy the position of world leadership which we have lost to them? Obviously none of us looks forward to such a bleak prospect. But I submit, Mr. President, that time is running out.

New dams, new industrial plants, new power facilities do not come into being overnight. Indeed, were we to launch a massive resource development program this very instant, it would be many years in the future before it would be brought to fruition. Thanks to such studies as that conducted by the Select Water Committee, as well as hundreds of other studies and reports by various Government and private agencies and industries, the guidelines to achieving the task ahead are well defined and numerous.

We have but to merely follow them—to act decisively—to wake ourselves from the lethargy which has so destructively hindered our national effort.

It is what we do, or fail to do, in the field of resource development that will determine whether we achieve the goals that we, as a Nation, have set for ourselves. Only an economy that has been stimulated to the extent that a rate of economic growth of at least 4½ or 5 percent is achieved and maintained; only an economy that is stimulated to an extent that just, sensible, and nonconfiscatory tax rates will yield drastically increased public revenues; only an economy that has been stimulated by a resource development to the extent that stubborn, chronic, and large-scale unemployment is wiped out—only such an economy can afford to do the things that this Nation must do in the areas of national defense, foreign aid, education, and other domestic programs in the next four decades. The concept that must be thoroughly understood by the American people is that this program must take place and become effective before these other goals can be achieved—not at some time in the future when it becomes fiscally possible by conservative standards to do the job—it must take place now.

AID TO FEDERALLY IMPACTED SCHOOLS—AMENDMENTS

Mr. MONRONEY (for himself, Mr. KERR, Mr. FULBRIGHT, Mr. SMATHERS, Mr. HOLLAND, Mr. CASE of South Dakota, and Mr. COTTON) submitted amendments, intended to be proposed by them, jointly, to the bill (S. 2393) to extend for 1 year the temporary provisions of Public Laws 815 and 874 relating to Federal assistance in the construction and operation of schools in federally impacted areas and to provide for the application of such laws to American Samoa, which were ordered to lie on the table and to be printed.

PROPOSED STUDY RELATING TO DEVELOPMENT OF PUMPED STORAGE—ADDITIONAL COSPONSOR OF BILL

Mr. McGEE. Mr. President, a few days ago, the junior Senator from New Mexico [Mr. ANDERSON], and the senior Senator from Oklahoma [Mr. KERR] introduced Senate bill 2460.

S. 2460 calls on the Secretary of the Interior to conduct a study of the need or desirability of developing pumped storage in connection with Federal reservoir projects.

Mr. President, I compliment the Senator from New Mexico and the Senator from Oklahoma for introducing this proposed legislation, for I believe it can have a very beneficial effect in approaching a solution to the staggering resource development challenge we face in the future. I ask unanimous consent, Mr. President, that my name be added as a cosponsor of S. 2460.

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

ENROLLED BILLS AND JOINT RESOLUTION PRESENTED

The Secretary of the Senate reported that on today, September 11, 1961, he presented to the President of the United States the following enrolled bills and joint resolution:

S. 48. An act to authorize the Secretary of the Army to modify certain leases entered into for the provision of recreation facilities in reservoir areas;

S. 203. An act to declare that the United States holds trust for the pueblo of Santa Ana, Zia, Jemez, San Felipe, Santo Domingo, Cochiti, Isleta, and San Ildefonso certain public lands;

S. 322. An act to make certain funds available to the Nez Perce Tribe of Idaho;

S. 344. An act to amend the Seneca Leasing Act of August 14, 1950 (64 Stat. 442);

S. 541. An act to amend the act of June 1, 1948 (62 Stat. 281), to empower the Administrator of General Services to appoint nonuniformed special policemen;

S. 685. An act to amend the Coast and Geodetic Survey Commissioned Officers Act of 1948, as amended, and for other purposes;

S. 931. An act to repeal that part of the act of March 2, 1889, which requires that grantors furnish, free of all expenses to the Government, all requisite abstracts, official certifications, and evidence of title;

S. 935. An act for the relief of certain members of the Army National Guard of the United States and the Air National Guard of the United States;

S. 1368. An act to amend the Shipping Act of 1916, to provide for licensing independent ocean freight forwarders, and for other purposes;

S. 1501. An act to authorize the Secretary of the Interior to contract for the sale, operation, maintenance, repair, or relocation of Government-owned electric and telephone lines and other utility facilities used for the administration of the Bureau of Indian Affairs;

S. 1518. An act providing for the disposition of judgment funds of the Omaha Tribe of Indians;

S. 2016. An act to give to the Walker River Paiute Tribe the reserved minerals underlying its reservation;

S. 2216. An act to authorize the transfer of three units of the Fort Belknap Indian irrigation project to the landowners within the project;

S. 2224. An act to grant minerals, including oil, gas, and other natural deposits, on certain lands in the Northern Cheyenne Indian Reservation, Mont., to certain Indians, and for other purposes;

S. 2395. An act to amend the Railroad Retirement Act of 1937 to provide reduced annuities to male employees who have attained the age of 62, and for other purposes;

S. 2422. An act concerning the White House and providing for the care and preservation of its historic and artistic contents; and

S. J. Res. 98. Joint resolution to provide for the observance of the centennial of the enactment of the Homestead Act.

ADJOURNMENT UNTIL 9 A.M. TOMORROW

Mr. McNAMARA. Mr. President, in accordance with the order previously entered, I move that the Senate now adjourn until tomorrow, at 9 a.m.

The motion was agreed to; and (at 8 o'clock and 6 minutes p.m.) the Senate adjourned, under the order previously entered, until tomorrow, Tuesday, September 12, 1961, at 9 o'clock a.m.

NOMINATIONS

Executive nominations received by the Senate September 11, 1961:

INTERNATIONAL ATOMIC ENERGY AGENCY

Glenn T. Seaborg, of California, to be the Representative of the United States of America to the fifth session of the General Conference of the International Atomic Energy Agency.

The following-named persons to be Alternate Representatives of the United States of America to the fifth session of the General Conference of the International Atomic Energy Agency:

Henry DeFolf Smyth, of New Jersey.

William I. Cargo, of Maryland.
John S. Graham, of North Carolina.
Leland J. Haworth, of New York.

CONFIRMATIONS

Executive nominations confirmed by the Senate September 11, 1961:

CALIFORNIA DEBRIS COMMISSION

Col. Arthur H. Frye, Jr., Corps of Engineers, to be president and senior member of the California Debris Commission, under the provisions of section 1 of the act of Congress approved March 1, 1893 (27 Stat. 507; 33 U.S.C. 661).

PUBLIC HEALTH SERVICE

The following candidates for personnel action in the Regular Corps of the Public Health Service, subject to qualifications therefor as provided by law and regulations:

Harold C. Woodworth to be senior surgeon.

Winsor V. Morrison to be senior assistant surgeon.

Morris L. Shoss to be senior sanitary engineer.

James H. Eagen to be assistant sanitary engineer.

Gerald R. Stowe to be assistant pharmacist.

Trygve O. Berge to be scientist director.

U.S. Grant III to be senior veterinary officer.

Mildred Kaufman to be dietitian.

Lamont B. Smith to be senior assistant therapist.

EXTENSIONS OF REMARKS

Farm Legislation in the 87th Congress, 1st Session

EXTENSION OF REMARKS

OF

HON. HAROLD D. COOLEY

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 11, 1961

Mr. COOLEY. Mr. Speaker, the 1st session of the 87th Congress is drawing to a close, and it is my duty, as chairman of the House Committee on Agriculture, to review for the Members of the House the work of this Congress, thus far, in behalf of agriculture.

This report is a matter of great pride for me, and I am sure the majority of the Members of this body feel the same deep satisfaction in what is accomplished.

This 87th Congress, which convened in January, already has done more to change and improve the fortunes of the farm families of America than perhaps any Congress since the enactment of the basic agricultural laws that were designed to lift agriculture out of the great depression.

We have moved effectively to ease the cost-price squeeze that for almost a decade has strangled the farm economy. We have reversed the long downward trend in farm income. The effects of our work already are evident. During the month ended August 15, the index of prices received by farmers rose nearly 2 percent. The mid-August index was 3 percent above a year earlier.

This is being achieved because we have an administration and the Congress working together, with common objectives.

When this Congress convened in January, the time was nearing when farmers would plant their crops. A new administration was coming into power. Time was of the essence, if we were to come to grips in 1961 with the deepening depression that had settled upon the farmlands of our Nation. The situation demanded courageous and swift action.

The most pressing problem of agriculture confronting us was the great and burdensome surplus of wheat and feed grains, and the prospect that crops to be planted this year would build this surplus to more costly and staggering proportions.

The new administration, after Orville Freeman had been named the Secretary of Agriculture, and after he had consulted with farm legislators in the Congress, came forward with a proposal that offered the one great promise of injecting stability in a large area of agriculture in 1961. This was the feed grains bill.

This bill proposed to establish a one-year emergency program to reduce the production of feed grains in 1961, and thereby to alleviate the conditions of oversupply and low prices then seriously depressing a major segment of the Nation's agriculture and placing on taxpayers the burden of holding nearly $4 billion of these grains.

Our Committee on Agriculture called this legislation up for consideration against a background of almost a decade of national controversy and bickering on farm policy, during which time the farm economy had gradually deteriorated. The basic issue in this background was between those who would remove restraints upon an already exploding production and those who contended that the only way for agriculture to achieve a fair price structure is to adjust production to the needs of the markets. Our Committee on Agriculture, with remarkable speed, resolved the issue in a determination to make the law of supply and demand work for the farmer, and not against him. We reported the legislation to provide incentives for farmers to reduce their production of feed grains. The Congress promptly passed the bill, and it was signed into law by the President.

Farmers responded magnificiently. They cooperated in the new program far beyond expectations. Consequently, feed grains production has been brought into reasonable bounds in 1961, to the great benefit of farmers and taxpayers as well.

Mr. Speaker, the program is expected to add around $750 million, in 1961, as compared with 1960, to the income of corn, grain sorghum, oats, barley and soybean producers.

This 1961 feed grain program has worked, as follows:

First. Payment in cash or in kind for retiring 20 percent of corn and grain sorghum acreage—or up to 20 acres, whichever is greater on individual farms. Eligibility for price support for corn and grain sorghum to be contingent upon participation in this diversion of 20 percent of acreage or 20 acres.

Second. Payment in kind for retiring an additional 20 percent of corn and grain sorghum acreage. However, this additional acreage diversion would not be required as a condition for price support eligibility.

Third. An increase in the price support level for corn from $1.06 to $1.20 a bushel, and increases in the supports for grain sorghums and other feed grains. Also, an increase in the support level of soybeans, intended to divert at least 2 million acres from corn and grain sorghums.

Mr. Speaker, the Committee on Agriculture, with the feed grains program underway early in the spring, turned forthwith to work upon general farm legislation, to be effective with the 1962 crops.

I want to commend the members of our committee and the Members of the House, regardless of political party affiliations, who worked so long, so hard, and with such dedication, to reverse the long, desperate, downward trend in farm prices which had depressed the farm economy and impoverished large areas of agriculture. I am especially encouraged at the substantial support many Members representing city constituencies gave to this effort to stabilize the farm economy.

Agriculture is by far the Nation's largest industry. Farming employs more persons than the steel industry, automobile industry, transportation industry, and public utilities combined. This 87th Congress has demonstrated a sound awareness that what happens in agriculture bears directly not only upon farmers but ultimately upon consumers, taxpayers, and the economy as a whole.

Mr. Speaker, notwithstanding the great range of clashing views abroad in this country on the direction farm policy should take, this Congress proceeded with the job that had to be done. We passed, and the President has signed, the Agricultural Act of 1961. I think it is the most important piece of legislation, in the interest of farmers, to be enacted in a decade.

Following are the major provisions of the Agricultural Act of 1961:

DECLARATION OF POLICY

The act makes a broad declaration in behalf of policies in order more fully and effectively to improve, maintain, and protect the prices and incomes of farmers, to enlarge rural purchasing power, to achieve a better balance between supplies of agricultural commodities and the requirements of consumers therefor, to preserve and strengthen the structure of agriculture, and

to revitalize and stabilize the overall economy at reasonable costs to the Government. It specifically declares it to be the policy of the Congress to "recognize the importance of the family farm as an efficient unit of production and as an economic base for towns and cities in rural areas and encourage, promote, and strengthen this form of farm enterprise."

TITLE I—SUPPLY AND PRICE STABILIZATION

Consultation on agricultural programs

Provides authority for consultation and advising with farmers and farm and commodity organizations in developing agricultural programs.

The 1962 wheat program

1. A mandatory reduction of 10 percent in wheat acreage and incentives for producers to reduce their acreage voluntarily another 30 percent to a maximum 40-percent acreage curtailment on individual farms. A producer could retire up to 40 percent of his allotment or 10 acres, whichever is greater, and receive payment for such diversion.

2. An exemption from marketing quotas limited to 13.5 acres per farm or the highest acreage planted for harvest in 1959, 1960, or 1961. The present exemption is 15 acres.

3. Price support limited to producers who do not exceed their reduced 1962 acreage allotment and who divert an acreage at least equal to 10 percent of their previous acreage allotment to conservation uses, with payments in cash or in kind on up to 45 percent of normal production for such diversion.

Secretary Freeman has set the 1962 wheat support at a national average of $2 a bushel. This is 83½ percent of parity. The support this year is $1.79 or 75 percent of parity.

4. Payments in cash or in kind up to 60 percent on normal production on wheat acres voluntarily removed from production above the mandatory 10-percent diversion.

5. Authority for producers to plant castor beans, guar, sunflower, safflower, or sesame, if designated by the Secretary, subject to the conditions that no payment shall be made with respect to diverted acreage devoted to any such commodity.

6. Increases the marketing penalty from 45 to 65 percent of parity price and establishes stricter computation of amount subject to penalty, in cases of noncompliance with allotments.

7. Provides that where producers can prove their 1959 and 1960 acreages and yields, these figures shall be accepted.

8. Authority for 3 years, beginning with 1962, for the Secretary to increase Durum wheat acreage allotments if the supply warrants. No export subsidies on Durum if acreage is increased.

The 1962 feed grains program

1. A voluntary retirement of acreage previously devoted to corn, grain sorghum, and barley. The 1962 program would add barley to the grain program in operation for corn and grain sorghum in 1961. A special exemption is provided for producers of malting barley.

2. Payments to producers on retired acreage up to 50 percent of the normal value of production on these acres, at the current support rate, for the first 20 percent of the corn, grain sorghum, and barley acres retired to a conservation use, and payment up to 60 percent of the normal value of production on land retired above 20 percent of the previous acreage in these crops. Any producer may place a minimum of 20 acres of cropland in conservation use and receive payments.

3. A price support level determined at the discretion of the Secretary of Agriculture, but not less than 65 percent of parity. Under similar provision in the 1961 program the Secretary set the support of corn at $1.20 a bushel, or 74 percent of parity, and grain sorghum at $1.93 a hundredweight, or 78 percent of parity. The corn support in 1960 was $1.06 and grain sorghum $1.52.

4. As a condition of eligibility for price support a producer of corn, grain sorghum or barley (except as provided for malting barley) must participate in the acreage reduction program for these crops in 1962, to the extent prescribed by the Secretary. To be in compliance with the program, a producer of corn or grain must not increase his acreage of barley and a producer of barley must not increase his acreage of corn or grain sorghum.

Marketing orders

1. Adds to the Agricultural Marketing Agreement Act of 1937, peanuts by areas of production, turkeys and turkey hatching eggs, cherries and cranberries for canning or freezing; and also adds apples, both fresh and for canning and freezing (and products except canned or frozen products are covered) in Michigan, New York, New England, Maryland, New Jersey, Indiana, and California. The provision relating to peanuts requires that if any orders are developed for peanuts, each of such orders shall be limited to peanuts produced in one of the areas named in the bill. Tobacco would remain in the list of commodities where producers, if they wish, could develop marketing orders. Soybeans are deleted from this list.

2. Requires processors representing over 50 percent of the volume of cranberries, cherries, and apples for canning or freezing to approve any marketing order, as well as producers, before it can become effective.

3. Also includes provisions: (a) amending the above-parity provision of the act to prevent termination of orders prior to the end of the marketing season; (b) changing the civil penalty provision to aid enforcement by reducing the penalty and dropping "willful"; (c) permitting orders for groups or portions of commodities; (d) requiring referendums for initial orders and that the ballot describe the order; and (e) providing for processor referendums in cases where processor approval is required.

4. Adds to the commodities subject to import regulation under section 8e, when marketing orders are in effect on the same commodities in the United States, oranges, onions, walnuts, and dates except dates for processing.

Wool

Extends the National Wool Act for 4 years to March 31, 1966.

TITLE II—EXTENSION AND AMENDMENT OF PUBLIC LAW 480—AGRICULTURE TRADE DEVELOPMENT AND ASSISTANCE ACT

1. Amends title I (sales of commodities for foreign currencies) of Public Law 480 to (a) extend title for 3 years; (b) establish a limitation of $4.5 billion on disposal of surpluses under title I agreements for a 3-year period and an annual limit of $2.5 billion; (c) authorize the use of foreign currencies for dollar sales to American tourists; (d) improve the agricultural market development activities in foreign nations by setting aside 5 percent of the foreign currencies acquired each year to this purpose and by requiring that not less than 2 percent of the foreign currency sales proceeds be convertible into the currencies of other foreign nations as the Secretary of Agriculture deems necessary to improve overall U.S. market development activities.

2. Amends title II (food donations to relieve distress among friendly peoples) to (a) extend title II for 3 years through December 31, 1964; (b) extend authority for economic development for 3 years through December 31, 1964; (c) continue present authorization of $300 million per year, plus carryover; (d) make annual limitation applicable to amount programed rather than amount spent.

TITLE III—AGRICULTURAL CREDIT

1. Real estate loans:

(a) To persons who are or will become owner-operators of not larger than family farms.

(b) Available to all farm owners and tenants for soil and water conservation measures.

(c) May be made to certain nonprofit associations for soil and water conservation, drainage, and flood control, with an insured loan limit of $1 million and a direct loan limit of $500,000.

(d) Sets the limit on loans to individuals for land acquisition at $60,000.

(e) Both insured and direct loans may be made up to 100 percent of normal value of the farm.

(f) Provides interest rate of not to exceed 5 percent plus fees. Out of 5 percent paid by insured loan borrowers, one-half of 1 percent to go to insurance fund and one-half of 1 percent now used for administrative expenses could go to the lender as additional interest.

(g) In determining eligibility for real estate loans the Secretary must consider prevailing private and cooperative interest rates in the community and must determine that the applicant is a U.S. citizen, has farm background and either training or experience, and is or will become a family farm owner-operator.

2. Operating loans:

(a) Increases loan limit from $20,000 to $35,000, and limits term of loan to 7 years. Not more than 25 percent of the annual appropriation can be used to create borrower indebtedness in excess of $15,000.

(b) Authorizes participation loans up to 80 percent with private lenders.

(c) Provides interest rate of not to exceed 5 percent.

(d) Authorizes loans to soil conservation districts which are unable to obtain necessary credit elsewhere on reasonable terms and conditions, to purchase farm equipment customarily used for soil conservation purposes. Single loans are limited to $35,000 outstanding indebtedness and total loans cannot exceed $500,000 in any 1 year.

(e) In determining eligibility for operating loans the Secretary must consider prevailing interest rates in the local community and must determine that the applicant is a U.S. citizen, has farm background and either training or experience and is or will become a family farm owner-operator.

3. Emergency loans:

(a) Authorized in areas suffering from natural disaster conditions.

(b) Provides interest rate of not to exceed 3 percent under terms applicable to regular real estate or operating loans.

(c) In determining eligibility for emergency loans the Secretary must consider any established farmer or rancher or citizen of the United States or a private domestic corporation or partnership engaged primarily in farming or ranching in designated areas with experience and resources sufficient for probable successful operation, and persons or corporations outside designated areas who have suffered severe production losses not general to the area.

TITLE IV—GENERAL

1. Extension of Great Plains conservation program to December 31, 1971.

2. Extension of the school milk program for 5 years through June 30, 1967, with the House provision requiring annual appropriations.

3. Extension of the veterans and Armed Forces dairy programs for 3 years through December 31, 1964.

Mr. Speaker, the Agricultural Act of 1961 and the earlier special feed grains bill are the major enactments of the

87th Congress thus far, in behalf of agriculture. But along with this work we have developed and enacted other important legislation relating to the well-being of agriculture, thus contributing to the strength of the general economy.

Of particular importance was the bill to extend and amend the Sugar Act.

In July 1960, Congress enacted Public Law 86-592, which, first, extended the Sugar Act for 3 months—from December 31, 1960, to March 31, 1961—second, authorized the President to set the Cuban sugar quota for the balance of the calendar year 1960 and for the first 3 months of 1961 at any level not in excess of the Cuban quota under the basic quota system of the Sugar Act, and, third, directed the manner in which replacement supplies of sugar were to be obtained upon reduction of the Cuban quota.

Under this authority the Cuban quota has been cut to zero.

The sugar bill we enacted this year extended the Sugar Act from March 31, 1961, to June 30, 1962. It did not change the basic provisions of the act, although the legislation embraced two amendments to the emergency authority: First, to relieve the President of the obligation to purchase any part of the sugar formerly supplied by Cuba from any country with which the United States does not maintain diplomatic relations; and second, to require that in above-quota foreign purchases consideration should be given to countries of the Western Hemisphere and to those countries purchasing U.S. agricultural commodities.

The necessity of passing the bill before the Sugar Act expired on March 31 this year, and the complicated nature of the Sugar Act, which finds all of its provisions interrelated and dependent upon each other, made it impossible for the committee to take action on several propositions which would have made substantial changes in the basic act.

It was the committee's intention, upon completing work on the Agricultural Act of 1961, to return to sugar problems and hold the necessary hearings and conduct the essential studies to enact long-term sugar legislation, dealing with quota adjustments for foreign supplies and with the desire for expansion of domestic sugar production in old and new areas. We were awaiting recommendations from the Department of Agriculture, which administers the sugar program.

On August 3, I received a letter from Secretary Freeman advising that for several reasons it appeared inadvisable for the Department to present recommendations for amending and extending the Sugar Act before the beginning of the next session of Congress. He said "world production and marketing of sugar are undergong realinement and the situation has not yet stabilized," and this fact, coupled with other uncertainties in the international fields "lead us to believe it wise to reserve judgment for the present about some of the major issues respecting sugar import quotas." Moreover, the Secretary said "within the domestic sugar industry there are also important unresolved issues."

I subsequently announced that no further sugar legislation would be considered at this session but that such legislation will be given preferred treatment when the Congress returns in January. But, ever alert to the problems relating to sugar, internationally and among our own producers, our committee on September 7 adopted resolutions:

First. That the President be requested to instruct those in charge of administering the sugar program that it is the clear intent of Congress that in making any foreign purchases of sugar for the calendar year 1962 clear preference is to be given those countries which offer to buy a reasonable quantity of U.S. agricultural commodities in return for our purchase of their sugar.

Second. That it is the sense of the committee that in allocating the sugar tonnage necessary to supply the domestic growth factor, the Secretary of Agriculture should make allocations to new mills so that this new tonnage can support the development of the sugar industry in new areas in anticipation of passage of legislation revising the Sugar Act in 1962.

Third. That the committee would regard with extreme disfavor any action or statement by any representative of the United States at the Conference in Geneva, Switzerland, on the International Sugar Agreement, which would commit the United States or imply, either directly or indirectly, any commitment on the part of the United States to adopt any system of sugar importation other than fixed statutory quotas such as have heretofore operated so effectively under the Sugar Act of 1948 and previous laws.

Mr. Speaker, the three major farm enactments I have discussed are Public Law 87-5—the special feed grains program for 1961; Public Law 87-15—amend and extend the Sugar Act; and Public Law 87-128—the Agricultural Act of 1961.

Our committee has considered and reported to the House many other bills in this session dealing with specific matters relating to agriculture. A number have become public law, including:

Public Law 87-8—Farmers Home Administration loans (ceiling increase).

Public Law 87-10—extend time for application of 1959 amendment to Federal Nematocide, Fungicide and Rodenticide Act.

Public Law 87-28—amend title I of Public Law 480 (provides $2 billion additional authority during 1961).

Public Law 87-33—temporary release and reapportionment of pooled acreage allotments.

Public Law 87-37—cotton acreage allotments transfer from flooded areas.

Public Law 87-62—emergency hay harvesting on conservation reserve acreage in drought areas.

Public Law 87-67—special milk program for children, expanded and extended to June 30, 1962.

Public Law 87-104—wheat referendum time extension to August 26, 1961.

Public Law 87-106—emergency livestock loans extension.

Public Law 87-127—surplus grain sales in disaster areas.

As I make this report, several bills relating to agriculture are awaiting final action before we adjourn. Among these is the Mexican farm labor bill.

Mr. Speaker, in closing this report, let me emphasize again to my colleagues that the work we have done in this first session of the 87th Congress, particularly in the enactment of the Agricultural Act of 1961 and the special feed grains program for 1961, will restore stability to large areas of agriculture. It will reduce burdensome farm surpluses. It will save taxpayers almost $1 billion by diminishing expenditures on farm programs.

However, Mr. Speaker, we by no means have solved all of the problems of agriculture. Some commodities will not be helped by what we have done. They still will be in trouble when this session is adjourned.

In most of these commodities, effective action by the Congress must await the development of unity among producers on what kind of program they want.

The 2d session of the 87th Congress, which convenes next January, will write further general farm legislation. I am hopeful, and I am sure my colleagues here are hopeful, that leadership and unity among farmers themselves will develop in such a way that we may then be able to take another great stride to provide adequate rewards for the people of this country who have made us the best fed nation on the face of the earth.

Status of the Regular Appropriation Bills and Legislative Back-Door Appropriation Provisions, 87th Congress, 1st Session

EXTENSION OF REMARKS

OF

HON. CLARENCE CANNON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Monday, September 11, 1961

Mr. CANNON. Mr. Speaker, for the information of the House and the country, I include up-to-date tabulations on the status of the regular appropriation bills and identified legislative bills carrying back-door provisions of one kind or another.

With presentation of the two conference reports today and the public works bill scheduled in the House tomorrow, we are near the conclusion of the regular appropriations schedule of the session. The usual last supplemental bill of the session will be reported tomorrow and disposed of this week. As disclosed by the tabulation, the District and foreign assistance bills are in the Senate. The State, Justice, judiciary bill is in conference and will be forthcoming.

The appropriations business has been delayed inordinately this session by the unexplained lateness of the growing practice of processing authorization bills annually. The Committee on Appropriations has been marking time for several weeks on certain bills waiting for the authorizations to clear.

The tables follow.

Table of appropriation bills, 87th Cong., 1st sess., as of Sept. 11, 1961

[Does not include any back-door appropriation bills]

Title	Budget estimates to House	Amount as passed House	House action compared with budget estimates	Budget estimates to Senate	Amount as passed Senate	Senate action compared with— Budget estimates	Senate action compared with— House action	Final conference action	Increase or decrease compared to budget estimates to date
1961 SUPPLEMENTALS									
3d supplemental	$1,235,482,769	$803,506,119	−$431,976,650	$5,275,213,127	$4,637,419,970	−$637,793,157	+$3,833,913,851	$1,694,055,637	[1] −$3,581,157,490
Inter-American program	600,000,000	600,000,000		600,000,000	600,000,000			600,000,000	
4th supplemental	88,024,000	47,214,000	−40,810,000	88,024,000	47,214,000	−40,810,000		47,214,000	−40,810,000
Total, 1961 supplementals	1,923,506,769	1,450,720,119	−472,786,650	5,963,237,127	5,284,633,970	−678,603,157	+3,833,913,851	2,341,269,637	−3,621,967,490
1962 APPROPRIATIONS									
Treasury-Post Office	5,371,801,000	5,281,865,000	−89,936,000	5,371,801,000	5,327,631,000	−44,170,000	+45,766,000	5,298,765,000	−73,036,000
Interior [2]	782,387,000	753,319,000	−29,068,000	782,387,000	813,399,850	+31,012,850	+60,080,850	779,158,650	−3,228,350
Labor-HEW	4,282,148,081	4,327,457,000	+45,308,919	5,004,281,081	5,161,380,000	+157,098,919	+833,923,000	4,915,965,000	−88,316,081
Legislative	105,647,577	104,353,335	−1,294,242	136,082,802	135,432,065	−650,737	+31,078,730	135,432,065	−650,737
State, Justice, Judiciary	795,891,202	751,300,050	−44,591,152	795,891,202	762,038,550	−33,852,652	+10,738,500		
Agriculture	6,089,244,000	5,948,466,000	−140,778,000	6,089,244,000	5,967,457,500	−121,786,500	+18,991,500	5,967,494,500	−121,749,500
Loan authorizations	(612,000,000)	(629,900,000)	(+17,900,000)	(612,000,000)	(725,500,000)	(+113,500,000)	(+95,600,000)	(725,500,000)	(+113,500,000)
Independent offices	8,625,561,000	8,404,098,000	−221,463,000	9,174,561,000	9,098,769,500	−75,791,500	+694,671,500	8,966,285,000	−208,276,000
General Government-Commerce	666,278,000	626,958,000	−39,320,000	666,278,000	650,438,200	−15,839,800	+23,480,200	641,135,800	−25,142,200
Defense	42,942,345,000	42,711,105,000	−231,240,000	46,396,945,000	46,848,292,000	+451,347,000	+4,137,187,000	46,662,556,000	+265,611,000
District of Columbia	(292,438,188)	(268,122,400)	(−24,315,788)						
Loan authorization	(24,600,000)	(29,000,000)	(+4,400,000)						
Federal payment	39,753,000	32,753,000	−7,000,000						
Military construction	1,047,568,000	883,359,000	−164,209,000	1,047,568,000	1,020,146,750	−27,421,250	+136,787,750	[3] 947,878,750	−99,689,250
Foreign assistance	4,993,991,000	3,835,245,000	−1,158,746,000						
Public works	3,732,038,000								
Supplemental									
Total, 1962 appropriations	79,474,652,860	73,660,278,385	−2,082,336,475	75,465,039,085	75,784,985,415	+319,946,330	+5,992,705,030	74,314,670,765	−354,477,118
Total, all appropriations	81,398,159,629	75,110,998,504	2,555,123,125	81,428,276,212	81,069,619,385	−358,656,827	+9,826,618,881	76,655,940,402	−3,976,444,608
Total, loan authorizations	(636,600,000)	(658,900,000)	(+22,300,000)	(612,000,000)	(725,500,000)	(+113,500,000)	(+95,600,000)	(725,500,000)	(+113,500,000)

[1] Major reductions include 2 items submitted directly to Senate (S. Doc. 19): (1) $2,969,525,000 to restore funds of Commodity Credit Corporation. Entire estimate disallowed in conference; $1,951,915,000 resubmitted for 1962 in budget estimates for Agriculture (H. Doc. 155); (2) $490,000,000 for "Payment to the Federal extended compensation account." Reduction made by Senate. Resubmitted to Senate for 1962 in Labor-HEW bill (S. Doc. 30).

[2] Includes borrowing authority as follows: Budget estimate, $15,000,000; House reported and passed, $10,000,000; Senate reported and passed, $10,000,000.

[3] Pending final disposition in House, with $3,812,000 not settled (and not included in this figure).

NOTE.—Indefinite appropriations are included in this table.

New authority to obligate the Government carried in identified legislative bills—1st sess., 87th Cong. (public debt borrowing, contract authority, use of receipts, and authority to use existing authority)

[Please note that for some bills no amounts are shown; thus the grand totals understate the situation]

Bill and subject	Executive requests: Full basis	Executive requests: Basis comparable to enacted	Senate	House	Enacted	Enacted compared with executive requests: Full basis	Enacted compared with executive requests: Comparable basis
1. Veterans' direct loans, multiyear (H.R. 5723; Public Law 87-84) (public debt)	(1)	(1)	$1,050,000,000	$1,050,000,000	$1,050,000,000	+$1,050,000,000	+$1,050,000,000
2. Area redevelopment, multiyear (S. 1; Public Law 87-27) (public debt)	[2] ($300,000,000)	[2] ($300,000,000)	[3] 300,000,000	[2] (300,000,000)	[3] 300,000,000	+300,000,000	+300,000,000
3. Agricultural commodities, sales for foreign currencies, for calendar year 1961 (S. 1027; Public Law 87-28) (contract authority involving subsequent reimbursement of CCC)	[4] 2,000,000,000	2,000,000,000	2,000,000,000	2,000,000,000	2,000,000,000		
4. Special milk program for fiscal year 1962 (S. 146; Public Law 87-67) (contract authority involving subsequent reimbursement of CCC)	[5] 105,000,000	[5] 105,000,000	105,000,000	105,000,000	105,000,000		
5. Special feed grain program for 1961 (H.R. 4510; Public Law 87-5) (contract authority involving subsequent reimbursement of CCC)	(6)	(6)	(6)	(6)	(6)		
6. Housing Act of 1961, multiyear (S. 1922; Public Law 87-70) (public debt and contract authority):							
(a) FNMA, special assistance (public debt)	750,000,000	750,000,000	750,000,000	[7] 1,550,000,000	[7] 1,550,000,000	+800,000,000	+800,000,000
(b) College housing loans (public debt)	1,350,000,000	1,000,000,000	1,350,000,000	1,200,000,000	[8] 1,200,000,000	−150,000,000	+200,000,000
(c) Public facility loans (public debt)	50,000,000	50,000,000	50,000,000	500,000,000	450,000,000	+400,000,000	+400,000,000
(1) Mass transportation loans (public debt)			100,000,000		50,000,000	+50,000,000	+50,000,000
(d) Urban renewal grants (contract authority)	[9] 2,500,000,000	[9] 2,500,000,000	[9] 2,500,000,000	[9] 2,000,000,000	[9] 2,000,000,000	−500,000,000	−500,000,000
(e) Public housing (contract authority):							
(1) Annual contributions	[10] 3,146,000,000	[10] 3,146,000,000	[10] 3,146,000,000	[10] 3,146,000,000	[10] 3,146,000,000		
(2) Demonstration grants	[11] (10,000,000)	[11] (10,000,000)	[11] (10,000,000)		[11] 5,000,000	+5,000,000	+5,000,000
(f) Open space land grants (contract authority)	[12] (100,000,000)	[12] (100,000,000)		[12] (100,000,000)	[12] 50,000,000	+50,000,000	+50,000,000
(g) Mass transportation demonstration grants (contract authority)	[13] (10,000,000)	[13] (10,000,000)	[13] (50,000,000)		[13] (25,000,000)	(+15,000,000)	(+15,000,000)
(h) Farm housing loans (public debt)	[14] 207,000,000	[14] 207,000,000	[14] 207,000,000	[14] 407,000,000	[14] 407,000,000	+200,000,000	+200,000,000
Total, housing bill	8,003,000,000	7,653,000,000	[15] 8,103,000,000	8,803,000,000	8,858,000,000	+855,000,000	+1,205,000,000
Loans	(2,357,000,000)	(2,007,000,000)	(2,457,000,000)	(3,657,000,000)	(3,657,000,000)	(+1,300,000,000)	(+1,650,000,000)
Grants	(5,646,000,000)	(5,646,000,000)	(5,646,000,000)	(5,146,000,000)	(5,201,000,000)	(−445,000,000)	(−445,000,000)
7. Cape Cod National Seashore Park (S. 857; H.R. 5786; Public Law 87-126) (contract authority)	[16] (16,000,000)	[16] (16,000,000)	16,000,000	[16] (16,000,000)	[16] (16,000,000)		
8. Federal aid to airports, 5 years (H.R. 6580; S. 1703; H.R. 8102) (contract authority)	375,000,000	375,000,000	375,000,000	[16] (375,000,000)			

See footnotes at end of table.

New authority to obligate the Government carried in identified legislative bills—1st sess., 87th Cong. (public debt borrowing, contract authority, use of receipts, and authority to use existing authority)—Continued

[Please note that for some bills no amounts are shown; thus the grand totals understate the situation]

Bill and subject	Executive requests		Senate	House	Enacted	Enacted compared with executive requests—	
	Full basis	Basis comparable to enacted				Full basis	Comparable basis
9. Mutual security loans, 5 years (H.R. 8400; S. 1983; Public Law 87-195) (public debt borrowing, use of certain repayments, and contract authority):							
(a) Public debt borrowing for development loans	$7,300,000,000	$7,300,000,000	$7,987,000,000	(17)	[18]($7,200,000,000)	−$7,300,000,000	−$7,300,000,000
(b) Use of receipts from old loans for development loans	[19] 1,487,000,000	[19] 1,487,000,000				−1,487,000,000	−1,487,000,000
(c) Drawdown on Defense stocks and services for military assistance purposes (Defense can incur obligations in anticipation of reimbursement) (sec. 510)	400,000,000	400,000,000	200,000,000	$400,000,000	300,000,000	−100,000,000	−100,000,000
(d) Use for foreign currencies (House, sec. 611; Senate, sec. 612)	(20)	(20)	(20)	(20)	(20)		
Total, mutual security	9,187,000,000	9,187,000,000	8,187,000,000	400,000,000	300,000,000	−8,887,000,000	−8,887,000,000
10. Highway Act of 1961 (H.R. 6713; Public Law 87-61) (diversion of general fund revenues to "trust" fund; contract authority):							
(a) Diversion of ½ of 10 percent tax on trucks, buses, and trailers [21]			1,660,000,000	1,803,000,000	1,660,000,000	+1,660,000,000	+1,660,000,000
11. Agricultural Act of 1961 (H.R. 6400; H.R. 8230; S. 1983; Public Law 87-128):							
(a) 1962 wheat program (use of CCC funds involving subsequent reimbursement of CCC)			(6)	(6)	(6)		
(b) 1962 feed grain program (contract authority and use of CCC funds involving subsequent reimbursement of CCC)			(6)	(6)	(6)		
(c) Agricultural commodities, sales for foreign currencies (contract authority involving subsequent reimbursement of CCC)	[22] 7,500,000,000	[22] 4,500,000,000	[22] 4,500,000,000	[22] 4,500,000,000	[22] 4,500,000,000	−3,000,000,000	
(d) Famine relief (contract authority involving subsequent reimbursement of CCC)	[23] 1,500,000,000	[23] 900,000,000	[23] 900,000,000	[23] 900,000,000	[23] 900,000,000	−600,000,000	
Total, Agricultural Act	9,000,000,000	5,400,000,000	5,400,000,000	5,400,000,000	5,400,000,000	−3,600,000,000	
Grand total (as to amounts listed)	28,670,000,000	24,720,000,000	27,196,000,000	19,561,000,000			

[1] Department endorsed need for some legislation, but no specific request was submitted by the administration. Bill extends over 6 years.
[2] Recommended usual-type authorization of appropriation to 3 revolving funds plus use of receipts derived from operations. House concurred.
[3] For 3 revolving funds plus use of receipts derived from operations.
[4] For calendar year 1961 only (to a total of $3,500,000,000).
[5] Originally submitted as part of the general farm bill, to be financed in this manner for fiscal 1962 and thereafter through the more usual annual advance appropriation.
[6] Amounts not precisely determinable.
[7] Basis for this figure is set out on pp. 54-55, H. Rept. 447.
[8] For 4-year period; full executive request and Senate bill were for 5-year period.
[9] For 4-year period.
[10] Represents estimated maximum cost of annual contributions for 100,000 units of public housing to be paid out over period 40 to 45 years. See pp. 55-56, H. Rept. 447.
[11] Regular authorization for appropriation in Executive request and Senate bill. House bill made no provision. Bill changed at conference stage to contract authority.
[12] Regular authorization for appropriation. Senate bill made no provision. Bill changed at conference stage to contract authority.
[13] Part of, and included in, item 6(d), urban renewal grant authority.
[14] Executive request and Senate bill proposed a 5-year extension of availability of the uncommitted balance of previous authority otherwise due to expire on June 30, 1961. (Amount variously estimated at $207,000,000 to $235,000,000; actually turned out to be $227,612,000.) House bill and final version extend such balance and add $200,000,000 additional—limited, however, to a 4-year period. See pp. 57-58, H. Rept. 447.
[15] Excludes $1,200,000,000 carried in Senate bill for veterans direct loans inasmuch as the program is also accounted for in the first bill listed in tabulation.
[16] Regular authorization for appropriation.
[17] Usual form of appropriation authorization—$1,200,000,000 for fiscal 1962 only.
[18] Authorizes this amount to be appropriated over 5 years, 1962-66, but confers authority on the President to make agreements "committing" such appropriation authorizations, "subject only to the annual appropriation of such funds."
[19] Officially estimated at $287,000,000 for 1962 and $300,000,000 for each succeeding year.
[20] Precise amounts not identified.
[21] While technically this is not "New authority to obligate the Government," it has the same effect insofar as general budget totals and results are concerned in that it is, in final effect, the same as an expenditure from the general fund. Amounts shown taken from p. 12, S. Rept. 367. "New authority to obligate the Government" carried in the law, and requested, is $11,560,000,000 for the interstate program over the period through 1972; but it is against the highway "trust" fund, not the general fund. Not shown here are the executive proposals (1) to increase new obligating authority for the A-B-C program; (2) to shift financing of forest and public land highways from the general fund to the "trust" fund; and (3) to redivert aviation gas tax revenues from the "trust" fund to the general fund. They are not shown because action was postponed to a later time.
[22] Enacted and Senate bills for 3 calendar years, 1962-64. Full executive request was 5 years, 1962-66. House was for 3 years, 1962-64, with no limit, but in order to avoid gross distortion of totals and comparisons, $4,500,000,000 is arbitrarily inserted.
[23] Full executive request was for 5 calendar years, 1962-66. Senate, House, and enacted are for 3 calendar years, 1962-64.

Nine New Plants Financed by MIBA Will Be Completed and in Operation This Year

EXTENSION OF REMARKS

OF

HON. CLIFFORD G. McINTIRE

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Monday, September 11, 1961

Mr. McINTIRE. Mr. Speaker, the State of Maine is populated by an enterprising citizenry that assiduously adheres to a do-it-yourself philosophy.

In consonance with this theme of citizens and State independence, the Maine Industrial Building Authority Act of 1957 established a unique organization designed to promote industrial development in the State of Maine.

Under this act, an industrial authority was set up, such an authority being empowered to guarantee up to $20 million in loans extended by banks and other lending institutions to local nonprofit corporations located throughout the State.

This authority, in order to meet its obligations, was authorized to issue up to $20 million of its own bonds, and these bonds are fully supported by the full credit of the State of Maine.

Only nonprofit development corporations are entitled to borrow under this program, the maximum for any single loan being $1 million. Under the program's operation local development corporations rent building facilities to existing and new industries on a lease or lease-purchase basis. New structures are built only at such times as clients give adequate assurance of active interest.

The act provides that the local agencies must have a minimum of 10-percent equity in any undertaking; hence, participating banks could lend as much as 90 percent of the valuation. Furthermore, the act permits that such loans may be made for periods up to 25 years.

Mr. Chairman, I have a particular interest in the functions of this authority, for prior to 1958 the Federal Reserve Act prohibited national banks from making loans in excess of 66⅔ percent of valuation. This had the effect of preventing national banks in the State of

Maine from participating in full accord with the 90-percent-of-valuation loan provision of the Maine Industrial Building Authority Act.

Through legislation introduced by me and other interested Congressmen, this restriction was lifted through an amendment to the Small Business Act of 1958, which permitted 90-percent-of-valuation loans to be made by national banks in those instances where the bonds of a lending authority were supported by the full credit of a State. Through such an amendment the financial resources of national banks in Maine became sufficiently available to implement the provisions of the Maine Industrial Building Authority Act.

That this State-advanced effort is bearing fruit is borne out by the results, and in this respect I would like to insert into the RECORD an article from the August 31 issue of the Houlton Pioneer Times that gives some insight into the economic dynamics generated by this State-sponsored authority:

[From the Houlton Pioneer Times, Aug. 31, 1961]

NINE NEW PLANTS FINANCED BY MIBA WILL BE COMPLETED AND IN OPERATION THIS YEAR

(By Roderic C. O'Connor, manager, Maine Industrial Building Authority)

Nine new industrial plants, financed with the assistance of the Maine Industrial Building Authority, will be completed and start operations this year.

These plants will provide jobs for 1,300 employees and provide a total payroll of more than $4 million. The plants will have a total floor area of about 500,000 square feet.

Total cost of the nine plants is over $5 million; insured mortgage loans involve $4.25 million, with $3 million of such loans made by private Maine lending institutions.

The nine new plants, their location, cost, footage, and products are:

Tenant firm	Location	Project cost	Square footage	Product
Morningstar-Paisley, Inc	Houlton	$1,100,000	60,000	Potato starch modifications.
Hamilton & Sons, Inc	Auburn	33,000	5,000	Metal fabrications.
Northeast Gases, Inc	Saco	80,000	8,000	Industrial gases.
Potato Service, Inc	Presque Isle	1,250,000	120,000	Processed potatoes.
Hancock-Ellsworth Tanners, Inc	Hancock	800,000	70,000	Sheepskin leather.
R. & L. Manufacturing Co., Inc	Waterboro	160,000	23,000	Trophies.
Vahlsing, Inc., Maine	Easton	1,150,000	95,000	Processed potatoes.
Casco Printing Co	Portland	130,000	15,000	Job printing.
Lynn Innersole Co., Inc	Saco	65,000	98,000	Shoe innersoles.

Strengthening the Two-Party System

EXTENSION OF REMARKS

OF

HON. KEN HECHLER

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 11, 1961

Mr. HECHLER. Mr. Speaker, a strong two-party system is one of the bulwarks of our democracy. Believing as I do that we must all take advantage of any opportunity afforded to strengthen the two-party system, a few days ago I addressed the following letter to the Honorable Cecil H. Underwood, former Governor of the State of West Virginia:

SEPTEMBER 7, 1961.

Hon. CECIL H. UNDERWOOD,
Huntington, W. Va.

DEAR CECIL: I hope you will run against me for Congress in 1962.

It seems to me that in the interests of the two-party system the Republican Party should run its strongest candidate. As a former Governor of West Virginia and temporary chairman of the Republican National Convention in 1960, you are far and away the strongest possible candidate.

There are three reasons which may have kept you from wanting to run for Congress: (1) the responsibilities of your present position as a coal executive; (2) a dislike for the 2-year term; (3) a feeling that the three new counties added to the Fourth Congressional District make Republican success difficult.

Let me analyze each of these. (1) You have made a great contribution to the development of the coal industry in your present position. But no man should refuse a call to the higher duty of public office, where your talents would be available on a far broader scale in the interests of the State we love.

(2) A campaign every 2 years is admittedly difficult. Yet if you should win in 1962, this would be an excellent stepping stone for another statewide race in 1964 for a longer term as Governor or Senator. Meanwhile, by defeating me in 1962, you would not only win the congressional seat for the Republicans, but also make the task easier for the Republican Party in the 1964 congressional race—even if you decided in 1964 to leave Congress in order to run for the Senate or the governorship.

(3) Despite the new counties added, the Fourth Congressional District is still a swing district where the vote will be very close.

In case you are concerned by the Democratic registration majority, perhaps the following figures on your 1960 Senate race within the counties of the new Fourth Congressional District are very revealing:

1960 U.S. Senate race

County	Underwood majority	Randolph majority
Cabell	3,454	
Jackson	1,362	
Lincoln		825
Logan		7,921
Mason	978	
Pleasants	5	
Putnam		406
Ritchie	2,044	
Roane	889	
Tyler	2,001	
Wayne		2,018
Wirt	16	
Wood	3,327	

As you can see, you carried 9 out of the 13 counties in the new Fourth Congressional District. Your total vote in these 13 counties was 96,372 to 93,466 for Senator JENNINGS RANDOLPH—a majority of 2,906 against a superb campaigner and a peerless orator. If you could get close to a 3,000 majority over a powerful candidate like Senator RANDOLPH, you should not be afraid of me.

I think if you ran against me we would help to bring the issues forcefully to the attention of the voters, and thereby strengthen the forces of democracy. Such a campaign would stimulate greater interest in government by the people. Whatever the result, the people of West Virginia would gain through wider participation as we both worked constructively for the interests of our State.

You owe it to the Republican Party to make this fight. Even more, you owe it to the State of West Virginia. I hope you will decide to make the race.

Sincerely,

KEN HECHLER.

Take the Guesswork Out of Air Crashes

EXTENSION OF REMARKS

OF

HON. ROMAN C. PUCINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, September 11, 1961

Mr. PUCINSKI. Mr. Speaker, last week 78 persons were killed when a commercial airliner crashed just a few minutes after taking off from Chicago's Midway Airport. This was the worst plane crash in Chicago's history.

During this past weekend another airplane crashed shortly after taking off from Shannon, Ireland, killing another 80 people.

Two of Chicago's outstanding newspapers, the Chicago Sun-Times and the Chicago Tribune, have spoken out in support of legislation which I have introduced which would require all commercial airliners to carry a recording device in a shock-proof, heat-proof container installed in the cabin of the aircraft with an open microphone constantly recording all conversations in the cockpit of the aircraft.

I introduced this legislation more than 2 years ago with the sincere hope that we would be able to eliminate a good part of the agonizing speculation which follows every major air disaster by having a record of the pilot's efforts to save his plane during the last tragic moments before a crash. I am convinced this information from the pilot would provide vital information to establish the cause of a disaster.

The Federal Aviation Agency has advised Congress that it already has the authority to order installation of such recording devices.

The Administrator of the Federal Aviation Agency, Najeeb Halaby, told a press conference in Chicago last week there are technical problems involved in the installation of such devices. I have the highest degree of confidence in Mr. Halaby and am sure that if he will order an urgent program for the development of this equipment, such equipment can be perfected very quickly. I hope there will be no further delay in ordering these recorders installed in commercial airliners.

These recorders in themselves could not have avoided the two most recent crashes, but certainly had they been ordered installed at the time I introduced the original legislation, we would be in a much better position today to evaluate the causes of these crashes and take ap-

propriate action to prevent similar tragedies in the future.

It is inconceivable to me that there would be any further delay in the installation of this equipment. The Airline Pilots Association favors such an order; in my discussions with operators of commercial airlines I have found no one who has raised any serious objections; and the Federal Aviation Agency itself has been working on this project for more than 2 years now.

I am confident that with all the technological gains we have made in practically every field of human endeavor, we should have no problem perfecting a device that will do this job effectively and will at least give us a better idea of what is the cause of these crashes.

I hope the FAA Administrator will order the installation of these devices forthwith; and in support of my contention, I include in the RECORD today two excellent editorials. The first appeared in the Chicago Sun-Times on September 2; the second appeared in the Chicago Tribune on September 9.

I hope there will be no further delay in carrying out this project.

The articles follow:

[From the Chicago Tribune, Sept. 9, 1961]

THE MISSING CLUE

Unofficial reports from the men investigating last week's airplane disaster seem to confirm the belief that there was a structural failure and that part of the tail assembly, including a rudder, broke away just before the plane crashed. This would explain why this section was found, relatively undamaged, about a quarter of a mile to the rear of where the rest of the plane first hit the ground.

Weakening of the tail assembly, it is theorized, would have interfered with and perhaps destroyed the pilot's control of the plane. This might explain the sharp right turn which the plane made just before crashing. The captain may have called on the copilot for help, thus explaining why no radio call was made. Then, as part of the tail broke off, the rest of the plane would have been thrown into an uncontrollable dive.

If the investigators could be sure that this was what happened, they could promptly rule out other theories and concentrate on why the metal gave way. They would be done with their job sooner, their conclusions would probably carry more conviction than otherwise, and their recommendations would be that much more likely to prevent a recurrence. It would help them immeasurably to know what was said in the cockpit just before the crash.

The same could be said of previous crashes in which, for one reason or another, no hint of trouble was given by radio.

Nearly 2 years ago, after an earlier and inadequately explained crash, we suggested that a tape recorder might provide much necessary information. Representative ROMAN PUCINSKI, of Chicago, has asked Congress to require airlines to install one in the cockpit, where it would run constantly while the plane is in flight.

The record need only cover a few minutes; older sounds and voices could be automatically erased as later ones are recorded. The tape would have to be in a shockproof and fireproof container, but the evidence it provided would save time and uncertainty during investigations and would very likely save lives. It should be worth the relatively insignificant cost of the equipment.

[From the Chicago Sun-Times, Sept. 2, 1961]

CHICAGO'S WORST AIR DISASTER

The worst plane crash in Chicago's history, and the worst in U.S. commercial aviation involving a single plane, killed 78 persons early yesterday only minutes after takeoff from Midway Airport. Especially poignant, entire families on gay vacations with their children were among the victims.

With the rest of the community, we join in mourning the losses which have been suffered by so many loved ones and friends of those aboard the craft.

At this writing, the cause of the disaster is not known. A passenger on an earlier leg of the cross-country flight, who disembarked at Chicago, has told of hearing a strange noise and feeling unusual vibration during the flight here. The FBI is investigating the possibility that a bomb was responsible. Witnesses said they saw a "blinding flash" as the plane circled before falling.

A regular procedure is to reconstruct the plane from the wreckage in an effort to determine what structural failure or operational difficulty was responsible for the tragedy. This is a long-drawn process and offers no certain prospect that the cause of the crash will ever be found.

U.S. Representative ROMAN PUCINSKI, Democrat, of Illinois, has proposed that all planes be equipped with automatic tape recording devices, in crashproof, sealed containers, that would preserve the last 5 minutes of a pilot's and a copilot's conversation. It would continually erase earlier conversation.

Thus, after a crash, investigators would have the testimony of the nature of the trouble from the best possible source, the men flying the plane. Plane-to-ground radio does not assure any such message. Contact can be lost in a storm, or the radio can be destroyed in a fire.

Such recording devices exist and the Federal Aviation Agency has authority to install them. We understand that an order for them to be put in use was to have been issued earlier this year but got sidetracked. There should be no further delay on this.

With airliners steadily increasing in size and passenger capacity, everything possible should be done to prevent disasters such as yesterday's. Determining the cause of crashes is part of prevention. The tape idea should at least be tried.

A Long History of Service

EXTENSION OF REMARKS

OF

HON. JAMES C. CORMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 11, 1961

Mr. CORMAN. Mr. Speaker, the motion picture industry's long history of outstanding service to the Nation in time of need is a familiar story to all of us. But perhaps less known to many is the fact that each year Hollywood contributes over a million dollars to national and local charities through a unique fund-raising organization known as Motion Picture Permanent Charities.

This year, Motion Picture Permanent Charities will conduct its 20th anniversary campaign throughout the film and allied industries with a goal of raising $1,250,000 for the 22 major health and welfare agencies it supports.

Notable in this 20th anniversary year is the fact that some time during the campaign, the Motion Picture Permanent Charities will reach a total of $25 million raised to help worthwhile charitable organizations. This, I think, is a truly remarkable achievement for a single industry to accomplish. But the record for outstanding achievements by Motion Picture Permanent Charities is equally remarkable.

It was formed in 1940 as a clearinghouse to screen and approve agencies appealing to the film industry for funds, but by 1942 it became evident to its leaders that a different kind of fund-raising organization was needed by the film industry.

Thus, late in 1942 Motion Picture Permanent Charities, under Samuel Goldwyn's leadership, created its own campaign organization and consolidated all charity appeals within the film industry, the first such comprehensive program undertaken by a single American industry.

Following this pioneering venture, Motion Picture Permanent Charities set another first in the charity field by instituting the fair plan, payroll deduction system by which an employee contributes voluntarily a fixed amount from each paycheck. So successful was this system that other industries and other charity federations have modeled their fund-raising programs after the fair plan.

Undoubtedly Motion Picture Permanent Charities will pioneer other programs in the future, but on this 20th anniversary I think it appropriate to extend to Hollywood and the Motion Picture Permanent Charities the applause and thanks quite properly due them.

Washington Report

EXTENSION OF REMARKS

OF

HON. BRUCE ALGER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, September 11, 1961

Mr. ALGER. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following newsletter of September 9, 1961.

WASHINGTON REPORT

(By Congressman BRUCE ALGER, Fifth District, Texas)

SEPTEMBER 9, 1961.

As predicted in my newsletter of August 19 a greatly amended foreign aid authorization bill was sent back to the House from conference and was approved on August 31, 260 to 132. The final bill authorized appropriations of $4,253,500,000 for foreign economic and military aid in fiscal 1962 and $1.5 billion in each of the following 4 years for Development Loan Fund long-term, low interest development loans. The bill also authorized the President to establish a new foreign aid agency. The final bill did not include the long-term borrowing authority requested by the President. He had asked for authority to borrow $8.8 billion from the Treasury for the Development Loan Fund over a 5-year period fiscal 1962–66 to finance long-term, low interest development loans. The final bill authorized $1.2 billion for fiscal 1962 and $1.5 billion a year for fiscal

1963–66, making $7.2 billion available for development loans over the 5 years but required annual appropriation of funds (at least a partial victory for those of us in the House who fought the transfer of responsibility for appropriations from Congress to the Executive).

The foreign aid appropriation bill was whipped through the House in 1 day, September 5, by a record vote, 270–123. The bill as approved appropriated $3,357,500,000 for foreign aid, $896 million less than carried in the authorization bill, but $300 million more than recommended by the House Appropriations Committee.

One of my principal objections to foreign aid is the money we give to our enemies and so-called neutral nations. This objection was supported during the debate on the foreign aid bill by Congressman GLENARD P. LIPSCOMB, of California, who pointed out that the dollars of U.S. taxpayers are being sent to Cuba to bolster the Communist regime of Fidel Castro. Congressman LIPSCOMB, a member of the House Appropriations Committee, pointed to the report on the Foreign Aid Appropriations Bill. He said each year the President requests millions of dollars to cover U.S. contributions to international organizations. In just one instance, LIPSCOMB pointed out, the Pan American Health Organization is providing 32 Russian jeeps for a malaria eradication program in Cuba. Although malaria has a low incidence rate there, the eradication allotment in 1961 is $79,766, or 20 times the amount budgeted in 1958—before Fidel Castro came to power. This has been augmented by a $99,000 allotment from the World Health Organization Malaria Eradication Special Account, for the purpose of providing the Soviet jeeps to Cuba. The American taypayer pays 66 percent of the cost of the so-called health plan for Cuba instigated by PAHO.

UNITED NATIONS SPECIAL FUND

LIPSCOMB reminded Congress that this Fund, to which the United States contributes 40 percent, on May 24 granted $1,157,600 to aid agricultural research programs in Cuba. U.S. contributions for the fiscal year 1961, both assessed and voluntary, amounted to $241,799,522 to over 50 international organizations and their related activities. According to Congressman LIPSCOMB, it appears that very few, if anyone, have ever attempted to figure out where this money actually goes, and actually what it is used for.

Add to these startling statements of how the U.S. taxpayer is contributing to countries dedicated to our destruction, the utter contempt for the United States and our ideals expressed by the delegates to the Conference of Uncommitted Nations at Belgrade last week, and the course we are taking to our own national suicide (newsletter of Aug. 26) becomes more apparent. The nations present at the Belgrade Conference have been the recipients of $7.2 billion from the American taxpayers. Yet not one voice was raised in behalf of American policies. Not a single delegate protested a vicious attack on the United States by the Communist delegate from Cuba. On the other hand, no official action was taken by the Conference to condemn the Soviet Union for its wanton disregard of humanity for its devious use of 3 years of useless negotiations on banning nuclear testing to build up its own arsenal and then arrogantly begin testing within hours of an announcement that it would. No protests from the uncommitted nations for the enslavement of 17 million human beings in East Germany. While India's Nehru piously asks the United States to negotiate with the Communists on issues which are not negotiable, he utters not a word of protest at the brutal and barbaric invasion of Tibet and the inhuman atrocities practiced on her people by the Communists.

It's time we faced facts. The uncommitted nations are not uncommitted, nor are they neutral. For whatever reason, fear or self-interest, they are alined with Soviet Russia and when the chips are down, in the final contest between freedom and Communist slavery, they will be against us unless they are convinced that we are stronger and will win the battle. There are no moral grounds for neutralism in a fight to the death. Those countries which give aid and comfort to our enemy also become our enemies. My own position is opposed to foreign aid until it is used in the self-interest of the United States.

Myers Bros.: Diamond Jubilee

EXTENSION OF REMARKS

OF

HON. PETER F. MACK, JR.

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, September 11, 1961

Mr. MACK. Mr. Speaker, this year Myers Bros. Department Store of Springfield, Ill., is celebrating its diamond jubilee. This store is as much a part of that city as the historic Lincoln shrines. In a sense it is a Lincoln shrine, as the present store is located on the site once occupied by a law office of Abraham Lincoln.

This occasion commemorates more than just 75 years in the retail business. It marks the consistent policy of the Myers Bros. to follow fundamental rules of responsibility of business in a country of free enterprise.

The combination of energetic work, business ingenuity, forward thinking, and a tradition of providing top quality merchandise at the lowest possible price are the major ingredients of success in this "store that quality built." Coupled with this strictly business attitude, however, is the family's pride in their hometown. "Civic duty is the rent we pay for the space we occupy in our community" has been the motto of the Myers brothers since the founding of their business in 1886.

There is quite a contrast between the first and present stores. Myers Bros. in the beginning was a two-story building, 22 feet wide, located on the west side of Lincoln Square and the Sangamon County Courthouse. Albert and Louis Myers, later joined by their younger brother Julius, purchased the business in 1886 from Sam Rosenwald, whose faith in these young men was so profound that he personally chose them as the new owners and lent them money for the purchase of the store. Rosenwald was the father of Julius Rosenwald, who later became famous through his association with Sears, Roebuck & Co., and as a great philanthropist.

Albert and Louis started out with one clerk and credit to buy merchandise. But through economical management, they had cleared their indebtedness and were making a profit from their venture before the first year was out.

By 1900 the store had expanded from the potbellied stove and kerosene lamp atmosphere, and the business was moved into a brandnew five-storied building on the corner of Fifth and Washington Streets.

In 1924, disaster struck, and the store was burned to the ground. Undaunted by this setback, the Myers brothers bought out a store down the street—lock, stock, and barrel—and were back in business the next day, making plans for their present 10-story home. Without a halt in operation or inconvenience to their customers, Myers Bros. were back with an expanded business in only 1 year.

This example is typical of how the Myers brothers weathered other rough times—wars, depressions, boomlets and booms. But as times and methods change, the Myers brothers family proved not only adaptable to such change, but succeeded in accumulating a record of leadership in both local and national business affairs.

Locally, Myers Bros. collected a string of "firsts." Their store was the first Springfield business ever honored with front-page recognition in the Wall Street Journal; the first to use color advertising, first to hold a live flower show in connection with spring openings, first to publish an extensive Sunday rotogravure section, first to carry a noncontributory pension plan for their employees, and first with store-home deliveries for their customers.

Countrywide recognition came when Julius Myers, now deceased, became the first president of the National Retail Merchants Association. Myers Bros. are also recipients of the sixth annual retail award plaque, 1954, citing them as brand name retailer of the year.

Thus, what began as a small store in a pioneer town has now blossomed into an established business with six branch stores throughout central Illinois, servicing Jacksonville, Danville, Lincoln, Mattoon, Havana, and Alton.

Myers Bros. have come the long way from a one-clerk operation to a payroll of 250 persons. Their average employee has 6 years' service, and many have 25 years or more. The store now has 67 selling departments, and 14 service departments, all coordinated and timed in buying and selling procedures to keep up with and anticipate current trends in the market.

The brothers themselves have contributed three generations of service to their business and their community. There is virtually no major civic group that has not felt the personal help and leadership of one or more of the Myers brothers. From the founders to the present managers, Stanley C., Albert M., Alan J., James E., Morris, and Louis, the Illinois State capital and subsequently other communities have benefited by their devotion as active citizens.

Whether it is a Boy Scout, junior college, YMCA, hospital or civic club drive, one of the Myers family can always be found in assistance. To these men, such work is merely in keeping with their philosophy that "a growing and progres-

sive community and a growing and progressive business are one and the same."

Thus, credit to Myers Bros. is not just a passing recognition of a successful business, which it is; but also the recognition of a sincere application of principles and integrity, in the quest for a better future. Myers Bros. are evidence of the fact that a strong community is based on the permanence of economic enterprise and faithful citizenship.

In closing I would like to note that the founders of this fine and upstanding business were close friends of my father, Peter F. Mack, Sr., and I am proud to say that the present owners are good friends of mine.

Progress Report on Rural Areas Redevelopment

EXTENSION OF REMARKS

OF

HON. WINFIELD K. DENTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 11, 1961

Mr. DENTON. Mr. Speaker, the progress of the rural counties of the United States is just as vital, if not more vital in many ways, to the continued progress and prosperity of this country as our great cities. The establishment of the Area Redevelopment Agency in the U.S. Department of Commerce has been a good step in the right direction toward the relief of those cities hard hit by the recession which this country experienced the past year. I have long been interested in the plight of some of our more rural communities, and am pleased to be able to insert in the RECORD at this time the following statement provided me by the U.S. Department of Agriculture telling of that Department's activities in the rural areas of the country. This is just another sign of the tremendous interest of the Kennedy administration in all our peoples, be they in cities or the rural areas. Under unanimous consent, I include this information in the RECORD:

PROGRESS REPORT ON RURAL AREAS DEVELOPMENT

The Department of Agriculture has launched a full-scale campaign to end rural poverty by aggressively promoting more jobs and other opportunities in the Nation's rural counties.

Since January 20 the Department has moved rapidly to mobilize its resources and personnel for a total program of rural areas development, which Secretary Freeman terms "more important to the long-range future of our Nation than any other program now being conducted by the Department."

In the short space of 7 months the new RAD program has gone into operation throughout the Nation, reinforced by new and strengthened services of the Department. Some highlights of the remarkable progress that's been made:

Establishment of a top level Department of Agriculture RAD Board and staff to get the program into operation.

Organization of State and local RAD activities, with Farmers Home Administration, Rural Electrification Administration, and Federal Extension Service assigned the full-time job of helping local groups get underway.

Naming of 487 rural counties as eligible for financial aid under the new Area Redevelopment Act, and direct USDA assistance to leaders in making use of ARA to strengthen their economies.

Stepped up rural electrification, farm credit, and small watershed work of the Department to make even greater resources available for rural development. Of particular importance is more imaginative use of REA section 5 loans to finance machinery in rural industries.

The task of rural areas development is national in scope, international in gravity. Today in the United States more than 36 percent of all farm families have incomes of less than $2,000 a year. Last year, if underemployment in the Nation's farm regions were converted into terms of unemployment, there would have been 1.4 million persons in rural America unemployed.

RAD aims at more rapid economic growth in farm communities and small towns where these underemployed families live. This is a key factor in winning the cold war. The United States must prove to noncommitted peoples of the world, most of whom live in rural sections, that rural poverty and suffering can be eliminated at home. Otherwise they will turn to other governmental systems for an answer to their problems.

For both domestic and international reasons, therefore, Secretary Freeman has placed RAD at the top of his priority list of USDA objectives. In March 1961, as a first step, he established the Rural Areas Development Board representing 12 USDA agencies. In June he set up an Office of Rural Areas Development to staff and coordinate the program. At that time, the Secretary also assigned specific jobs to three key USDA agencies, with the aim of getting work started at the grassroots as soon as possible.

Farmers Home Administration is responsible for establishing RAD panels to supply State and local leaders with technical aid in promoting new enterprises.

Federal Extension Service is responsible for providing organizational and educational leadership to State and local RAD committees. These include civic leaders, farm and business representatives, rural electric borrowers, State development agencies, trade union representatives, and all other interested groups.

Rural Electrification Administration has the job of stimulating new business and other enterprises to build employment in rural areas.

Drawing on a broad background of work with farm and other rural people, each of these key USDA agencies has rapidly geared up for its RAD assignments.

Farmers Home Administration set up a special staff to handle RAD work, and is now holding a series of training meetings with key field personnel. REA also has a new staff of some 15 specialists who are helping communities develop new rural enterprises. Rural electric and telephone co-ops are enthusiastically joining in local RAD programs. For many rural electric co-ops, rural development is tied in closely with their future operations. And in July Federal and State extension officials mobilized additional resources at National, State and county levels to support the program and conducted a series of regional meetings to intensify staff contributions for the program.

Other USDA agencies represented on the Department's RAD Board have also acted to strengthen and step up those programs that promote area development.

This rapid action on the part of the Department of Agriculture has resulted in RAD program organizations in 38 States, with local program districts of two or more rural counties already organized in 25 States.

The Department of Agriculture also has the job of helping eligible rural counties obtain benefits under the new Area Redevelopment Act. These benefits include Federal loans and grants for public works and industrial development, technical aid, and retraining of workers, including farmers and farmworkers.

Among the Department's major assignments under the act are selecting rural counties to receive assistance; reviewing area plans for development; and most important, helping local leaders put together plans and projects that will take full advantage of the new ARA program.

Because of the Department's already existing organization for Rural Areas Development, rapid progress has been made in selecting rural counties for the ARA programs, formulating area-wide plans, and setting up local groups capable of running the program in the rural (5b) areas.

Nearly a third of the Nation's counties are covered by areas now eligible to apply for the ARA program, including 487 rural counties in 41 States and Puerto Rico. Long-range economic development plans for revitalizing their economies already have been approved for 180 counties in 22 States. The majority of these are rural redevelopment counties, assisted by the Department of Agriculture, or other similar areas with large numbers of underemployed people living in farm areas.

ARA is another tool the Department of Agriculture is using to promote maximum economic development in farming areas, along with its own extremely important kit of area development services and aids.

Many of these regular programs of the Department which implement and further local area development plans have been stepped up in this revitalized Rural Areas Development campaign against rural poverty.

Since early 1961, REA has approved 144 electrification loans amounting to $166,781,000 and 125 telephone loans totaling $42,594,000. Loans for generating and transmission facilities amounted to 57.6 percent of the electric total, and included a $60 million loan, largest in REA's 26-year history, to Hoosier Cooperative Energy, Inc., of Indiana.

On September 8, REA approved a $25,000 loan to a rural electric cooperative which will enable a small North Dakota firm to add equipment and create new jobs in a farming area. It was made under the consumer financing provision (sec. 5) of the Rural Electrification Act. REA policy on loans to help consumers acquire electrical equipment has been expanded to gear this lending program to the needs of rural areas for increased nonfarm income.

Between January 1 and August 1, 1961, 55 small watershed projects including 4.5 million acres were authorized to receive planning assistance, and 36 projects including 1.6 million acres were authorized for operations. On August 1, 325 projects including 18.6 million acres had been authorized for operations.

Between May 19 and August 14 President Kennedy sent to the Congress for approval work plans for 54 watershed projects including 3.9 million acres, the largest number sent to the Congress in a 90-day period since the program was authorized in 1954.

The Farmers Home Administration had a sharp rise in lending activity during the past 7 months and ended the 1961 fiscal year lending $397 million, an alltime high.

Recent legislation is now being implemented which will make a more adequately financed, broadened, and expanded credit program available to a wider range of farmers, particularly young farmers just

getting started and farm families on the smaller farms.

Under the Housing Act of 1961 rural residents including those living in small communities are now eligible along with farmers for more than $430 million rural housing loan funds available over the next 4 years to construct, improve, or repair homes and related facilities.

Secretary Freeman has called the achievement of full prosperity in America's rural areas a key factor in the world contest with communism.

"I believe that in the rural areas development program we have the weapon to wipe away the chronic depression which now enchains many areas, it can lift the curse of underemployment which saps the strength of our rural economy in every area and it takes the first step toward the permanent prosperity of the rural community.

"This program, combined with the freedom of economic choice which the Kennedy farm legislation will provide the farmer, will help restore full freedom of economic opportunity to those who live in rural America," the Secretary said.

SENATE

TUESDAY, SEPTEMBER 12, 1961

The Senate met at 9 o'clock a.m., and was called to order by Hon. E. L. BARTLETT, a Senator from the State of Alaska.

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

Thou God of grace and glory, whose clearest and most searching words are heard in the silences of the soul, give, we beseech Thee, to Thy servants who here wrestle with the Nation's problems, quiet hearts and open minds that welcome all truths from whatever direction it may come. May the fret and fever of their spirits not add to the confusion of a bewildered age instead of helping and healing.

Lift our eyes, we pray Thee, above the foggy valley of narrow loyalties and partisan interests to vaster vistas where small things are seen as small, and great things as great. Remove far from us even unrecognized bigotries and prejudices based on a lack of understanding.

In the crises of our time join us with those who across the waste and wilderness of human hate and need, preparing the way of the Lord, throw up a highway for our God. Amen.

DESIGNATION OF ACTING PRESIDENT PRO TEMPORE

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., September 12, 1961.

To the Senate:

Being temporarily absent from the Senate, I appoint Hon. E. L. BARTLETT, a Senator from the State of Alaska, to perform the duties of the Chair during my absence.

CARL HAYDEN,
President pro tempore.

Mr. BARTLETT thereupon took the chair as Acting President pro tempore.

THE JOURNAL

On request of Mr. METCALF, and by unanimous consent, the reading of the Journal of the proceedings of Monday, September 11, 1961, was dispensed with.

MESSAGES FROM THE PRESIDENT

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

EXECUTIVE MESSAGES REFERRED

As in executive session,

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

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

MESSAGE FROM THE HOUSE

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

H.R. 2838. An act to exempt from taxation certain property of the Army Distaff Foundation; and

H.R. 9080. An act to authorize the Philadelphia, Baltimore, & Washington Railroad Co., to construct, maintain, and operate branch sidings over First Street SW., in the District of Columbia.

ENROLLED BILL SIGNED

The message also announced that the Speaker pro tempore had affixed his signature to the enrolled bill (S. 1653) to amend title 18, United States Code, to prohibit travel or transportation in commerce in aid of racketeering enterprises, and it was signed by the President pro tempore.

HOUSE BILLS REFERRED

The following bills were each read twice by their titles and referred to the Committee on the District of Columbia:

H.R. 2838. An act to exempt from taxation certain property of the Army Distaff Foundation; and

H.R. 9080. An act to authorize the Philadelphia, Baltimore & Washington Railroad Co. to construct, maintain, and operate branch sidings over First Street SW., in the District of Columbia.

LIMITATION OF DEBATE DURING MORNING HOUR

Mr. METCALF. Mr. President, under the rule, there will be the usual morning hour for the transaction of routine business. I ask unanimous consent that statements in connection therewith be limited to 3 minutes.

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

COMMITTEE MEETINGS DURING SENATE SESSION

On request of Mr. KUCHEL, and by unanimous consent, the Irrigation and Reclamation Subcommittee of the Committee on Interior and Insular Affairs was authorized to meet during the session of the Senate today.

On request of Mr. MCNAMARA, and by unanimous consent, the Irrigation and Reclamation Subcommittee of the Committee on Interior and Insular Affairs was authorized to meet during the session of the Senate today.

COMMITTEE MEETING DURING SENATE SESSION FOR WEDNESDAY AND FRIDAY

Upon request of Mr. HUMPHREY, and by unanimous consent, the Subcommittee on Antitrust and Monopoly of the Committee on the Judiciary was authorized to meet during the session of the Senate tomorrow, September 13, 1961, and Friday, September 15, 1961, to take testimony on the bill (S. 1522) from the Honorable Abraham Ribicoff and the Honorable Lee Loevinger.

RESTITUTION FOR SENECAS—RESOLUTION

Mr. KEATING. Mr. President, for some time I have been carrying on a fight to win fair treatment for the Seneca Indians in western New York in connection with the proposed construction of the Kinzua Dam project.

I have said, and I say again, that this country, particularly at this hour in our history when we are prepared to accept the risk of armed conflict rather than yield our treaty rights in Berlin, should not take lightly the obligations of a solemn treaty with the American Indians.

However, I realize that we have reached a late hour in this controversy. Plans for construction of the dam are going ahead.

If the Indian lands are flooded, as is now planned, that does not end the story so far as I am concerned. We still have the duty to make all possible restitution to the Senecas.

Such restitution must be not only economic but also moral. In this connection I call the attention of the Senate to a wise and generous and honorable act of the Board of Supervisors of Cattaraugus County, N.Y. I ask unanimous consent that at this point in the RECORD there be printed a resolution by the Cattaraugus County Board of Supervisors, suggesting that the bridge to be built across the Allegheny River as part of the dam project be designated the Seneca Memorial Bridge.

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

RESOLUTION 250

Whereas the plans for the construction of the Kinzua Dam project include the erection of a new bridge across the Allegany River in the vicinity of Coldspring; and

Whereas the Kinzua Dam project has worked an extreme hardship upon the Seneca Nation of Indians in depriving them of lands where, for many generations, their