advancement, it is difficult to comprehend the overall accomplishments of the urban renewal program, but it may be helpful to cite some benchmarks of progress. Through June 1963, most of the congressional authorization of $4 billion for urban renewal grants had been utilized, almost 30,000 acres of land had been slated for acquisition and redevelopment, approximately 129,000 structures had been demolished, and 157,000 families had been relocated from blighted areas undergoing renovation. Of the families relocated, 46 percent, according to reports of participating agencies, went into standard private rental housing, about 21 percent into standard sales housing, and about 25 percent into public housing. The remainder—approximately 8 percent—relocated themselves into quarters that did not conform with minimum standards of safety and sanitation. The latter did not avail themselves of the relocation services offered by the local agencies established for that purpose.

Substantial progress has also been made in the expanding conservation program focusing on rehabilitation of urban properties capable of restoration without demolition. Most cities have some forlorn-looking properties, unhinged, unpointed, unpainted, and covered with the silt of time. Such buildings, too desolate for habitation but too good for condemnation, can be prime material for urban renewal's salvage program. Over 45,000 structures and 107,000 dwelling units have been selected for restoration and by June 1963, work had been completed on more than 17,000 structures, including more than 25,000 dwellings.

URBAN RENEWAL'S SIDEWALK SUPERINTENDENTS

Urban renewal has recently encountered a spate of criticism from sidewalk superintendents—professional and amateur. Urban renewal is criticized for its architecture, its overemphasis upon bricks and mortar, its failure to eliminate slums, its bulldozer tactics and displacement of people, its snail-paced progress and alleged lack of clearly defined objectives.

It is asserted that urban renewal legislation is ill conceived, that the central administration is too paper bound, that local agencies formulate their petitions to Washington more in terms of money than ideas, that city planners are "blue sky," that slum dwellers get pushed around, and that blight grows faster than its eradication. The severest critics maintain that urban renewal is a failure and should close shop.

Probably the most serious of these indictments is the removal of people and businesses preparatory to slum clearance by exercise of the power of eminent domain. Though upheld by the courts, the process is criticized as an arbitrary infringement upon the rights of the dispossessed families. In answer to the charge, the Urban Renewal Administration points out that as a prerequisite for Federal assistance a local agency must provide decent, safe, and sanitary housing for dispossessed families, and provision is made for followup of all those required to move. Of families being moved currently in Philadelphia, for example, 96 percent are successfully relocated to safe and sanitary housing. Some inevitably relocate without seeking assistance of the relocation office. A prominent builder operating in a number of urban areas points out that virtually the only direction that slum evacuees can move is up.

Slum clearance is the most vulnerable spot of urban renewal and there is where the sharpest shafts are hurled. The reason for the disappointing progress in slum clearance is the inability of the private housing industry to build houses that low-income families can afford. The Housing Act offers financial aid in making up part of the difference between the cost and reuse value of sites, commonly called the land writedown. But the value of land is only a small fraction of the monthly rent or purchase price. Newly built housing, therefore, is seldom within the means of the lowest income groups.

Some progress toward a solution of this basic difficulty has been made under the Mitchell-Lama program in New York City. The essence of that program is a 50-year municipal loan up to 90 percent of development costs at low rate of interest plus a 50-percent tax abatement for a fixed number of years. Under such a plan it is possible to replace slums with satisfactory housing for low-income families.

An entirely different program inaugurated by the Ford Foundation concentrates on renewal of urban people—the families who live in the "gray areas" of cities. Grants have been made to 41 slum schools as focal points for projects designed to improve the educational and employment opportunities of disadvantaged groups. The underlying basis of the experiment is the conviction that social planning must accompany physical planning.

The problems of substandard housing, health, and sanitation, school dropouts, unemployment and crime are all so closely related to each other and of such tremendous magnitude that now, for the first time, a Federal antipoverty program has been devised to deal with them in a comprehensive manner.

URBAN RENEWAL'S ACCOMPLISHMENTS

Urban renewal has instilled new life in American cities from coast to coast. In the heart of Boston, which was as bad as if not worse off than Philadelphia, a multimillion-dollar Government center of Federal, State, and private office buildings is replacing a 60-acre slumdom.

An insurance building resembling a tall boat in drydock is the eyecatcher of Hartford's Constitution Plaza built on reclaimed land alongside the Connecticut River.

One of the most amazing transformations is Pittsburgh's Golden Triangle—a family of sleek skyscrapers occupying what formerly looked like the junkyard of a steel mill at the source of the Ohio River.

Cleveland's Erieview Plaza Building is the showpiece of a quarter-billion-dollar renewal complex capitalizing on the city's vast lakescape.

In like manner, St. Louis is making the best of its Mississippi River waterfront formerly dominated by weatherbeaten warehouses. A 630-foot Gateway Arch, symbolic of westward expansion also symbolizes the city's urban modernization.

San Francisco's Golden Gateway apartment-townhouse project and the half-billion-dollar Century City in Los Angeles are among the outstanding renewal developments on the west coast.

In all of these cities as well as in Baltimore, Norfolk, Nashville, Minneapolis, and many others the stamp of urban renewal is the vastly improved appearance of their downtown business districts. Gone are the solid rows of ancient buildings with dirty faces. The new center-city look sports more open space, more glass, more class.

One of the best ways to strengthen the economic base of a city is to spruce it up with modern architecture, utilizing new building materials and new ideas as reflected in the handiwork of numerous urban renewal re-creations. This stimulates new private investment, attracts new industries, keeps some of the older ones that are flirting with the idea of moving elsewhere. An old-line Philadelphia firm of considerable size and prestige that had been "looking around" joined the renaissance with a magnificent structure of its own. Urban renewal has far-reaching generative effects.

In reply to a critic bemoaning urban renewal's burden on the city treasury, William Rafsky, a leader in the Philadelphia program, points out that "civic improvement programs have resulted in an increase in assessments, reversing a trend of declining real estate values" and that "they have made possible civic services with no recent tax increase."

Urban renewal adds immeasurably to the amenities of urban living in such developments as Lincoln Center, the Golden Triangle, and the Golden Gate. With the continuing concentration of population in metropolitan areas there is a growing need for more cultural facilities. Moreover, the variety and quality of such facilities play an important role in attracting industries with large complements of scientific and research personnel.

In former generations, cities took great pride in citing their rates of population growth from one census enumeration to another. They seemed to be oblivious to the accumulation of problems generated by the very process of growth until conditions became intolerably acute. Some of the worst aspects of urban living are now being remedied with federally aided renewal efforts planned and executed by local agencies. Much of the criticism of urban renewal is based upon mistakes made in the early years of the program, and urban renewal frequently gets blamed for things outside its jurisdiction—such as property condemnation for construction of highways and other improvements. This is not to say that urban renewal has achieved perfection, but the program is making a commendable contribution toward better urban living. "In our urban areas," said President Johnson, "the central problem today is to protect and restore man's satisfaction in belonging to a community where he can find security and significance."

SENATE

TUESDAY, APRIL 6, 1965

The Senate met at 12 o'clock meridian, and was called to order by the Vice President.

Rev. William J. Peckham, of the general board of evangelism of the Methodist Church, Nashville, Tenn., offered the following prayer:

Eternal God, our Heavenly Father, we have great need of Thy help. In the midst of all the confusing and conflicting voices which clamor for our attention and support, we turn to Thee in this moment for guidance. We are aware that our vision and understanding are always limited. We sense our personal inadequacy to carry the many burdens of power and responsibility which have been given to us.

As we begin this new day of deliberation and decision, grant that we may act wisely and with compassion. Guard us from the compromise of principle which costs us our integrity.

We also pray for the many men and women of our land who are sacrificially serving throughout the world in the Peace Corps, in our Armed Forces, and in the halls of diplomacy. May they—and may each of us—be empowered by Thee that Thy will will be done, and Thy kingdom will come, in us and on earth as it is in heaven. Through Jesus Christ, our Lord. Amen.

AUTHENTICATED U.S. GOVERNMENT INFORMATION GPO

THE JOURNAL

On request by Mr. MANSFIELD, and by unanimous consent, the reading of the Journal of the proceedings of Monday, April 5, 1965, was dispensed with.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the Senate by Mr. Geisler, one of his secretaries.

AMENDMENTS TO CHARTER OF UNITED NATIONS — MESSAGE FROM THE PRESIDENT

The VICE PRESIDENT. The Chair lays before the Senate a message from the President of the United States on amendments to the Charter of the United Nations. Without objection, the message will be printed in the RECORD, without being read, and referred to the Committee on Foreign Relations.

The President's message is a follows:

To the Senate of the United States:

I request the advice and consent of the Senate to ratification of two amendments to the Charter of the United Nations which are transmitted herewith along with a report to me from the Secretary of State. They are the first amendments adopted by the General Assembly since the founding of the United Nations.

These amendments will strengthen the ability of the United Nations to act as a force for peace and the progress of mankind.

They enlarge the membership of both the Security Council and the Economic and Social Council to bring those bodies into balance with the enlarged membership of the United Nations itself.

HISTORY OF THE AMENDMENTS

Amendments to the Charter of the United Nations must first be adopted by a two-thirds vote of the General Assembly, and then ratified by two-thirds of the member states, including all the permanent members, according to their constitutional procedure.

In late 1963, the General Assembly considered resolutions proposing the two amendments in question. These resolutions focused on three points:

First. That the text of the United Nations Charter be changed to increase the size of the Security Council from 11 to 15, to increase the voting majority of the Security Council from 7 to 9, and to increase the size of the Economic and Social Council from 18 to 27. In the Security Council, neither the seats nor the right of veto of the permanent members would be affected.

Second. The resolutions provided that members of the two Councils be elected on the basis of geographic distribution.

In the Security Council, the 10 nonpermanent members would include 5 from Africa and Asia, 1 from Eastern Europe, 2 from Latin America, and 2 from Western Europe and other areas; the 5 permanent members would remain the same. The present nonpermanent membership of the Security Council includes two members from Africa and Asia, two from Latin America, one from Western Europe, and one seat split between Asia and Eastern Europe.

In the Economic and Social Council, there would be the United States, 12 African and Asian States, 5 Latin American States, 3 Eastern European states—including the Soviet Union—and 6 states from Western Europe and other areas. The present composition of the Economic and Social Council, in addition to the United States, is five African and Asian States, four Latin American States, three Eastern European states—including the Soviet Union—and five states from Western Europe and other areas.

Third. The resolutions proposed that member states ratify the amendments by September 1, 1965.

On December 17, 1963, the resolutions were adopted by the General Assembly. On the enlargement of the Security Council, the vote was 97 to 11, with 4 abstentions; on the enlargement of the Economic and Social Council, it was 96 to 11, with 5 abstentions.

In those votes, the United States abstained, not because it doubted the principle of enlargement, but to maintain complete freedom of action while giving deliberate study to the effects of the specific proposals. The Soviet Union and France voted negatively. China voted for enlargement of the Security Council but abstained on enlargement of the Economic and Social Council. The United Kingdom abstained on both resolutions.

Since that time, 63 nations out of the required 76 have ratified the amendments. Other governments are now considering them. Of the permanent members of the Security Council, the Soviet Union has been the first to approve the amendments.

REASONS FOR RATIFICATION

The United States should now move to ratify the charter amendments to enlarge the Security Council and the Economic and Social Council.

First. The amendments are realistic.

The membership of the United Nations has grown from 51 in 1945 to 114 in 1965. Almost all of the newer members are nations which have gained their independence from the peaceful dismantling of empires—a process which brought nationhood to one-third of all the peoples of the world and which is here to stay.

We welcome this growth.

The peoples of the world are more directly represented in the General Assembly of the United Nations today than they were 20 years ago.

We want to work together and cooperate with these new countries, within the United Nations.

If there are differences among us, we want them to be aired and examined within the United Nations.

This is the way to a peaceful and cooperative world.

But just as we welcome the growth of the United Nations, we must also recognize that the present Security Council and the present Economic and Social Council do not now realistically reflect it.

An increase in the representation on both Councils is now clearly necessary to restore the balance which existed between the Councils and the General Assembly when the charter came into force. An expansion of 50 percent in the case of the Economic and Social Council and less in the Security Council is a reasonable way to adjust to a membership which has more than doubled. At the same time, the expansion is not such as to make the Councils unwieldy.

Second. The amendments are equitable.

When the charter was signed in 1945, the member states from Africa and Asia numbered 13 out of a total of 51—less than a third. Today, the member states from these great continents number 61 out of a total of 114—more than a half. The General Assembly resolutions, necessarily and rightly, take this new arithmetic into account.

Moreover, the explicit allocation of the new seats to geographic areas, as provided by Assembly resolution, is wise. It is designed to eliminate the contentious problem of sharing an inadequate number of seats—which has led to pressures against existing seats, to disputes over the definition of geographic areas, and to split terms on the Security Council to meet competing claims for representation.

Third. The amendments fully protect the basic interests of the permanent members. While we have seen that the work of the Security Council can be hampered seriously by the abuse of the veto provision, it nevertheless remains a wise and realistic feature of the United Nations Charter. The veto provision is maintained.

Fourth. Because the amendments are at once realistic and equitable, they will strengthen the United Nations.

They will increase the vitality of these Councils and of the United Nations itself by permitting more of the newer members to take part in the consideration of major world problems.

The amendments which will insure that the councils represent the whole organization they are intended to serve, will thereby also insure that the councils continue to earn the confidence and support of the membership at large. Without this confidence and support, the councils cannot be fully effective.

The organization as a whole will benefit from fuller participation in the work of the councils by the new members who have much to contribute—as they will benefit from the exercise of shared responsibility.

Fifth and finally, the amendments are a reflection and a demonstration of both the stability and the adaptability of the United Nations Charter.

We Americans have always had a healthy respect for the stability of our institutions and a wariness of change for the sake of change. Our American Constitution, which has been amended only 14 times since the Bill of Rights of 1791, has clearly met the test of stability. The fact that the United Nations Charter has remained as it was written 20 years ago is ample evidence of its stability.

At the same time, we Americans have always recognized the forces of change, and have always known instinctively that the ability of an institution to adapt to changed conditions is a reliable measure of its capacity for survival and growth. Our American Constitution, as evidenced by its amendments, has clearly met this test of adaptability.

Now, with its 20th birthday approaching, the United Nations is seeking the first two amendments to its basic charter. And this is welcome evidence of the inherent flexibility of another great institution.

THE STATE OF THE UNITED NATIONS

As we consider these first amendments to the United Nations Charter, it is fitting to review briefly the state of the United Nations itself.

The limitations of the United Nations are apparent. It has not been able to prevent aggression in southeast Asia; it has not been able to rid the world of poverty.

Nor has the United Nations been able to solve all of its internal problems. At the present time a serious financial problem threatens the capacity of the General Assembly to perform its share of peacekeeping.

And if the limitations are clear, the basic reason is plain. The United Nations is not a world government; it is an organization of governments participating by consent. It can move only in the direction and at the pace that its members want it to move.

And yet the United Nations has served well the cause of world peace and progress—and, therefore, the national interest and the personal interest of every American.

KEEPING THE PEACE

Through the United Nations, the members have acted to avert wars on at least a dozen occasions—local wars which could have spread.

In Kashmir, the United Nations obtained and still polices a cease-fire line running through a bitterly contested area.

In Suez, the United Nations deployed an emergency force which enabled the respective national military forces to withdraw.

In the Congo, the United Nations provided 20,000 troops, assisted a new nation to survive its birth, and forestalled an East-West confrontation in the heart of Africa.

In Cyprus, the United Nations has stationed a force of 6,000 to strengthen that nation's security.

The office of the Secretary General has evolved into a sensitive listening post—an ever-ready channel of communication—a potential conciliation service open at all times to the international community of states.

ECONOMIC DEVELOPMENT

At the same time, the day-to-day work of the United Nations is directed overwhelmingly toward building conditions which make the peace worth keeping.

United Nations experts are now at work in 130 countries or territories—bringing modern knowledge and technology to bear on the universal struggle to liberate man from the slavery of poverty.

The United Nations is in partnership with 89 nations and territories in cooperative preinvestment projects—surveying resources or training men and women in modern skills.

The development lending institutions affiliated with the United Nations have been investing some $1 billion annually in world development.

All in all, the level of development assistance flowing through the United Nations system of agencies now has reached some $1.3 billion a year.

TECHNOLOGICAL COOPERATION

Meanwhile, United Nations agencies are performing the vital task of establishing cooperative ground rules which are required in the age of rapid international transport and instant international communication.

Agencies affiliated with the United Nations have developed standards for international air traffic—and for the safety of life at sea.

They have arranged for orderly use of the airways by allocating available radio frequencies among nations and users.

They have promoted international weather forecasting and are pioneering in the development of a world weather watch of incalculable benefit to peoples of all nations.

They have developed and maintained uniform international quarantine regulations against the spread of communicable diseases—and liberated 800 million people from the threat of the greatest killer of all time: malaria.

In these and other ways—through peacekeeping, through nation building, and through international technical services—the United Nations serves its members. In doing so, the Organization serves the national interest of the United States. It helps us do things we could not do so well alone and encourages other nations to share the burdens.

CONCLUSION

In one sense, the smallest members are in greatest need of the United Nations.

In another sense, the United Nations is of greatest service to the largest nations—for without the United Nations, the nations with the greatest resources would have to shoulder most of these tasks alone.

And in a combined sense, the United Nations serves simultaneously the large and the small, the rich and the poor—for the peace of one area is but part of world peace, and the prosperity of one country is but an element of the world's well-being.

This is why consistent and effective support for the United Nations has been near the heart of the U.S. foreign policy for two decades.

This is why the Congress and the public, regardless of politics or party, have been ready to stick with the United Nations through thick and thin.

The organization has reached a point where the Security Council and the Economic and Social Council need to be enlarged to take account of the great growth of the organization in recent years.

The proposed amendments offer responsible and equitable plans for meeting this problem.

Because the United Nations will continue to be deeply needed by nations which seek peace—by all nations which seek to raise the levels of human welfare—by all nations which seek to cooperate in putting the achievements of modern technology to work for all mankind—it is in the national interest of the United States to ratify these steps toward making more effective the principal councils of the organization.

I therefore request the consent of the Senate to ratification by the United States of these amendments to the Charter of the United Nations.

LYNDON B. JOHNSON.

THE WHITE HOUSE, *April 6, 1965.*

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Hackney, one of its reading clerks, announced that the House insisted upon its amendment to the bill (S. 974) to amend the Manpower Development and Training Act of 1962, as amended, 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. POWELL, Mr. O'HARA of Michigan, Mr. DANIELS, Mr. PUCINSKI, Mr. GIBBONS, Mr. HATHAWAY, Mr. AYRES, Mr. ASHBROOK, and Mr. QUIE were appointed managers on the part of the House at the conference.

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

H.R. 398. An act to permit the discovery, location, development, and utilization of the mineral resources of certain public lands in national forests in the State of Colorado, and for other purposes;

H.R. 459. An act to provide for more uniform application of section 4369 of title 39, United States Code, which pertains to filing of information relating to second-class mail publications;

H.R. 881. An act to authorize the establishment of the Alibates Flint Quarries and Texas Panhandle Pueblo Culture National Monument;

H.R. 980. An act to provide for the return of obscene mail matter;

H.R. 1763. An act to amend section 1825 of title 28 of the United States Code to authorize the payment of witness' fees in habeas corpus cases and in proceedings to vacate sentence under section 2255 of title 28 for persons who are authorized to proceed in forma pauperis;

H.R. 3990. An act to amend section 1871 of title 28, United States Code, to increase the per diem and subsistence, and limit mileage allowances of grand and petit jurors;

H.R. 4778. An act to increase the amounts authorized for Indian adult vocational education;

H.R. 5702. An act to extend for 1 year the date on which the National Commission on Food Marketing shall make a final report to the President and to the Congress and to provide necessary authorization of appropriations for such Commission;

H.R. 7060. An act making appropriations for the Treasury and Post Office Departments, the Executive Office of the President, and certain Independent Agencies for the fiscal year ending June 30, 1966, and for other purposes;

H.R. 7064. An act to amend the Foreign Service Buildings Act of 1926, as amended; and

H.J. Res. 95. Joint resolution to designate the lake to be formed by the waters impounded by Sanford Dam, Canadian River project, Texas, as "Lake Meredith."

HOUSE BILLS AND JOINT RESOLUTION REFERRED

The following bills and joint resolution were severally read twice by their titles and referred as indicated:

H.R. 398. An act to permit the discovery, location, development, and utilization of the mineral resources of certain public lands in national forests in the State of Colorado, and for other purposes;

H.R. 881. An act to authorize the establishment of the Alibates Flint Quarries and Texas Panhandle Pueblo Culture National Monument;

H.R. 4778. An act to increase the amounts authorized for Indian adult vocational education; and

H.J. Res. 95. Joint resolution to designate the lake to be formed by the waters impounded by Sanford Dam, Canadian River project, Texas, as "Lake Meredith"; to the Committee on Interior and Insular Affairs.

H.R. 459. An act to provide for more uniform application of section 4369 of title 39, United States Code, which pertains to filing of information relating to second-class mail publications; and

H.R. 980. An act to provide for the return of obscene mail matter; to the Committee on Post Office and Civil Service.

H.R. 1763. An act to amend section 1825 of title 28 of the United States Code to authorize the payment of witness' fees in habeas corpus cases and in proceedings to vacate sentence under section 2255 of title 28 for persons who are authorized to proceed in forma pauperis; and

H.R. 3990. An act to amend section 1871 of title 28, United States Code, to increase the per diem and subsistence, and limit mileage allowances of grand and petit jurors; to the Committee on the Judiciary.

H.R. 5702. An act to extend for 1 year the date on which the National Commission on Food Marketing shall make a final report to the President and to the Congress and to provide necessary authorization of appropriations for such Commission; to the Committee on Agriculture and Forestry.

H.R. 7060. An act making appropriations for the Treasury and Post Office Departments, the Executive Office of the President, and certain independent agencies for the fiscal year ending June 30, 1966, and for other purposes; to the Committee on Appropriations.

H.R. 7064. An act to amend the Foreign Service Buildings Act of 1926, as amended; to the Committee on Foreign Relations.

LIMITATION OF STATEMENTS DURING TRANSACTION OF ROUTINE MORNING BUSINESS

On request of Mr. MANSFIELD, and by unanimous consent, statements during the transaction of routine morning business were ordered limited to 3 minutes.

AUTHORIZATION FOR COMMITTEE MEETINGS DURING SENATE SESSION

On request of Mr. MANSFIELD, and by unanimous consent, the Subcommittee on Public Health of the Committee on the District of Columbia, the Subcommittee on Air and Water Pollution of the Committee on Public Works, and the Committee on Labor and Public Welfare were authorized to meet during the session of the Senate today.

APPOINTMENTS BY THE VICE PRESIDENT

The VICE PRESIDENT. The Chair announces the appointment of Senators TALMADGE, ROBERTSON, YARBOROUGH, HICKENLOOPER, and SCOTT to be members of the Interparliamentary Union Conference, to be held in Dublin, Ireland, on April 18–25, 1965.

EXECUTIVE COMMUNICATIONS, ETC.

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

NOTICE RELATING TO TERMINATION OF DESIGNATION OF CERTAIN COUNTRIES AS LESS DEVELOPED COUNTRIES FOR PURPOSES OF THE INTEREST EQUALIZATION TAX

A communication from the President of the United States, notifying the Senate, pursuant to law, relating to the termination of the designation of certain countries as less developed countries for purposes of the interest equalization tax; to the Committee on Finance.

REPORTS OF COMPTROLLER GENERAL

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on potential savings through use of Government-owned housing to meet military requirements in the Orlando, Fla., area, Federal Housing Administration, Housing and Home Finance Agency, and Department of Defense, dated March 1965 (with an accompanying report); to the Committee on Government Operations.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on unnecessary costs incurred in the indirect procurement of selected subsystems and accessories for the P–3 aircraft, Department of the Navy, dated March 1965 (with an accompanying report); to the Committee on Government Operations.

REPORT ON CONTRACTS NEGOTIATED FOR EXPERIMENTAL, DEVELOPMENTAL, OR RESEARCH WORK

A letter from the Acting Administrator, General Services Administration, Washington, D.C., transmitting, pursuant to law, a report on contracts negotiated for experimental, developmental, or research work, for the 6-month period ended December 31, 1964 (with an accompanying report); to the Committee on Government Operations.

REPORT ON DETERMINATIONS RELATING TO DEFERMENT OF CERTAIN CHARGES PAYABLE BY THE CASPER-ALCOVA IRRIGATION DISTRICT, KENDRICK PROJECT, WYOMING

A letter from the Assistant Secretary of the Interior, reporting, pursuant to law, on determinations relating to deferment of the charges for the period 1963 through 1972 payable by the Casper-Alcova Irrigation District, Kendrick project, Wyoming; to the Committee on Interior and Insular Affairs.

PROPOSED CONTRACT WITH THE KANSAS-BOSTWICK IRRIGATION DISTRICT NO. 2, MISSOURI RIVER BASIN PROJECT, KANSAS

A letter from the Assistant Secretary of the Interior, transmitting, pursuant to law, a proposed contract with the Kansas-Bostwick Irrigation District No. 2, Missouri River Basin project, Kansas (with accompanying papers); to the Committee on Interior and Insular Affairs.

REPORT ON TORT CLAIMS PAID BY HOUSING AND HOME FINANCE AGENCY

A letter from the Administrator, Housing and Home Finance Agency, Washington, D.C., reporting, pursuant to law, on tort claims paid by that Agency, for the calendar year 1964; to the Committee on the Judiciary.

SUSPENSION OF DEPORTATION OF CERTAIN ALIENS

Two letters from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, copies of orders suspending deportation of certain aliens, together with a statement of the facts and pertinent provisions of law pertaining to each alien, and the reasons for ordering such suspension (with accompanying papers); 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.

TEMPORARY ADMISSION INTO THE UNITED STATES OF CERTAIN ALIENS

A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, copies of orders entered granting temporary admission into the United States of certain aliens (with accompanying papers); to the Committee on the Judiciary.

DISPOSITION OF EXECUTIVE PAPERS

A letter from the Archivist of the United States, transmitting, pursuant to law, a list of papers and documents on the files of several departments and agencies of the Government which are not needed in the conduct of business and have no permanent value or historical interest, and requesting action looking to their disposition (with accompanying papers); to a Joint Select Committee on the Disposition of Papers in the Executive Departments.

The VICE PRESIDENT appointed Mr. JOHNSTON and Mr. CARLSON members of the committee on the part of the Senate.

CONCURRENT RESOLUTION OF NEW YORK LEGISLATURE

Mr. JAVITS. Mr. President, I present, for appropriate reference, a concurrent resolution of the Legislature of the State of New York, seeking to increase the minimum wage to $1.50 per hour. I ask unanimous consent that the concurrent resolution be printed in the RECORD.

There being no objection, the concurrent resolution was referred to the Committee on Labor and Public Welfare, and, under the rule, ordered to be printed in the RECORD, as follows:

RESOLUTION 95 OF THE STATE OF NEW YORK

Concurrent resolution memorializing the Congress to amend the Federal Fair Labor Standards Act of 1938, increasing the minimum wage thereunder to $1.50 per hour

Whereas it is the sense of the people of the State of New York, as manifested by the considered judgment of their duly elected representatives in the State legislature, that the welfare of the people is involved in the soundness of this State's economic condition, as well as that of other States, and depends on the establishment and enforcement of national standards designed to protect, preserve and promote the soundness of the economy of the entire Nation; and

Whereas employers in this State are placed in an unfavorable competitive position by reason of lower wages paid in States which are subject only to the Federal minimum wage of $1.25 per hour, a rate considerably below that which generally prevails in the industries of this State; and

Whereas it is believed by the executive and legislative branches of the government of the State of New York that an immediate increase in the Federal minimum wage to $1.50 per hour is necessary to eliminate such substandard wages as now prevail in many States of the Nation and to protect the employers of this State and other States with high labor standards against unfair competition: Now, therefore, be it

Resolved (if the assembly concur), That the President and the Congress of the United States be and they are hereby respectfully memorialized to establish with all convenient speed a nationwide minimum wage of $1.50 per hour, in order to avoid an increase in unemployment in States with high labor standards, prevent unfair competition from industries in States having low labor standards and wages to preserve, protect and permit the soundness of the Nation's economy; and be it further

Resolved (if the assembly concur), That copies of this resolution be transmitted to the Congress of the United States by forwarding one copy thereof to the Secretary of the Senate of the United States, one copy to the Clerk of the House of Representatives of the United States, and one copy to each Member of the Congress of the United States duly elected from the State of New York, and that the latter be urged to devote themselves to the task of accomplishing the purpose of this resolution.

By order of the Senate.

GEORGE H. VAN LENGEN,
Secretary.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. HILL, from the Committee on Labor and Public Welfare, with amendments:

S. Con. Res. 30. Concurrent resolution to honor the victory over poliomyelitis (Rept. No. 147).

By Mr. BARTLETT, from the Committee on Commerce, without amendment:

H.R. 4527. An act to authorize appropriations for procurement of vessels and aircraft and construction of shore and offshore establishments for the Coast Guard (Rept. No. 148).

APPROPRIATIONS FOR COAST GUARD PROCUREMENT

Mr. MANSFIELD subsequently said: Mr. President, I ask unanimous consent that the Senate turn to the consideration of H.R. 4527, reported today by the Senator from Alaska [Mr. BARTLETT] from the Committee on Commerce.

The PRESIDING OFFICER (Mr. MONTOYA in the chair). The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (H.R. 4527) to authorize appropriations for procurement of vessels and aircraft and construction of shore and offshore establishments for the Coast Guard.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. BARTLETT. Mr. President, H.R. 4527 authorizes a sum of $114,250,000 to be appropriated to the U.S. Coast Guard for the fiscal year 1966 to procure vessels and aircraft and construct shore and offshore establishments. The authorization includes provisions for vessels, aircraft, and establishments.

Mr. President, I ask unanimous consent that a brief of authorization be printed at this point in the RECORD.

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

BRIEF OF AUTHORIZATION

Total authorization granted, fiscal year 1966

Vessels:	
(A) Procurement:	
3 high-endurance cutters	$45,000,000
5 medium-endurance cutters	18,750,000
2 inland tenders	1,400,000
1 river tender	687,000
3 small patrol cutters	1,105,000
(B) Extension of service life:	
Improve icebreakers	1,125,000
Enlarge operations center on 4 255-foot, high-endurance cutters	400,000
Rehabilitate 183-foot Reserve training vessel	150,000
(C) Increasing capability:	
Install oceanographic equipment on 9 high-endurance cutters	720,000
Install secure communications on 7 high-endurance cutters	1,739,000
Install bow thrusters on 2 seagoing tenders	200,000
Convert 1 barge for operation with river tender	
Total	71,316,000
Aircraft:	
13 medium-range helicopters	7,873,000
4 long-range helicopters	6,010,000
1 long-range aircraft	2,615,000
Total	16,498,000
Construction:	
Atlantic coast: Offshore light platform at New York Harbor entrance	2,100,000
New Orleans, La.: Air Station, hangar construction	1,071,000
Annette Island, Alaska: Fire protection at air station and landing pads for helicopters	402,000
Saugerties, N.Y.: Operations, administrative and maintenance facilities, light attendant station	260,000
Boothbay Harbor, Maine: Station, operational, administrative, and maintenance facilities and family quarters	419,000
Ocean City, Md.: Station, moorings	166,000
Rio Vista, Calif.: Station, operational, administrative, and maintenance facilities	525,000
Wildwood, N.J.: Electronics engineering station, administration-laboratory building and supply building	257,000
Southern California: Communications facilities	500,000
Galveston, Tex.: Base, pier for medium-endurance cutter	480,000

BRIEF OF AUTHORIZATION—Continued

Total authorization granted, fiscal year 1966—Continued

Construction—Continued	
South Portland, Maine: Base, operational, and administrative facilities	$453,000
Grand Isle, La.: Loran-A station	781,000
New Castle, N.H.: Operational, administrative, and maintenance facilities and family quarters	325,000
Ilwaco, Wash.: Station, operational, administrative, and maintenance facilities, public family quarters	965,000
Avon, N.J.: Station, barracks building, public family quarters	553,000
Florence, Nebr.: Moorings for river tender	19,000
New Orleans, La.: Base, barracks, and administrative and operations facility on leased premises with long-term lease	1,320,000
Elizabeth City, N.C.: Air station, barracks building, sewage disposal	2,860,000
Barbers Point, Hawaii: Air station, barracks building	529,000
Curtis Bay, Md.: Yard, replace crane	320,000
Corpus Christi, Tex.: Station, wharf extension for medium endurance cutters	274,000
Cape May, N.J.: Recruit training center, barracks building	950,000
Alameda, Calif.: Recruit training center, galley and messhall building	971,000
New London, Conn.: Academy, develop waterfront and other improvements	1,700,000
Various locations:	
Aids to navigation projects	2,036,000
Advance planning, construction design, architectural services, and acquisition of sites in connection with public works projects not otherwise authorized by law	1,200,000
Governor's Island, N.Y.: Acquisition for integration of activities in New York area	5,000,000
Total	26,436,000
Grand total	114,250,000

Mr. MAGNUSON. Mr. President, a description of the legislative background for this bill and an analysis of the legislation is summarized in the following report.

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

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

This bill represents the second legislative proposal submitted by the U.S. Coast Guard to obtain authorization for appropriations pursuant to Public Law 88-45. That act, passed and approved by the President in June 1963, provides that no funds may be appropriated to the Coast Guard for the procurement of vessels or aircraft or the construction of shore or offshore establishments unless the appropriation of such funds has been authorized by law.

Last year the committee amended the bill as introduced at the request of the Secretary of the Treasury to add specific dollar figures for items authorized and to prohibit the

Coast Guard from carrying forward authorizations without fiscal year limitation. The committee report expressed the hope that Coast Guard authorization legislation introduced in the future would follow more closely the practices developed under the authorization bills for the Armed Forces. The committee was pleased this year to note that the recommendation was accepted and that the present bill places a specific dollar figure on the items authorized and the authorization is only for fiscal year 1966.

The committee conducted a public hearing on the measure.

The Coast Guard authorizations included in this bill are based on comprehensive program plans documented in the committee hearings and in Coast Guard reports relating to the replacement and augmentation of vessels, aircraft, and shore establishments.

VESSELS

The vessel program provides for a construction schedule which will make available to the Coast Guard a fleet of modern ships by 1975. The plan covers a 10-year time span closing in 1974. To accomplish the plan, an annual average funding level of $105 million for vessels is required. The 1966 program is an important step in the overall effort since it provides for the construction of three high-endurance cutters, five medium-endurance cutters, two inland tenders, one river tender, and three small patrol cutters. In addition, the authorization permits the extension of the service life of certain vessels and increases the capabilities of others. The three high-endurance cutters to be replaced were constructed in 1944 for use as seaplane tenders engaged in activities in coastal waters. The Coast Guard has been required to use these war-built vessels on the high seas for search and rescue. The Coast Guard has determined that these 20-year-old vessels should be replaced before the replacement of several 30-year-old vessels constructed in the mid-1930's, which are more serviceable although older.

The vessel program also calls for the replacement of four medium-endurance cutters and the construction of one new cutter for operation in the North Pacific. The fleet of medium-endurance cutters presently in operation consists of 30 vessels. The four replacements being authorized by this bill will permit two vessels constructed in 1926 and two vessels constructed in 1927 to be retired from service. The new vessel is required to enforce the treaty obligations of the United States under the several international agreements relating to the fisheries between the United States, Canada, Japan, and Russia in the North Pacific.

The bill also authorizes the construction of two inland tenders to replace two others which are 30 years of age, three small patrol craft for search and rescue and law enforcement, and one small tender for the Missouri River.

AIRCRAFT

The aviation plan involved a construction program for the years 1961 through 1966. This, the last year of the program, will require the authorization of 17 helicopters. The 13 medium-range helicopters will serve as replacements for overage aircraft and as support helicopters at existing stations. The four long-range helicopters will supplant fixed-wing aircraft presently in use at some stations.

The one long-range aircraft is programed to replace an overage survey plane presently used to maintain the accuracy of electronic navigation aids.

CONSTRUCTION OF ESTABLISHMENTS

The bill would authorize the Coast Guard to proceed with the construction of 21 shore and offshore establishments. This includes construction work on the air station in New Orleans, La., and Annette Island, Alaska; the improvement of facilities at Booth Bay Harbor, Maine; Saugerties, N.Y.; Rio Vista, Calif.; Ocean City, Md.; Southport, Maine; Newcastle, N.H.; Ilwaco, Wash.; Avon, N.J.; Elizabeth City, N.C.; Barbers Point, Hawaii; Cape May, N.J.; Alameda, Calif.; Corpus Christi and Galveston, Tex.; and New Orleans, La. Improvements in the communication facilities and electronic equipment will be made at Wildwood, N.J., and Point Vicente, Calif. In addition, a continuation of the improvement of facilities at the Coast Guard Academy at New London, Conn., is included.

The committee reviewed closely the proposed addition of $5 million for integration of activities in the New York area made possible by the Department of the Army accelerating its departure from Fort Jay on Governors Island, N.Y. The acquisition of these facilities will represent an important advance in meeting the needs of the Coast Guard in the New York area and represents a long-term reduction in the cost of the Coast Guard.

Mr. PROUTY. Mr. President, today, the Committee on Commerce has reported H.R. 4527 which authorizes appropriations for construction of vessels, aircraft, and shore stations for the Coast Guard.

This is the second year that we have used this approach which is a procedure adpoted from the military construction bill for the armed services. The Merchant Marine and Fisheries Subcommittee, which handles this legislation, is now in a much better position to determine the requirements of the Coast Guard, and to make recommendations with respect to them.

The bill, as it has now been reported by the Commerce Committee, includes specific authorizations for specific capital items for the operations of the Coast Guard. The authorization is also only for fiscal 1966.

A quick glance at the committee report accompanying H.R. 4527, will show the exact amounts authorized for new and replacement items for the Coast Guard. The committee has found these items necessary for fiscal 1966, to keep pace with the 10-year modernization program which ends in 1974.

The administration request for the Coast Guard authorization amounted to $109,250,000.

The House Appropriations Committee has recommended a total of only $101 million for the Coast Guard, for fiscal 1966.

The Commerce Committee even in the face of the smaller amount of the recommended appropriation, has nevertheless, found it desirable to agree with a $5 million increase in authorization for this year. This extra $5 million will be used to convert Fort Jay, New York City, from its use by the Army, to facilities usable by the Coast Guard. This is actually an economy move because it will bring all of the Coast Guard facilities in that area, together in one place.

As ranking minority member on the Merchant Marine and Fisheries Subcommittee, I concur with the full authorization recommended by our committee for H.R. 4527.

Mr. President, the hearings on this bill and the Senate companion, S. 1053, demonstrated quite well the many advantages of this new approach to Coast Guard authorizations. The testimony of Admiral Roland, Commandant of the Coast Guard, convinced our subcommittee of the necessity for each of the items contained in this bill. Although the House recommends an appropriation of some $13 million less than we are authorizing here, I feel that it is incumbent upon us to approve an authorization which our hearings have demonstrated to be necessary.

Mr. President, I recommend that the Senate adopt H.R. 4527 as it has been reported by the Committee on Commerce.

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

The bill was ordered to a third reading, was read the third time, and passed.

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

Mr. BARTLETT. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

EXECUTIVE REPORTS OF COMMITTEES

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. MAGNUSON, from the Committee on Commerce:

William R. Curtis, for permanent appointment to the grade of lieutenant in the Coast and Geodetic Survey;

John O. Phillips, Robert C. Darling, and Miller J. Tonkel, for permanent appointment in the Coast and Geodetic Survey, in the grade of captain;

Rupert L. Murphy, of Georgia, to be Interstate Commerce Commissioner; and

John W. Bush, of Ohio, to be Interstate Commerce Commissioner.

By Mr. McNAMARA, from the Committee on Labor and Public Welfare:

Jack T. Conway, of Michigan, to be Deputy Director of the Office of Economic Opportunity;

Glenn W. Ferguson, of Maryland, Otis A. Singletary, of North Carolina, and Theodore M. Berry, of Ohio, to be Assistant Directors of the Office of Economy Opportunity.

By Mr. EASTLAND, from the Committee on the Judiciary:

Robert B. Green, of Oklahoma, to be U.S. attorney for the eastern district of Oklahoma.

By Mr. DIRKSEN, from the Committee on the Judiciary:

John Doar, of Wisconsin, to be an Assistant Attorney General.

By Mr. JAVITS, from the Committee on the Judiciary:

Harold Leventhal, of the District of Columbia, to be U.S. circuit judge for the District of Columbia circuit.

ELEMENTARY AND SECONDARY EDUCATION ACT OF 1965—AUTHORIZATION FOR COMMITTEE TO REPORT—MINORITY, SUPPLEMENTAL, AND INDIVIDUAL VIEWS

Mr. MORSE. Mr. President, I am pleased and proud to report a bill from the Committee on Labor and Public Welfare, H.R. 2362, the Elementary and Secondary Education Act of 1965.

I ask unanimous consent to file minority, supplemental, and individual views with that report. I also ask unanimous consent that I may have until midnight tonight to file the committee report.

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

Mr. MORSE. Mr. President, I am pleased to report to the Senate that the bill was ordered reported to the Senate by a unanimous vote of 16 to 0. Some amendments were offered in the committee. The amendments were defeated. Individual members of the committee reserved the right, as we always have that right, to offer or support amendments on the floor of the Senate. They also asked permission, even though they voted for the bill, in some instances to file minority or individual views.

No one could have a feeling of deeper gratitude than I have as chairman of the Education Subcommittee for the wonderful cooperation I received from all members of the subcommittee and of the full committee, Democrats and Republicans, for there is a recognition on the part of each one of us, even though there are differences of point of view in regard to some sections of the bill, that this Congress has an obligation and opportunity to pass for the first time a major aid to education bill for the elementary and secondary schools of the country.

I close my remarks, because I think Senators will be hearing much from me on this subject before the week is over, by saying on this occasion that in my judgment the educational crisis in this country is the No. 1 domestic issue that faces the Republic. It is my prayerful hope that the Senate will pass the bill without amendment this week.

Subsequently, Mr. MORSE, from the Committee on Labor and Public Welfare, reported, without amendment, the bill (H.R. 2362) to strengthen and improve educational quality and educational opportunities in the Nation's elementary and secondary schools, and submitted a report (No. 146) thereon.

BILLS INTRODUCED

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

By Mr. HRUSKA (for himself, Mrs. SMITH, Mr. CURTIS, and Mrs. NEUBERGER):

S. 1705. A bill to provide for the issuance of a special series of postage stamps in commemoration of the 75th anniversary of the founding of the General Federation of Women's Clubs; to the Committee on Post Office and Civil Service.

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

By Mr. SALTONSTALL:

S. 1706. A bill for the relief of Natalia Kushnariov De Afanasiev; to the Committee on the Judiciary.

By Mr. ROBERTSON (by request):

S. 1707. A bill to amend section 6(b) of the Securities Act of 1933; to the Committee on Banking and Currency.

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

By Mr. McCARTHY:

S. 1708. A bill to amend the Internal Revenue Code of 1954 to reduce the highway use tax in the case of certain motor vehicles used primarily to haul carnival, circus, and allied outdoor show business equipment, materials, and personnel; to the Committee on Finance.

By Mr. McCARTHY (for himself and Mr. MONDALE):

S. 1709. A bill to amend title III of the Bankhead-Jones Farm Tenant Act, as amended, to provide for additional measures and types of assistance for carrying out plans for land conservation and land utilization, and for other purposes; to the Committee on Agriculture and Forestry.

By Mr. RIBICOFF:

S. 1710. A bill for the relief of Dr. Dimitri George Polydefkis, Mrs. Lela Polydefkis, and Rosemarie and Christina Polydefkis; to the Committee on the Judiciary.

By Mr. HILL:

S. 1711. A bill for the relief of George A. O'Connell, Jr.; to the Committee on the Judiciary.

By Mr. YOUNG of Ohio:

S. 1712. A bill to provide for the appointment of congressional pages or messengers from among young men and women between the ages of 17 and 22 who are attending college; to the Committee on Rules and Administration.

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

By Mr. BIBLE (by request):

S. 1713. A bill to strengthen the Motor Vehicle Safety Responsibility Act of the District of Columbia;

S. 1714. A bill to amend the Fire and Casualty Act of the District of Columbia to provide for the financial protection of certain persons suffering injury as a result of the operation of a motor vehicle by uninsured motorists;

S. 1715. A bill to extend the penalty for assault on a police officer in the District of Columbia to assaults on employees of penal and correctional institutions and places of confinement of juveniles of the District of Columbia;

S. 1716. A bill to amend the District of Columbia Traffic Act, 1925, as amended;

S. 1717. A bill to provide for the registration of names assumed for the purposes of trade or business in the District of Columbia;

S. 1718. A bill to provide for the compensation of overtime work performed by officers and members of the Metropolitan Police force and the Fire Department of the District of Columbia, the U.S. Park Police force, and the White House Police force, and for other purposes; and

S. 1719. A bill to authorize compensation for overtime work performed by officers and members of the Metropolitan Police force and the Fire Department of the District of Columbia, the U.S. Park Police force, and the White House Police force, and for other purposes; to the Committee on the District of Columbia.

By Mr. JAVITS:

S. 1720. A bill to assist in the provision of housing for moderate-income families and elderly persons by providing Federal guarantees for certain obligations issued by local housing agencies; to the Committee on Banking and Currency.

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

By Mr. YOUNG of North Dakota:

S. 1721. A bill to amend the Public Buildings Act of 1959 to require separate contracts to be entered into for the performance of mechanical specialty work required in certain construction and alteration of public buildings; to the Committee on Public Works.

By Mr. SCOTT:

S. 1722. A bill for the relief of Pak Tao Yeung; to the Committee on the Judiciary.

By Mr. WILLIAMS of New Jersey:

S. 1723. A bill for the relief of Nicolo Picinich;

S. 1724. A bill for the relief of Michael J. Venezia; and

S. 1725. A bill for the relief of Adelina Marcelo Miranda Gapac; to the Committee on the Judiciary.

By Mr. MAGNUSON:

S. 1726. A bill to amend section 22 of the Interstate Commerce Act; to the Committee on Commerce.

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

By Mr. MAGNUSON (for himself, Mr. COTTON, Mr. MONRONEY, Mr. HARTKE, Mr. SCOTT, Mr. RANDOLPH, and Mr. BARTLETT):

S. 1727. A bill to provide for strengthening and improving the national transportation system, and for other purposes; to the Committee on Commerce.

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

By Mr. MAGNUSON (by request):

S. 1728. A bill to amend section 222(b) of the Interstate Commerce Act with respect to the service of process in enforcement proceedings, and for other purposes;

S. 1729. A bill to amend section 203(b)(5) of the Interstate Commerce Act to provide for the issuance of certificates of exemption upon application and proof of eligibility, and for other purposes;

S. 1730. A bill to amend section 402(c) of the Interstate Commerce Act to provide for the issuance of certificates of exemption upon application and proof of eligibility, and for other purposes;

S. 1731. A bill to amend section 212(a) of the Interstate Commerce Act, as amended, and for other purposes;

S. 1732. A bill to amend sections 204a and 406a of the Interstate Commerce Act in order to provide civil liability for violations of such act by common carriers by motor vehicle and freight forwarders; and

S. 1733. A bill to make the civil forfeiture provisions of section 222(h) of the Interstate Commerce Act applicable to unlawful operations and safety violations by motor carriers, and for other purposes; to the Committee on Commerce.

(See the remarks of Mr. MAGNUSON when he introduced the above bills, which appear under separate headings.)

By Mr. MAGNUSON (for himself and Mr. BARTLETT):

S. 1734. A bill to conserve and protect Pacific salmon of North American origin; to the Committee on Commerce.

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

POSTAGE STAMPS TO COMMEMORATE 75TH ANNIVERSARY OF GENERAL FEDERATION OF WOMEN'S CLUBS

Mr. HRUSKA. Mr. President, it is my privilege to introduce legislation which is cosponsored by my colleague, the junior Senator from Nebraska [Mr. CURTIS] the senior Senator from Maine [Mrs. SMITH], and the junior Senator from Oregon [Mrs. NEUBERGER]. It would authorize the Postmaster General to issue a series of stamps to commemorate and honor the 75th anniversary of the General Federation of Women's Clubs.

The current president of the General Federation of Women's Clubs is Mrs. William H. Hasebroock. As she is a

fellow Nebraskan, I am aware of her continuing efforts to promote responsible civic improvements both in Nebraska and the Nation. We are proud of her accomplishments and of the organization she represents.

The purposes and accomplishments of the General Federation of Women's Clubs are the best endorsement which can be found for the issuance of this stamp.

The object of the federation is to bring into communication and to unite the women's clubs and like organizations throughout the world for the purpose of mutual benefit, and for the promotion of their common interest in education, industrial, philanthropic, literary, artistic, and scientific culture.

Founded in 1890, the General Federation of Women's Clubs is an international organization with membership in 55 countries and the United States. This membership figure includes 800,000 members in 15,500 clubs in the United States.

Membership in the general federation offers countless opportunities for rewarding results. It provides friendships with women whose interests extend beyond local horizons, it stimulates civic consciousness, it trains for leadership, it is effective, through united effort, in influencing national legislation, and it opens the way for constructive public service in the community, the State, the Nation, and the world.

About 100,000 of the members of the General Federation are young women under the age of 35. Their energetic support of local, State, and National projects makes them a vital force in carrying on the General Federation's worthwhile programs.

This outstanding organization carries on projects of both national importance and some which are international in scope. By their nature these projects are varied, some are educational, others are charitable and some promote international understanding and good will within the scope of the objectives and purposes of the federation.

Those of us who serve in the Congress are well aware of the federation's activities as they affect national legislation. Their members have done much fine work in the fields of aiding the handicapped, community improvement, conservation, and various educational activities.

Mr. President, our country can be proud of this fine group of women who do so much good to aid in national and international understanding in many complex fields.

As a sponsor of the bill, I believe it is fitting that we pay honor to the General Federation of Women's Clubs on the occasion of their diamond jubilee, by proposing the issuance of such commemorative stamps as the Postmaster General deems appropriate in 1966.

Mr. President, I send to the desk the text of the bill and ask unanimous consent that it be printed at this point in the RECORD.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 1705) to provide for the issuance of a special series of postage stamps in commemoration of the 75th anniversary of the founding of the General Federation of Women's Clubs, introduced by Mr. HRUSKA (for himself and other Senators), was received, read twice by its title, referred to the Committee on Post Office and Civil Service, 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 the Postmaster General is authorized and directed to issue, during the calendar year 1966, a special series of postage stamps, of such appropriate design and denomination as he shall prescribe, in commemoration of the seventy-fifth anniversary of the founding of the General Federation of Women's Clubs.

INCREASE IN FEES FOR FILING OF REGISTRATION STATEMENTS WITH THE SEC

Mr. ROBERTSON. Mr. President, I am introducing at the request of the Securities and Exchange Commission a bill to increase the fees to be paid in connection with filing registration statements under the Securities Act of 1933.

I ask unanimous consent that a copy of the letter from the Securities and Exchange Commission recommending this proposal and the accompanying enclosures be printed in the RECORD at this point.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the letter and enclosures will be printed in the RECORD.

The bill (S. 1707) to amend section 6 (b) of the Securities Act of 1933, introduced by Mr. ROBERTSON, by request, was received, read twice by its title, and referred to the Committee on Banking and Currency.

The letter and enclosures presented by Mr. ROBERTSON are as follows:

SECURITIES AND EXCHANGE COMMISSION,
Washington, D.C., March 26, 1965.

Re fee legislation.

Hon. HUBERT H. HUMPHREY,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: I have the honor to transmit legislative proposals of the Securities and Exchange Commission with respect to fees charged for the filing of registration statements under the Securities Act of 1933.

In his budget message last month President Johnson stated: "Fairness to all taxpayers demands that those who enjoy special benefits should bear a greater share of the costs." This Commission has given considerable thought to the application of this principle with respect to the laws it administers and has concluded that it would be appropriate to amend section 6(b) of the Securities Act of 1933 by increasing the fee paid in connection with registration statements for securities from one one-hundredth of 1 percent of the maximum aggregate offering price and increasing the minimum fee from $25 to $100. A proposed bill that would effectuate these changes is attached.

In addition to the provision for fees for securities registrations, which in fiscal 1964 totaled $1,780,697, there are statutory provisions for an annual registration fee for national securities exchanges and for filing fees for applications for qualifications of trust indentures relating to securities not required to be registered under the Securities Act of 1933. These are the only statutory provisions whereunder fees are collected in connection with the Federal securities laws, except for provisions permitting the Commission to make reasonable charges for copies of information filed with it. The registration fee for national securities exchanges is provided for by section 31 of the Securities Exchange Act of 1934 and amounts to one five-hundredths of 1 percent of the aggregate dollar amount (2 cents per $1,000) of sales of securities on such exchanges in the preceding year. In fiscal 1964 these fees totaled $1,323,150. The filing fee with respect to trust indentures is provided in section 307(b) of the Trust Indenture Act of 1939 and the amount collected pursuant thereto in fiscal 1964 was $1,500. All fees collected pursuant to these sections are deposited into the general fund of the Treasury.

At the time of the passage of the first two securities acts there were indications that the registration fees provided therein were intended to cover the anticipated costs of administration. In fact, the amounts collected have fallen far short of this. There have been no amendments of the securities acts with respect to fees, except for the 1964 amendment to section 15(b)(8) of the Securities Exchange Act relating to fees to defray the cost of examinations and other expenses in regulating broker-dealers who are not members of a registered securities association.

Over the years there have been numerous suggestions or proposals for increased or additional fees. In 1951 title V of the Independent Offices Appropriation Act, 1952, 5 U.S.C. 140, authorized agencies to adopt fees to cover the cost of agency activities where fees were not fixed by statute. Pursuant thereto in 1952 the Commission submitted for comment proposed rules which sought to impose substantial fees on various segments of the securities industry. These proposals resulted in considerable controversy and a subcommittee of the House Committee on Interstate and Foreign Commerce, which was studying the activities of this Commission, reported its view that any fees in this area should be "spelled out in specific legislation which has been submitted to and passed by the Congress, rather than through any delegation of authority to any agency to pass upon the need for or amount thereof."[1] Thereafter the Commission abandoned its proposal and has never since proposed fixing fees by rule.

In subsequent years the Commission has expressed the view that any fair fee proposal should include an increase in at least one of the existing fees. Thus in 1957 we submitted to the House Committee on Interstate and Foreign Commerce a legislative proposal that would have increased the stock exchange registration fee from 2 cents per $1,000 of the aggregate dollar amount of each transaction to 5 cents per $1,000 and would have imposed a similar fee upon broker-dealers effecting transactions otherwise than on a national securities exchange. This proposal resulted in the introduction of bills in both the House and Senate[2] but, although the Senate passed its bill, no action was taken in the House. Substantially similar bills were reintroduced but not passed in 1959 and 1961.[3] In 1962 a bill increasing the stock exchange registration fee to 5 cents

[1] Report of Committee on Interstate and Foreign Commerce on Securities and Exchange Commission, H. Rept. No. 2508, 82d Cong., 2d sess. (1952), p. 138.

[2] S. 2520, 85th Cong., 1st sess.; H.R. 7778, 85th Cong., 1st sess.

[3] S. 737, 86th Cong., 1st sess.; S. 755, 87th Cong., 1st sess.

per $1,000, but containing no provision for over-the-counter transactions was introduced but not passed.[4]

While we have again considered the possibility of amendments such as those referred to above, we feel that the proposal to increase the Securities Act registration fee at this time would be more suitable. To increase the cost of the stock exchange fees alone without assessing a similar fee with respect to over-the-counter transactions might be considered unfair, particularly in the light of the growth of the "third market" for listed securities. On the other hand, it appears to be most untimely to assess fees on over-the-counter transactions now, when the NASD has recently increased its fee assessment on over-the-counter dealers to defray costs of the additional self-regulation imposed following the Commission's Special Study of the Securities Markets.

The Securities Act registration fee is necessarily passed on to investors. Since the increase would result indirectly in investors paying a larger proportion of the overall cost of this Commission, which operates to protect investors, it appears to us to be fair and in accordance with the principle stated by the President that "those who enjoy * * * benefits should bear a greater share of the costs." In this connection, the larger the public offering, and hence the fee, the larger normally would be the segment of the investing public purchasing the registered securities.

During the last fiscal year, had the proposed fee been in effect, the Commission would have collected approximately $3,561,400 under the Securities Act. This, together with the amounts collected under the stock exchange registration fee and trust indenture fee would have totaled $4,886,050. While this is slightly more than the total costs of the Commission's Divisions of Corporation Finance and Trading and Markets,[5] which processed the registrations involved, a substantial portion of the work of other divisions, particularly the Office of Records and Service and the Office of the Chief Accountant, was also spent in connection with the filings.

The Bureau of the Budget has advised us that the draft bill submitted herewith would be consistent with the administration's objectives.

By direction of the Commission.

MANUEL F. COHEN,
Chairman.

Attachments.

Securities and Exchange Commission statement of cost by organization, fiscal year 1964

Office:	
Executive offices	$341,793
Office of program planning	179,337
Office of the secretary	73,178
Office of hearing examiners	173,006
Office of opinions and review	166,942
Office of the general counsel	347,185
Office of the chief accountant	147,095
Division of corporation finance	2,942,084
Division of trading and markets	1,738,224
Division of corporate regulation	1,083,682
Office of the comptroller	143,914
Office of personnel	130,083
Office of records and service	739,271
Subtotal, departmental	8,205,794
Regional offices	5,728,154
Grand total	13,933,948

[4] H.R. 10167, 87th Cong., 2d sess.

[5] See "Statement of cost by organization, fiscal year 1964," attached hereto.

A bill to amend section 6(b) of the Securities Act of 1933

Be it enacted by the Senate and the House of Representatives of the United States of America in Congress assembled, That section 6(b) of the Securities Act of 1933 is amended to read as follows:

"(b) At the time of filing a registration statement the applicant shall pay to the Commission a fee of one-fiftieth of 1 per centum of the maximum aggregate price at which such securities are proposed to be offered, but in no case shall such fee be less than $100."

SEC. 2. The effective date of section 6(b) of the Securities Act of 1933, as amended by this Act, shall be July 1, 1965.

PROPOSAL FOR REEXAMINATION OF CONGRESSIONAL PAGE SYSTEM

Mr. YOUNG of Ohio. Mr. President, the boys who serve as pages in the Senate and in the House of Representatives are fine boys indeed. However, the time has come when the Congress should reexamine the method by which we select pages and the qualifications established for those positions, and another and better system should be adopted.

Historically, the custom of hiring pages goes back to the first Congress. In those days Members of Congress who knew of young orphan boys in destitute circumstances had their sympathies aroused and they were successful in having officers of the House of Representatives employ a few boys as runners. Originally, in 1789, a few runners were employed. The earliest records show that in the 20th Congress, which sat from 1827 to 1829, three boys were employed as runners. In succeeding Congresses, the number changed, but the custom continued.

In the 27th Congress, which sat from 1841 to 1843, a select committee was appointed to look into the number of persons employed by the House of Representatives to ascertain whether there were "more than the public good required"; and also to determine whether their pay should be adjusted. One result of the inquiry was that the number of pages was reduced from 12 to 8 and their compensation was increased from $1.50 to $2 a day. All extra compensation for overtime work was discontinued. According to the select committee, it seems to have been the practice to grant an extra allowance of $250 to the pages at the close of each session of the Congress.

Today pages may be employed in the House of Representatives at the age of 14 and continue until they are 18. In the Senate pages start at 14 and some remain in this employment until they are too large to serve inconspicuously—a rather nebulous standard for terminating employment.

In my judgment consideration should be given at this time to the advisability of employing college students, young men and women, from the ages of 17 to 22 to serve as pages in both Houses of Congress. This would give youngsters who are college students the valuable opportunity to view the work of Congress firsthand, help them to pay their way through college, and relieve Members of Congress of the responsibility of looking after the welfare of very young boys, many of whom are on their own for the first time, far from their parents and homes.

Today, most Capitol policemen, elevator operators, Post Office employees, and other patronage jobs on Capitol Hill are filled by young men attending colleges and universities in the Washington area. This has provided a wonderful opportunity for them, and I am sure has helped many a young man to graduate who otherwise might not financially have been able to make his way through college.

The present method of hiring young boys to perform these duties is archaic and troublesome. Because of the fact that so many of them have had improper supervision while living on their own in Washington, it is now proposed that $1 million of taxpayers' money be appropriated for a dormitory for them. To do this would merely be to compound an already unwieldy situation. Why spend taxpayers' money to perpetuate an outmoded, unnecessary, and unjustified system? I propose the employment of young women and young men of college age—17 to 22—to serve as messengers or pages in both branches of Congress.

The pages are fine boys. However, at present their salaries amount to approximately $5,000 or more a year. This is rather handsome remuneration for young boys from 14 to 17 years of age. Frankly, Mr. President, when I was a young married lawyer, a year or so out of college, I would have been glad to take a job that paid such a munificent salary.

I realize that whenever a long-established tradition or custom is set aside, very careful consideration should be given to the reasons for doing so. I am convinced that in this fast-moving space age of change and challenge, the present method of selecting pages for Congress is outmoded and really serves no useful purpose. Therefore, I introduce for appropriate reference a bill to provide for the appointment of congressional pages or messengers from young men and women between the ages of 17 and 22 who are attending college. I ask unanimous consent that the bill be printed in the RECORD at this point as part of my remarks.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 1712) to provide for the appointment of congressional pages or messengers from among young men and women between the ages of 17 and 22 who are attending college, introduced by Mr. YOUNG of Ohio, was received, read twice by its title, referred to the Committee on Rules and Administration, 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 no person shall serve as a page of the Senate or House of Representatives—

(1) before he or she has attained the age of seventeen years, or during any session of the Congress which begins after he or she has attained the age of twenty-three years; or

(2) during any period when he or she is not regularly pursuing a full-time course of study in a recognized college or university, if such period exceeds (i) thirty days, or (ii) four months if the period is between school years and such person has a bona fide intention to pursue a full-time course of study in a recognized college or university during the semester (or other period into which the school year is divided) immediately following such period.

SEC. 2. (a) Section 243 of the Legislative Reorganization Act of 1946 (2 U.S.C. 88a), and the proviso in the paragraph under the heading "Education of Senate and House Pages" in title I of the Urgent Deficiency Appropriation Act, 1947 (2 U.S.C. 88b), are hereby repealed.

SEC. 3. This Act shall become effective at the beginning of the second session of the Eighty-ninth Congress.

NEW MODERATE-INCOME HOUSING PROGRAM

Mr. JAVITS. Mr. President, I introduce, for appropriate reference, the Moderate Income Housing Act of 1965, to assist in the provision of urgently needed housing for moderate-income families and elderly persons. This legislation would establish a new program of middle-income housing through the use of Federal guarantees of bonds issued by local housing agencies and would authorize the local agencies to extend low-cost, long-term mortgage loans to nonprofit and limited profit corporations to construct moderate-income housing and housing for the elderly. The program would make available on a national scale Federal support for a program similar to the effective New York moderate-income program. The mortgage loans would be made for a period of 50 years at interest rates equivalent to the rates at which tax-exempt Treasury bonds could be sold, not exceeding 4 percent. These loans would be made for 90 percent of the development cost of a project. An additional servicing fee of less than one-half of 1 percent would be charged. A limitation of 6 percent would be placed on dividends payable by the borrower. Rents and carrying charges would be regulated as a condition for a mortgage loan in order to insure the retention of a middle-income level of rent for a project.

One of the greatest deficiencies in our existing Federal housing program is the lack of an effective program to stimulate the construction of new housing by private enterprise to meet the tremendous demands of moderate-income citizens residing in urban centers. The existing moderate-income program has not met these needs. The infection of slums spreading like epidemics through the older parts of our cities, the meteoric rise in our population since World War II and the rising costs of land, building, financing, and operating require new approaches to satisfy the exploding needs for improved housing. The strengthening and improving of both middle-income and low-rent housing is absolutely essential.

Through purchases of bonds issued by the State-created Housing Finance Agency, private investors in New York have purchased $479,239,000 in long-term obligations, permitting the financing of privately-owned housing at rentals low enough to make modern housing available to a vast segment of the population that previously could not afford new housing. Under the Javits bill, bonds issued by the local authorities would be guaranteed by the Federal Government in the event of default. The Federal guarantee would be expected to provide an incentive to the sale of housing bonds at even a lower interest rate than the New York Housing Finance Agency issues it bonds under the New York program and would provide a basis for lower rentals in New York and wherever such a program would be implemented.

This would create a parallel on the Federal level of the successful New York State Mitchell-Lama program, which has been in effect since 1956, and as expanded under Governor Rockefeller's administration to a requested total authorization of $1,150 million, and through the New York State Housing Finance Agency, has completed or has underway some 70 projects consisting of over 34,000 apartments.

The middle income housing plan which the Congress adopted in 1961 has so far been little used in New York and in other States, but the need for housing for this income bracket in the urban centers has become increasingly desperate. Our urban centers are tending to become the homes of only the extremes of wealth and poverty, and the suburban commuter is forced to use transportation facilities that are becoming more and more impossible. What the Congress has done in the past and what it is now being asked to do, has not and will not reverse this process or even slow it down significantly.

Mr. President, New York's successful Mitchell-Lama program, along which this measure was patterned, has, as of December 31, 1964, had the following results:

	Projects	Units
Completed	43	15,784
Under construction	17	12,221
In planning	9	6,381
Total	69	34,386

New York City Mitchell-Lama program

	Projects	Units
Completed	[1] 37	[1] 16,305
Under construction	9	2,855
In planning	15	4,858
Total	[1] 61	[1] 24,018

[1] Includes 7 low-rent projects and 6,170 units which are conversions to co-ops.

Total Mitchell-Lama program in New York State

	Projects	Units
Completed	[1] 80	[1] 32,089
Under construction	26	15,076
In planning	24	11,239
Grand total	[1] 130	[1] 58,404

[1] Includes 7 low-rent projects and 6,170 units which are conversions to co-ops.

The use of low-cost, long-term financing with Federal guarantees, together with limited profit ownership, Government supervision of construction and encouragement of local tax abatement would provide a new arsenal of weapons to meet the urgent needs of moderate-income housing and would allow the gap to be filled between low-cost public housing and the higher rentals resulting from conventional financing.

I believe that the private enterprise system can and should be stimulated to fill this need to a far greater extent than has been the case up to now.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 1720) to assist in the provision of housing for moderate-income families and elderly persons by providing Federal guarantees for certain obligations issued by local housing agencies, introduced by Mr. JAVITS, was received, read twice by its title, and referred to the Committee on Banking and Currency.

AMENDMENT OF SECTION 22 OF THE INTERSTATE COMMERCE ACT

Mr. MAGNUSON. Mr. President, I introduce for appropriate reference, at the request of the Interstate Commerce Commission, a bill to amend section 22 of the Interstate Commerce Act. I ask unanimous consent that this bill lie on the table for 7 days in order that other Senators who wish to do so may join as cosponsors.

In the last Congress, the Committee on Commerce held hearings on S. 2075, which would have amended section 22 of the Interstate Commerce Act so as to assure that rates, fares, and charges established under that section for the U.S. Government are free from undue prejudice and preference.

Although the committee has considered many bills over the last 20 years to amend or repeal section 22, the only major change which has been made is the enactment in 1957 of a law requiring carriers to file certain rates with the Commission.

The Interstate Commerce Commission is of the view that, except during time of war or national emergency, the Government should pay full tariff rates and charges for its transportation, the same as any other shipper. A large percentage of Government traffic now moves at reduced rates under section 22, which rates are not available to commercial shippers. According to the Commission, this preferential treatment has a strong tendency to increase the cost of regulated transportation services to other shippers. These other shippers as a result, when their rates become too high, may resort to private carriage. This diversion of traffic the Commission considers to be detrimental to the maintenance of a sound common carrier system, and inconsistent with the national transportation policy.

This bill would not completely eliminate Government reduced rate privileges. In the interest of national defense, governmental bodies would retain

section 22 privileges during time of war or national emergency. In addition, reduced rate privileges would be retained under section 22 in situations involving the transportation of bulk or agricultural commodities for governmental bodies. The Commission believes that this latter provision is necessary in order not to aggravate existing competitive inequalities between carriers of different modes arising from the exemptions in sections 203(b)(6) and 303 of the Interstate Commerce Act.

This latter proposal may offer a solution to the impasse that has heretofore developed. In the coming weeks, I would hope that representatives of the Government and the several States, shippers, consumers, and the industry will give the committee their comments on this recommendation of the Interstate Commerce Commission.

I ask unanimous consent that the Interstate Commerce Commission's justification of the need for the proposed legislation be printed in the RECORD.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the justification will be printed in the RECORD, and the bill will lie on the desk, as requested by the Senator from Washington.

The bill (S. 1726) to amend section 22 of the Interstate Commerce Act, introduced by Mr. MAGNUSON, was received, read twice by its title, and referred to the Committee on Commerce.

The justification presented by Mr. MAGNUSON is as follows:

JUSTIFICATION

Section 22 of the Interstate Commerce Act now permits, among other things, "the carriage, storage, and handling of property free or at reduced rates for the United States, State, or municipal governments" and "the transportation of persons for the U.S. Government at free or reduced rates." These provisions which apply to railroads and other common carriers subject to part I of the act, are also made applicable to motor common carriers by section 217(b), to water common carriers by section 306(c), and to freight forwarders as to transportation or service in the case of property by section 405(c).

Except for the enactment in 1957 of subsection (2) which requires carriers to file certain rates with the Commission, the provisions of section 22 relating to Government traffic have remained essentially the same since passage of the original act to regulate commerce in 1887. At that time the Government was a comparatively small user of freight or passenger services of the carriers. Today, however, it is the largest single purchaser of transportation services. According to a study prepared by the General Accounting Office dated August 15, 1961, during fiscal year 1959 the Government paid line-haul transportation charges totaling $184 million for shipments of 8 million tons of freight at reduced rates under section 22. This is indicative of the volume of freight moving under section 22 quotations and tenders.

The Commission has for many years been of the view that, except during time of war or national emergency, the Government should pay full tariff rates and charges for transportation services performed on its behalf, the same as any other shipper or user of common carrier services. A large percentage of Government traffic now moves at reduced rates under section 22 which, of course, are not available to the commercial shipper. This preferential treatment has a strong tendency to increase the cost of regulated transportation services to commercial users who, when their rates become too high, resort to private carriage. Such diversions of traffic are clearly detrimental to the maintenance of a sound common carrier system. Moreover, the preferential treatment accorded the various levels of Government is, in our view, inconsistent with the national transportation policy which has among its objectives "to foster sound economic conditions in transportation" and "to encourage the establishment and maintenance of reasonable charges for transportation services without unjust discriminations, undue preferences or advantages, or unfair or destructive competitive practices."

The draft bill would not, however, completely eliminate Government reduced rate privileges under section 22. During time of war or national emergency, these privileges would still apply. In such times, it is required that commodities be moved, often secretly, over routes and between points as to which the applicable tariff rates may be considered to be unreasonable under the circumstances, or with respect to which there are no existing published rates, there being little likelihood in many instances of any commercial demand developing for the use of such routes or for other services. Accordingly, we feel that, in the interest of national defense, governmental bodies should retain section 22 privileges during time of war or national emergency.

In addition, the draft bill contains a specific provision retaining reduced rate privileges in situations involving the transportation of bulk or agricultural commodities for governmental bodies. This provision is necessary in order not to aggravate existing competitive inequalities between carriers of different modes arising from the exemptions in sections 203(b)(6) and 303 of the act. However, we recognize that any change in the law respecting these inequalities may require a corresponding change in the proposed amendment to section 22.

STRENGTHENING AND IMPROVEMENT OF NATIONAL TRANSPORTATION SYSTEM

Mr. MAGNUSON. Mr. President, I introduce, for appropriate reference, a bill to curb illegal carriage and to require motor carriers and freight forwarders to pay reparations. I am pleased that Senator COTTON, ranking minority member of the committee, has joined in cosponsoring this bill. I ask unanimous consent that this bill lie on the table for 10 days in order that other Senators who wish to do so may join as cosponsors.

I point out that it is similar to S. 2796, which was introduced on January 2, 1964, and cosponsored by several Members of the Senate. The bill itself is now cosponsored by the Senator from New Hampshire [Mr. COTTON], the Senator from Oklahoma [Mr. MONRONEY], the Senator from Indiana [Mr. HARTKE], the Senator from Pennsylvania [Mr. SCOTT], the Senator from West Virginia [Mr. RANDOLPH], and the Senator from Alaska [Mr. BARTLETT].

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the bill will lie at the desk as requested.

The bill (S. 1727) to provide for strengthening and improving the national transportation system, and for other purposes, introduced by Mr. MAGNUSON (for himself and other Senators), was received, read twice by its title, and referred to the Committee on Commerce.

Mr. MAGNUSON, Mr. President, in addition, I am introducing, for appropriate reference, at the request of the Interstate Commerce Commission, a number of bills recommended by the Commission to help combat illegal carriage, and to provide for motor carrier and freight forwarder reparations.

Illegal transportation is a major problem requiring action by this Congress. The Interstate Commerce Commission, on the basis of road checks in 42 States, has estimated that it involves a minimum of $500 million a year. Other experts believe the cost of illegal transportation to be even higher, amounting to between $1 and $5 billion a year.

The presence of these highway poachers penalizes the shipper, the community, and the public. The illegal operator often evades the tax laws as well as the transportation laws, and the law abiding must pay the difference. The public also pays more for goods because freight moved illegally takes revenues from the lawful carriers, causing their rates to be raised to pay fixed operating costs such as labor, maintenance, and equipment. Furthermore, the evidence to date indicates that illegal truckers are far more prone to highway accidents than are the lawful operators, whether they be common, contract, or private carriers.

Combating illegal carriage is not an easy task, and even with new enforcement tools, will not be ended overnight. Illegal operators have become sophisticated and are masking their operations under various disguises and facades.

In three recent, fine articles in Transport Topics, Associate Editor Harry D. Wohl describes some of the devices used by illegal carriers and the efforts of one State body, the Florida Public Utilities Commission, to war on these illegal carriers. They are too long to include in the RECORD, but I commend them to my colleagues' attention. They are being held in the files of the committee.

The bill which I am introducing today is premised on the position that the States, industry, and the general public must share with the Federal Government an equal interest in fighting illegal carriage.

In other words, if these highway poachers are to be curbed, primary emphasis must be placed on a cooperative, coordinated effort of the Commission, private industry, and the States.

The bill which I am sponsoring is intended to put muscle in the enforcement efforts of both the Federal Government and the States. Its provisions are summarized as follows:

Section 1 authorizes the Interstate Commerce Commission to enter into cooperative agreements with the several States to enforce State and Federal economic and safety laws relating to highway transportation.

Section 2 provides for uniform State registration of Interstate Commerce Commission motor carrier certificates.

Section 3 increases civil penalties for failure to comply with certain ICC regulations, and extends civil forfeiture

provisions to unlawful operations by motor carriers and certain violations of the Commission's motor carrier regulations.

Section 4 permits the ICC, in enforcement proceedings, to obtain service of process and to join any other party or parties necessary to the proceedings. This section would also permit any injured person to apply to the courts for restraints against illegal carriers operating in clear and patent violation of an Interstate Commerce certificate or permit or law, rules, and regulations.

Sections 5 and 6 permit shippers to recover reparations from motor carriers and freight forwarders.

The provisions of this bill were for the most part the subject of extensive hearings in the 87th Congress. As a result of these hearings, the Senate approved S. 2560 in the 87th Congress, but action was not taken by the House.

On May 2, 1964, I introduced S. 2796 to fight illegal carriage. Joining me in cosponsoring that bill were Senators COTTON, SMATHERS, BARTLETT, BEALL, HARTKE, MCGEE, MONRONEY, RANDOLPH, and SCOTT. In introducing S. 2796, I stated:

> While House action on measures to deregulate the transportation of certain commodities has stalled in growing controversy, there would appear to be general agreement that legislation to combat illegal carriage and require reparations should be enacted now.
>
> The House Committee has done an excellent job in perfecting these so-called enforcement provisions and they should now be considered independently because of the contribution they will make to improving our national transportation system. These vitally needed measures should not await what appears to be the long-term resolution of controversial issues.

The bill which I am introducing today is similar to S. 2796. The present bill, like H.R. 5401, which was recently introduced by Chairman HARRIS, of the House Interstate and Foreign Commerce Committee, contains changes which were worked out by the Transportation Association of America since the close of the last Congress. I am advised that these changes will aid in eliminating opposition and increasing support for these measures to fight illegal carriage.

One change in the new bill would provide for relief by injunction against all carriers found to be violating the Interstate Commerce Act. In S. 2796, motor carriers "holding a certificate, permit or grant of temporary authority issued by the Commission" were exempted. This change is in section 4 of the bill introduced today.

A second change would add to section 2, providing for increased civil penalties, a proviso that nothing in that section would deprive the Commission of its primary jurisdiction to determine the validity of an operation in dispute under the primary business test.

A third change would add to paragraph (2) of section 4, providing for private injunction suits, a similar proviso stating that nothing in that section should be construed to deprive the Commission of its jurisdiction to interpret or construe its certificates and permits or rules and regulations; or validity of an operation in dispute under the primary business test.

Senator COTTON and I are not committed to any specific language. We firmly believe in the general principle that measures providing for a coordinated, cooperative effort should be enacted in the near future as part of an all-out drive against illegal carriage.

This same statement applies to the language of section 3, increased civil penalties. The proposed extension of civil penalties to motor carrier safety violations in S. 2796 was objected to by some groups. My hope is that the hearings will result in the industry, the State commissions, and the ICC reaching a consensus on this question.

PROPOSED LEGISLATION RELATING TO INTERSTATE COMMERCE

Mr. MAGNUSON. Mr. President, the chairman of the Committee on Commerce traditionally introduces bills on behalf of the chairmen of various and numerous agencies within the jurisdiction of the committee, so that we might consider them and consider the views of those agencies, and in particular suggest amendments which would expedite work.

Mr. President, I am also introducing, by request, six bills recommended by the Interstate Commerce Commission to combat illegal carriage and provide for motor carrier and freight forwarder reparations. I ask unanimous consent that the bills along with the ICC's statement of justification be printed in the RECORD at the conclusion of my remarks.

The Commission indicates that these bills would greatly assist it in efforts to combat the threat to the preservation of a sound common carrier system posed by unlawful carriage.

The Commerce Committee will carefully and thoroughly evaluate the measures introduced today. In endeavoring to forge these improved enforcement tools, the committee will give careful consideration to the view of private industry and the States on this major problem confronting our national transportation system.

The PRESIDING OFFICER. The bills will be received and appropriately referred; and, without objection, the bills and justifications will be printed in the RECORD.

The bills, introduced by Mr. MAGNUSON, by request, were received, read twice by their titles, referred to the Committee on Commerce, and ordered to be printed in the RECORD, as follows:

S. 1732. A bill to amend sections 204a and 406a of the Interstate Commerce Act in order to provide civil liability for violations of such act by common carriers by motor vehicle and freight forwarders.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 204a of the Interstate Commerce Act is amended to read as follows:

"REPARATION AWARDS; LIMITATION OF ACTIONS

"SEC. 204a. (a) In case any common carrier by motor vehicle subject to the provisions of this part shall do, cause to be done, or permit to be done any act, matter, or thing in this part prohibited or declared to be unlawful, or shall omit to do any act, matter, or thing in this part required to be done, such carrier shall be liable to the person or persons injured thereby for the full amount of damages sustained in consequence of any such violation, together with a reasonable counsel's or attorney's fee, to be fixed by the court in every case of recovery, which attorney's fee shall be taxed and collected as part of the costs in the case.

"(b) Any person, organization, or body politic claiming to be damaged by any such carrier may either make complaint to the Commission or may bring suit in his or their own behalf for the recovery of the damages for which such carrier may be liable under the provisions of subsection (a), in any district court of the United States of competent jurisdiction; but such person, organization, or body politic shall not have the right to pursue both of said remedies.

"(c) When a complaint as authorized in paragraph (b) of this section is filed with the Commission, a statement of such complaint shall be forwarded by the Commission to the carrier or carriers named in such complaint, who shall be called upon to satisfy the complaint, or to answer the same in writing, within a reasonable time, to be specified by the Commission. If such carrier or carriers within the time specified shall make reparation for the injury alleged to have been done, such carrier or carriers shall be relieved of liability to the complainant only for the particular violation of law set forth in the complaint. If such carried or carriers shall not satisfy the complaint within the time specified, or there shall appear to be any reasonable ground for investigating the said complaint, it shall be the duty of the Commission to investigate the matters complained of in such manner and by such means as it shall deem proper.

"(d) If, after hearing on a complaint, the Commission shall determine that any party complainant is entitled to an award of damages under the provisions of this part for a violation thereof by any carrier, the Commission shall make an order directing the carrier to pay to the complainant the sum to which he is entitled on or before a day named.

"(e) If such carrier does not comply with an order for the payment of money within the time limit in such order, the complainant, or any person for whose benefit such order was made, may file with the district court of the United States for the district in which he or it resides, or in which is located the principal operating office of such carrier, or in which such carrier operates, or in any State court of general jurisdiction having jurisdiction of the parties, a complaint setting forth briefly the causes for which he claims damages, and in the order of the Commission in the premises. Such suit in the district court of the United States shall proceed in all respects like other civil suits for damages, except that on the trial of such suit the findings and order of the Commission shall be prima facie evidence of the facts therein stated, and except that the plaintiff shall not be liable for costs in the district court nor for costs at any subsequent stage of the proceedings unless they acrue upon his appeal. If the plaintiff shall finally prevail he shall be allowed a reasonable attorney's fee, to be taxed and collected as a part of the costs of the suit.

"(f)(1)(A) All actions at law by common carriers by motor vehicle subject to the provisions of this part for the recovery of their charges, or any part thereof, shall be begun within three years from the time the cause of action accrues, and not after.

"(B) All complaints against such carriers for the recovery of damages not based on overcharges shall be filed with the Commission within two years from the time the cause of action accrues, and not after, subject to subparagraph (D).

"(C) For the recovery of overcharges, action at law shall be begun or complaint filed with the Commission against such carriers

within three years from the time the cause of action accrues, and not after, subject to subparagraph (D), except that if claim for the overcharge has been presented in writing to the carrier within the three-year period of limitation said period shall be extended to include six months from the time notice in writing is given by the carrier to the claimant of disallowance of the claim, or any part or parts thereof, specified in the notice.

"(D) If on or before expiration of the two-year period of limitation in subparagraph (B) or the three-year period of limitation in subparagraph (C) a common carrier by motor vehicle subject to the provisions of this part begins action under subparagraph (A) for recovery of charges in respect of the same transportation service, or, without beginning action, collects charges in respect of that service, said period of limitation shall be extended to include ninety days from the time such action is begun or charges are collected by the carrier.

"(2) The cause of action in respect of a shipment of property shall, for the purposes of this section, be deemed to accrue upon delivery or tender of delivery thereof by the carrier and not after.

"(3) A complaint for the enforcement of an order of the Commission for the payment of money shall be filed in the district court or the State court within one year from the date of the order, and not after.

"(4) The term 'overcharges' as used in this section means charges for transportation services in excess of those applicable thereto under the tariffs lawfully on file with the Commission.

"(5) The provisions of this section 204a shall extend to and embrace all transportation of property or passengers for or on behalf of the United States in connection with any action brought before the Commission or any court by or against carriers subject to this part: *Provided, however,* That with respect to such transportation of property or passengers for or on behalf of the United States, the periods of limitation herein provided shall be extended to include three years from the date of (A) payment of charges for the transportation involved, or (B) subsequent refund for overpayment of such charges, or (C) deduction made under section 322 of the Transportation Act of 1940 (49 U.S.C. 66), whichever is later.

"(g) In suits brought to enforce an order of the Commission for the payment of money all parties in whose favor the Commission may have made an award of damages by a single order may be joined as plaintiffs, and all of the carriers parties to such order awarding such damages may be joined as defendants, and such suit may be maintained by such joint plaintiffs and against such joint defendants in any district where any one of such joint plaintiffs could maintain such suit against any one of such joint defendants; and service of process against any one of such defendants as may not be found in the district where the suit is brought may be made in any district where such defendant has his or its principal operating office. In case of such joint suit the recovery, if any, may be by judgment in favor of any one of such plaintiffs, against the defendant found to be liable to such plaintiff."

SEC. 2. Section 406a of the Interstate Commerce Act is amended to read as follows:

"REPARATION AWARDS; LIMITATION OF ACTIONS

"SEC. 406a. (a) In case any freight forwarder subject to the provisions of this part shall do, cause to be done, or permit to be done any act, matter, or thing in this part prohibited or declared to be unlawful, or shall omit to do any act, matter, or thing in this part required to be done, such freight forwarded shall be liable to the person or persons injured thereby for the full amount of damages sustained in consequence of any such violation, together with a reasonable counsel's or attorney's fee, to be fixed by the court in every case of recovery, which attorney's fees shall be taxed and collected as part of the costs in the case.

"(b) Any person, organization, or body politic claiming to be damaged by any such freight forwarder may either make complaint to the Commission or may bring suit in his or their own behalf for the recovery of the damages for which such freight forwarder may be liable under the provisions of paragraph (a) of this section, in any district court of the United States of competent jurisdiction; but such person, organization, or body politic shall not have the right to pursue both of said remedies.

"(c) When a complaint as authorized in paragraph (b) of this section is filed with the Commission, a statement of such complaint shall be forwarded by the Commission to the freight forwarder or forwarders named in such complaint, who shall be called upon to satisfy the complaint, or to answer the same in writing, within a reasonable time, to be specified by the Commission. If such freight forwarder or forwarders within the time specified shall make reparation for the injury alleged to have been done, such freight forwarder or forwarders shall be relieved of liability to the complainant only for the particular violation of law set forth in the complaint. If such freight forwarder or forwarders shall not satisfy the complaint within the time specified, or there shall appear to be any reasonable ground for investigating the said complaint, it shall be the duty of the Commission to investigate the matters complained of in such manner and by such means as it shall deem proper.

"(d) If, after hearing on a complaint, the Commission shall determine that any party complainant is entitled to an award of damages under the provisions of this part for a violation thereof by any freight forwarder, the Commission shall make an order directing the freight forwarder to pay to the complainant the sum to which he is entitled on or before a day named.

"(e) If such freight forwarder does not comply with an order for the payment of money within the time limit in such order, the complainant, or any person for whose benefit such order was made, may file with the district court of the United States for the district in which he or it resides, or in which is located the principal operating office of such freight forwarder, or in which such freight forwarder operates, or in any State court of general jurisdiction having jurisdiction of the parties, a complaint setting forth briefly the causes for which he claims damages and the order of the Commission in the premises. Such suit in the district court of the United States shall proceed in all respects like other civil suits for damages, except that on the trial of such suit the findings and order of the Commission shall be prima facie evidence of the facts therein stated, and except that the plaintiff shall not be liable for costs in the district court nor for costs at any subsequent stage of the proceedings unless they accrue upon his appeal. If the plaintiff shall finally prevail, he shall be allowed a reasonable attorney's fee, to be taxed and collected as a part of the costs of the suit.

"(f) (1) (A) All actions at law by freight forwarders subject to the provisions of this part for the recovery of their charges, or any part thereof, shall be begun within three years from the time the cause of action accrues, and not after.

"(B) All complaints against such freight forwarders for the recovery of damages not based on overcharges shall be filed with the Commission within two years from the time the cause of action accrues, and not after, subject to subparagraph (D).

"(C) For the recovery of overcharges action at law shall be begun or complaint filed with the Commission against such freight forwarders within three years from the time the cause of action accrues, and not after, subject to subparagraph (D), except that if claim for the overcharge has been presented in writing to the freight forwarder within the three-year period of limitation said period shall be extended to include six months from the time notice in writing is given by the freight forwarder to the claimant of disallowance of the claim, or any part or parts thereof, specified in the notice.

"(D) If on or before expiration of the two-year period of limitation in subparagraph (B) or the three-year period of limitation in subparagraph (C) a freight forwarder subject to the provisions of this part begins action under subparagraph (A) for recovery of charges in respect of the same service, or, without beginning action, collects charges in respect of that service, said period of limitation shall be extended to include ninety days from the time such action is begun or such charges are collected by the freight forwarder.

"(2) The cause of action in respect of a shipment of property shall, for the purposes of this section, be deemed to accrue upon delivery or tender of delivery thereof by the freight forwarder, and not after.

"(3) A complaint for the enforcement of an order of the Commission for the payment of money shall be filed in the district court or the State court within one year from the date of the order, and not after.

"(4) The term 'overcharges' as used in this section means charges for services in excess of those applicable thereto under the tariffs lawfully on file with the Commission.

"(5) The provisions of this section 406a shall extend to and embrace all transportation of property for or on behalf of the United States in connection with any action brought before the Commission or any court by or against freight forwarders subject to this part: *Provided,* however, That with respect to such transportation of property for or on behalf of the United States, the periods of limitation herein provided shall be extended to include three years from the date of (A) payment of charges for the transportation involved, or (B) subsequent refund for overpayment of such charges, or (C) deduction made under section 322 of the Transportation Act of 1940 (49 U.S.C. 66), whichever is later.

"(g) In suits brought to enforce an order of the Commission for payment of money all parties in whose favor the Commission may have made an award of damages by a single order may be joined as plaintiffs, and all of the freight forwarders parties to such order awarding such damages may be joined as defendants, and such suit may be maintained by such joint plaintiffs and against such joint defendants in any district where any one of such joint plaintiffs could maintain such suit against any one of such joint defendants; and service of process against any one of such defendants as may not be found in the district where the suit is brought may be made in any district where such defendant has his or its principal operating office. In case of such joint suit the recovery, if any, may be by judgment in favor of any one of such plaintiffs, against the defendant found to be liable to such plaintiff."

SEC. 3. Section 401 of the Interstate Commerce Act is amended by striking out "SEC. 406a. Actions for recovery of charges; limitation of actions." and inserting in lieu thereof the following:

"SEC. 406a. Reparation awards; limitation of actions."

SEC. 4. The amendments made by this Act shall be applicable only with respect to cases in which the cause of action accrues after the effective date of the Act.

The recommendation and justification accompanying Senate bill 1732 are as follows:

RECOMMENDATION No. 15

This proposed bill would give effect to legislative recommendation No. 15 of the Interstate Commerce Commission as set forth on page 70 of its 78th annual report as follows:

"We recommend that sections 204a and 406a be amended to make common carriers by motor vehicle and freight forwarders, respectively, liable for the payment of damages in reparation awards to persons injured by them through violations of the act."

JUSTIFICATION

The attached draft bill would amend sections 204a and 406a of the Interstate Commerce Act, which relate to actions at law for the recovery of charges by or against common carriers by motor vehicle and freight forwarders, so as to make such carriers liable for the payment of damages to persons, including the United States as a shipper, injured by them as a result of unreasonable charges on past shipments. It would give to an injured party the choice of pursuing his remedy either before the Commission or in any court of competent jurisdiction. Appropriate periods of limitation are provided with respect to the commencement of such actions or proceedings.

At present, liability for an unreasonable rate exists, and a remedy is provided, only with respect to violations by railroads and other carriers subject to part I and by water carriers subject to part III of the act. Prior to the decision of the Supreme Court in *T.I.M.E. Inc.* v. *United States*, 359 U.S. 464, May 18, 1959, the Commission, upon petition, made determinations of the reasonableness of past motor carrier rates on the assumption that the petitioner was entitled to maintain an action in court for reparations based upon the unreasonableness of such rates.

However, in that case, the Court ruled that a shipper by a motor common carrier subject to part II cannot challenge in postshipment litigation the reasonableness of the carrier's past charges made in accordance with applicable tariffs filed with the Commission. A shipper, therefore, is without remedy for injury arising from the application of an unreasonable rate. Since the pertinent provisions of part IV are similar to those under part II, a shipper by freight forwarder subject to part IV appears to be in the same plight.

The motor carrier industry has attained stature and stability as one of the chief agencies of public transportation, handling a substantial volume of the Nation's traffic. It seems appropriate, therefore, that shippers should have the same rights of recovery against motor carriers as they have against rail and water carriers for violations of the act.

The need for the relief proposed is evidenced by the number of proceedings instituted by shippers for redress against motor common carriers prior to the decision in the T.I.M.E. case. During the years ended June 30, 1958, and 1959, for example, 20 and 14 formal complaints or petitions, respectively, were filed to secure the Commission's determination of the reasonableness of established motor carrier rates ancillary to court actions for the recovery of reparations.

During the calendar year 1958, a total of 101 informal complaints were filed against motor carriers claiming damages for unreasonable rates and practices. In 1950 only 10 such complaints were handled by the Commission, but by 1954 the number had risen to 110. Prior to the decision in the T.I.M.E. case, adjustments of such complaints were negotiated, in appropriate cases, by an informal and inexpensive procedure involving informal conferences and correspondence with the parties. Many informal complaints, however, were found not to be susceptible of adjustment by such means. If the Commission had then been vested with the requisite authority, the filing of formal complaints seeking awards of reparations probably would have followed, as is now the practice under parts I and III of the act. In this connection it should be noted that reparation procedures before the Commission are more simple and less expensive than actions in court to attain the same end. It may be anticipated, therefore, that although both the courts and the Commission would be authorized under the proposed amendments to award reparations, shippers would prefer resort to the Commission since the reasonableness of the rates involved would, under the provisions of the act, have to be determined by it upon referral of the question by the court.

Although the need for a provision authorizing awards of reparations against freight forwarders is not as pressing as in the case of motor carriers, it is equitable logical, and desirable that all four parts of the act be uniform and that shippers by different modes be treated in similar fashion. Appropriate amendments to section 406a are therefore included in the draft bill.

For the reasons set forth above, the Commission recommends early consideration and enactment by the Congress of this proposed measure.

S. 1728. A bill to amend section 222(b) of the Interstate Commerce Act with respect to the service of process in enforcement proceedings, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsection (b) of section 222 of the Interstate Commerce Act (49 U.S.C. 822(b)), is amended to read as follows:

"(b) If any motor carrier or broker operates in violation of any provision of this part (except as to the reasonableness of rates, fares, or charges and the discriminatory character thereof), or any lawful rule, regulation, requirement, or order promulgated by the Commission, or of any term or condition of any certificate or permit, the Commission or its duly authorized agent may apply for the enforcement thereof to the district court of the United States for any district where such motor carrier or broker operates. In any proceeding instituted under the provisions of this section any person, or persons, acting in concert or participation with such carrier or broker in the commission of such violation may, without regard to his or their residence, be included, in addition to the motor carrier or broker, as a party, or parties, to the proceeding. The court shall have jurisdiction to enforce obedience to any such provision of this part, or of such rule, regulation, requirement, order, term, or condition by a writ of injunction or by other process, mandatory or otherwise, restraining such carrier or broker, his or its officers, agents, employees, and representatives, and such other person, or persons, acting in concert or participation with such carrier or broker, from further violation of such provision of this part, or of such rule, regulation, requirement, order, term, or condition and enjoining upon it or them obedience thereto. Process in such proceedings may be served upon such motor carrier, or broker, or upon such person, or persons, acting in concert or participation therewith in the commission of such violation, without regard to the territorial limits of the district or of the State in which the proceeding is instituted."

The recommendation and justification accompanying Senate bill 1728 are as follows:

RECOMMENDATION No. 21

This proposed bill would give effect to legislative recommendation No. 21 of the Interstate Commerce Commission as set forth on page 74 of its 78th annual report as follows:

"We recommend that section 222(b) be amended to enable the Commission in enforcement proceedings to obtain service of process upon motor carriers and to permit the joining of any other necessary party without regard to where the carrier or other party may be served."

JUSTIFICATION

The attached draft bill would provide the Interstate Commerce Commission with a more effective means of enforcing the motor carrier provisions of the Interstate Commerce Act.

Under section 222(b) of the act the Commission is authorized to institute proceedings to enjoin unlawful motor carrier or broker operations or practices in the United States district court of any district in which the carrier or broker operates. Rule 4(f) of the Federal Rules of Civil Procedure, however, limits the service of process in such proceedings to the territorial limits of the State in which the court sits.

In many instances the carriers against whom it is necessary to seek injunctions do not hold operating authority from the Commission and they have not, of course, designated an agent for the service of process as provided in section 221(c) of the act. The operations of such carriers are frequently widespread and it is often desirable to institute the court action in the State where most of their services are performed. This is usually the most convenient place for the majority of persons involved, including necessary witnesses. The illegal operator, himself, however, may avoid service of process by remaining outside of the State and by not stationing within its borders anyone qualified to receive service on his behalf.

Coping with the problem of unlawful operations is further complicated when a large shipper is involved. An injunction against one or several relatively small carriers without the shipper being named permits the shipper to continue his unlawful activities by using individual truckers or small carriers against whom no previous action has been taken. It is therefore frequently desirable and often critically important, that such shipper, as well as the carriers, be enjoined from participating in further violation of the law or the Commission's rules and regulations thereunder. In some instances, however, the Commission has been unable to obtain service of process upon both the carriers and the shipper because they were not located within the territorial limits of the same State.

The decision of the court in *Interstate Commerce Commission* v. *Blue Diamond Products Company*, 192 F. 2d 43, precludes the Commission from proceeding against a shipper without proceeding against the carrier. The Commission does not disagree with the principle of that case. However, it is of the view, and the draft bill would so provide, that it should be able to institute a civil action against a carrier in any State in which the carrier operates and to join in such action any shipper, or any other person participating in the violation, without regard to where the carrier or the shipper or such other person may be served.

The problem presented has been particularly troublesome in the efforts of the Commission to control so-called pseudo private

carriage, i.e., for-hire carriers claiming, without basis, to be engaged in private transportation for the purpose of evading the economic regulation to which common and contract carriers are subject. The seriousness of these unlawful operations was recognized by the Congress when, as a part of the Transportation Act of 1958, it amended section 203(c) of the Interstate Commerce Act so as to more clearly define what constitutes bona fide private carriage. However, because of the inability of the Commission, under present law, to get both the responsible shipper and the carrier before the court, its efforts at effective enforcement is, in many cases, thwarted.

The proposed amendment would make more effective the original intent of the Congress in enacting section 222(b) and would aid the Commission substantially in its efforts to administer and enforce the act.

In order to make the provisions of section 222(b) harmonize with changes recommended by the Commission in section 212(a) of the act (see legislative recommendation No. 25, 78th annual report), the draft bill further provides that section 222(b) shall apply to any lawful rule, regulation, requirement, or order promulgated by the Commission. At present, the pertinent provision of section 222(b) refers only to rules, regulations, requirements, or orders promulgated under part II of the act.

S. 1729. A bill to amend section 203(b)(5) of the Interstate Commerce Act to provide for the issuance of certificates of exemption upon application and proof of eligibility, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 203(b)(5) of the Interstate Commerce Act is amended by changing the semicolon to a colon and by adding immediately before "or" at the end thereof the following: *"Provided,* That, except as otherwise provided in section 204(a)(4b) of this part, such cooperative association or federation has obtained and holds a certificate of exemption issued by the Commission pursuant to the provisions of that section.".

SEC. 2. Section 204(a) of the Interstate Commerce Act is amended by inserting after subparagraph (4a) thereof the following new subparagraph:

"(4b) To determine, upon its own motion, or upon application by any person or persons claiming to be engaged in transportation under the partial exemption provided in section 203(b)(5) of this part, whether such person or persons constitute, in fact, a cooperative association (as defined in the Agricultural Marketing Act, approved June 15, 1929, as amended), or a federation of such cooperative associations as described therein, and whether the transportation activities engaged in by such person or persons are within the meaning and scope of section 203(b)(5). Upon so finding, the Commission shall issue a certificate of exemption to the cooperative association or federation of associations, and such cooperative association or federation shall be entitled to operate under the partial exemption contained in section 203(b)(5) as long as such certificate remains in effect and unrevoked. At any time after the issuance of a certificate of exemption under the provisions hereof the Commission may by order revoke such certificate if it finds that the holder thereof is no longer a cooperative association or a federation of such associations, or that the transportation activities engaged in by such association or federation are no longer within the meaning and scope of the partial exemption provided by section 203(b)(5). Any cooperative association or federation of cooperative associations controlling or operating motor vehicles under the partial exemption provided in section 203(b)(5) on the date of enactment of this subparagraph, or during the year 1964, may continue to engage in transportation activities under such partial exemption for a period of one hundred and twenty days after the date of enactment without a certificate of exemption, and, if application for such certificate is made to the Commission within such period, may continue to engage in such transportation activities pending a determination of such application unless otherwise ordered by the Commission in that or any other proceeding. Applications for certificates of exemption under this subparagraph shall be made in writing to the Commission, and shall be in such form and contain such information and be accompanied by proof of service upon such interested persons as the Commission shall, by regulation, require. No certificate of exemption shall be denied and no order of revocation shall be issued, under this subparagraph, except after reasonable opportunity for hearing.".

SEC. 3. Section 220(d) of the Interstate Commerce Act is amended by changing the third sentence thereof to read as follows: "The Commission or its duly authorized special agents, accountants, or examiners shall at all times have access to and authority, under its order, to inspect and examine any and all lands, buildings, or equipment of motor carriers, brokers, and lessors; and shall have authority to inspect and copy any and all accounts, books, records, memoranda, correspondence, and other documents of such carriers, brokers, lessors, associations (as defined in this section), and cooperative associations or federations of cooperative associations holding a certificate of exemption issued pursuant to section 204(a)(4b) of this part, and such accounts, books, records, memoranda, correspondence, and other documents, of any person controlling, controlled by, or under common control with any such carrier, as the Commission deems relevant to such person's relation to or transactions with such carrier."

The recommendation and justification accompanying Senate bill 1729 are as follows:

RECOMMENDATION NO. 23

This proposed bill would give effect to legislative recommendation No. 23 of the Interstate Commerce Commission as set forth on page 76 of its 78th annual report as follows:

"We recommend (a) that section 203(b)(5) be amended to provide that agricultural cooperatives shall be entitled to exempt status thereunder only upon application and proof of eligibility, and (b) that section 220 be amended to permit the Commission or its duly authorized agents to inspect the books, records, and other documents kept or maintained by such cooperatives."

JUSTIFICATION

The purpose of the attached draft bill is to enable the Interstate Commerce Commission to cope more effectively with the unlawful activities of various groups and organizations which are syphoning off substantial amounts of traffic from authorized carriers by performing general transportation services under the guise of exempt agricultural cooperatives. This would be accomplished by the establishment of a procedure whereby agricultural cooperatives would be required to show, in the first instance, that they are entitled to exempt status under section 203(b)(5) of the act and by granting the Commission specific authority to examine the books and records of such cooperatives and associations.

For some time the Interstate Commerce Commission has been concerned with the relative decline of the Nation's common carrier industry. Several traffic studies clearly reveal that common carriers have lost considerable traffic which they formerly handled and, at the same time, have been unable to share proportionately in the additional traffic generated by the Nation's expanding economy. One such study, for example, showed a decline in the common carrier's share of total intercity ton-miles from 75.4 percent which they enjoyed in 1939 to only 67.5 percent in 1959. Projecting this trend to 1970, a further decline to between 60.8 and 63.8 percent was forecast.

This decline is essentially a result of the growth of unregulated private and exempt carriage. It is also attributable, however, to the growth of unauthorized and illegal carriage inimical to the public interest. The Commission has recommended in its annual reports to the Congress and in testimony before a subcommittee of the Senate several courses of action, including the instant proposal, designed to halt this steady rise in the volume of traffic handled by illegitimate private and exempt carriers to the detriment of the authorized carriers.

Under section 203(b)(5) of the act, motor vehicles controlled and operated by agricultural cooperatives, or by a federation of such cooperatives, are exempt from the Commission's economic regulation provided the cooperatives meet certain qualifying criteria as defined in the Agricultural Marketing Act of 1929 (12 U.S.C. 1141). This exemption is, in our judgment, a breeding ground for multifarious schemes to avoid the obligations which must be assumed by for-hire carriers subject to the Commission's economic regulation.

While the number of groups and organizations claiming exemption as agricultural cooperatives has grown considerably in the last 10–15 years, the Commission is not presently equipped with authority effective enough to weed out those which are not entitled to the exemption or to prevent other such persons from commencing operations. It is only after such operations have been initiated that the Commission, on its own motion or upon complaint, may now institute an investigation to determine whether the operations are, in fact, lawful. In such an investigation, the Commission has the duty and responsibility of assembling and analyzing all facts pertaining to the respondent's operations. Although the information necessary to discharge this responsibility is often available only from the respondent's records, the Commission has no specific authority to inspect them. Thus, if the Commission is unable to gain access to the records, the investigation becomes futile, unless, through indirect and cumbersome means, scraps of information relating to the respondent's operations can be uncovered elsewhere.

It should be noted also that in some cases operators, upon being investigated and pressed as to their status under the exemptions, have merely suspended the questionable operation and resumed service under a somewhat changed modus operandi and usually a different name. The same result frequently occurs after the Commission has issued a cease and desist order.

These factors have made it extremely difficult for the Commission to police effectively operations commenced under the agricultural cooperative exemption.

Under the proposed legislation the applicant would have the burden of showing his eligibility for exemption. This, it is felt, would serve as a deterrent to the institution of operations by unqualified organizations. The certificate issued to a qualified agricultural cooperative would be revocable if the holder thereof ceased to be a cooperative association as defined in the Agricultural Marketing Act of 1929 or the transportation activities in which it engaged were no longer within the meaning and scope of section 203(b)(5). Any organization operating under this exemption on the date of enactment of the proposal, or during the year 1964, would be permitted to continue its opera-

tions thereunder without a certificate for 120 days after the date of enactment, and, if application for a certificate is made within such period, it could continue to operate pending a determination of the application unless otherwise ordered by the Commission.

It is not the purpose of the proposed measure to interfere in any way with the legitimate operations of bona fide agricultural cooperatives under the exemption provided in the Interstate Commerce Act. It is, however, designed to enable the Commission to cope more effectively with groups and organizations using this exemption as a device to engage in unlawful transportation activities.

It is therefore recommended that this proposal be given early and favorable consideration by the Congress.

S. 1730. A bill to amend section 402(c) of the Interstate Commerce Act to provide for the issuance of certificates of exemption upon application and proof of eligibility, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 402(c)(1) of the Interstate Commerce Act is amended by inserting a colon in lieu of ", or" at the end thereof and by adding the following: *"Provided,* That, except as otherwise provided in section 403(g) of this part, no such group or association of shippers shall engage in consolidating or distributing freight for themselves or for the members thereof unless it has obtained and holds a certificate of exemption issued by the Commission pursuant to the provisions of that section, or".

SEC. 2. Section 403 of the Interstate Commerce Act is amended by adding at the end thereof the following new subsection (g):

"(g) The Commission shall have the power to determine, upon its own motion, or upon application of any person or persons claiming to be engaged in operations as a group or association of shippers under the exemption provided in section 402(c)(1) of this part, whether such operations are, in fact, those of a bona fide group or association of shippers within the meaning of section 402(c)(1). Upon so finding, the Commission shall issue a certificate of exemption to the group or association of shippers, and such group or association shall be entitled to operate under the exemption contained in section 402(c)(1) as long as such certificate remains in effect and unrevoked. At any time after the issuance of a certificate of exemption under the provisions hereof the Commission may by order revoke such certificate if it finds that the operations of the holder thereof are no longer those of a group or association of shippers within the meaning of the exemption provided by section 402(c)(1). Any group or association of shippers operating under the exemption provided in section 402(c)(1) on the date of enactment of this subsection or during the year 1964 may continue to operate under such exemption for a period of one hundred and twenty days after the date of enactment without a certificate of exemption, and, if application for such certificate is made to the Commission within such period, may continue its operations pending a determination of such application unless otherwise ordered by the Commission in that or any other proceeding. Applications for certificates of exemption under this subsection shall be made in writing to the Commission, and shall be in such form and contain such information and be accompanied by proof of service upon such interested persons as the Commission shall, by regulation, require. No certificate of exemption shall be denied and no order of revocation shall be issued, under this subsection, except after reasonable opportunity for hearing.".

SEC. 3. Section 403(f) of the Interstate Commerce Act is amended by changing the first sentence thereof to read as follows: "The Commission may investigate, either upon complaint or upon its own initiative, whether any freight forwarder or group or association of shippers specified in section 402(c)(1) has failed to comply with any provision of this part or with any order, rule, regulation, or requirement issued or established pursuant thereto, and, after notice and hearing, to take appropriate action to compel compliance therewith.".

SEC. 4. Section 412(d) of the Interstate Commerce Act is amended by changing the first sentence thereof to read as follows: "The Commission or its duly authorized special agents, accountants, or examiners shall at all times have access to and authority, under its order, to inspect and examine any and all lands, buildings, or equipment of freight forwarders; and shall have authority to inspect and copy any and all accounts, books, records, memorandums, correspondence, and other documents of freight forwarders, associations (as defined in this section), and of groups or associations of shippers holding a certificate of exemption issued pursuant to section 403(g) of this part, and such accounts, books, records, memorandums, correspondence, and other documents of any person controlling, controlled by, or under common control with any freight forwarder, as the Commission deems relevant to such person's relation to or transactions with such freight forwarder.".

The recommendation and justification accompanying Senate bill 1730 are as follows:

RECOMMENDATION NO. 24

This proposed bill would give effect to legislative recommendation No. 24 of the Interstate Commerce Commission as set forth on page 76 of its 78th annual report as follows:

"We recommend (a) that section 402(c) be amended to provide that shipper associations shall be entitled to exempt status thereunder only upon application and proof of eligibility, and (b) that section 412 be amended to permit the Commission or its duly authorized agents to inspect the books, records, and other documents kept or maintained by such associations."

JUSTIFICATION

The purpose of the attached draft bill is to enable the Interstate Commerce Commission to cope more effectively with the unlawful activities of various groups and organizations which are syphoning off substantial amounts of traffic from authorized carriers by performing general transportation services under the guise of exempt shipper associations. This would be accomplished by the establishment of a procedure whereby shippers' associations would be required to show, in the first instance, that they are entitled to exempt status under section 402 (c) of the act and by granting the Commission specific authority to examine their books and records.

For some time the Interstate Commerce Commission has been concerned with the relative decline of the Nation's common carrier industry. Several traffic studies clearly reveal that common carriers have lost considerable traffic which they formerly handled and, at the same time, have been unable to share proportionately in the additional traffic generated by the Nation's expanding economy. One such study, for example, showed a decline in the common carrier's share of total intercity ton-miles from 75.4 percent which they enjoyed in 1939 to only 67.5 percent in 1959. Projecting this trend to 1970, a further decline to between 60.8 and 63.8 percent was forecast.

This decline is essentially a result of the growth of unregulated private and exempt carriage. It is also attributable, however, to the growth of unauthorized and illegal carriage inimical to the public interest. The Commission has recommended in its annual reports to the Congress and in testimony before a subcommittee of the Senate several courses of action, including the instant proposal, designed to halt this steady rise in the volume of traffic handled by illegitimate private and exempt carriers to the detriment of the authorized carriers.

Section 402(c) of the act exempts from regulation under part IV, applicable to freight forwarders, the activities of shippers' associations which consolidate or distribute freight for their members on a nonprofit basis to secure the benefits of volume rates. This exemption is, in our judgment, a breeding ground for multifarious schemes to avoid the obligations which must be assumed by for-hire carriers subject to the Commission's economic regulation.

While the number of groups and organizations claiming exemption as shippers' associations has grown considerably in the last 10 to 15 years, the Commission is not presently equipped with authority effective enough to weed out those which are not entitled to the exemption or to prevent other such persons from commencing operations. It is only after such operations have been initiated that the Commission, on its own motion or upon complaint, may now institute an investigation to determine whether the operations are, in fact, lawful. In such an investigation, the Commission has the duty and responsibility of assembling and analyzing all facts pertaining to the respondent's operations. Although the information necessary to discharge this responsibility is often available only from the respondent's records, the Commission has no specific authority to inspect them. Thus, if the Commission is unable to gain access to the records, the investigation becomes futile, unless, through indirect and cumbersome means, scraps of information relating to the respondent's operations can be uncovered elsewhere.

It should be noted also that in some cases operators, upon being investigated and pressed as to their status under the exemptions, have merely suspended the questionable operation and resumed service under a somewhat changed modus operandi and usually a different name. The same result frequently occurs after the Commission has issued a cease and desist order.

These factors have made it extremely difficult for the Commission to police effectively operations commenced under the shippers' association exemption.

Under the proposed legislation the applicant would have the burden of showing his eligibility for exemption. This, it is felt, would serve as a deterrent to the institution of operations by unqualified organizations. The certificate issued to a shippers' association would be revocable if the operations of the holder thereof ceased to be that of a group or association of shippers within the meaning of the exemption provided by section 402(c)(1). Any organization operating under this exemption on the date of enactment of the proposal, or during the year 1964, would be permitted to continue its operations thereunder without a certificate for 120 days after the date of enactment, and, if application for a certificate is made within such period, it could continue to operate pending a determination of the application unless otherwise ordered by the Commission.

In addition, the recommended legislation would specifically empower the Commission, under section 403(f), to investigate the operations of shippers' associations to determine their compliance with the provisions of part IV or with any requirement established pursuant thereto. The Commission's authority under this section to investigate the operations of a freight forwarder has

been construed to exclude shippers' associations.

It is not the purpose of the proposed measure to interfere in any way with the legitimate operations of bona fide shippers' associations under the exemption provided in the Interstate Commerce Act. It is, however, designed to enable the Commission to cope more effectively with groups and organizations using this exemption as a device to engage in unlawful transportation activities.

It is therefore recommended that this proposal be given early and favorable consideration by the Congress.

S. 1731. A bill to amend section 212(a) of the Interstate Commerce Act, as amended, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsection (a) of section 212 of the Interstate Commerce Act (49 U.S.C., sec. 312(a)), is amended as follows:

(1) The second sentence is amended by striking out "of the Commission promulgated thereunder" and by inserting in lieu thereof "promulgated by the Commission".

(2) The first proviso is amended—

(A) by striking out "willfully", and

(B) by striking out "or to the rule or regulation of the Commission thereunder" and by inserting in lieu thereof "or to any lawful order, rule, or regulation promulgated by the Commission".

(3) The second proviso is amended by inserting "215", immediately after "211(c),".

SEC. 2. Subsection (c) of section 204 of the Interstate Commerce Act (49 U.S.C., sec. 304 (c)), is amended as follows:

(1) The first sentence is amended by inserting, immediately after "thereto" and before the period the following: ", or with any lawful order, rule, or regulation promulgated by the Commission".

(2) The second sentence is amended by striking out "Provision or requirement" and by inserting in lieu thereof "provision, requirement, order, rule, or regulation".

The recommendation and justification accompanying Senate bill 1731 are as follows:

RECOMMENDATION No. 25

This proposed bill would give effect to legislative recommendation No. 25 of the Interstate Commerce Commission as set forth on page 77 of its 78th annual report to Congress as follows:

"We recommend that section 212(a) be amended in the following respects: (1) To make motor carrier operating authorities subject to suspension, change, or revocation for willful failure to comply with any rule or regulation lawfully promulgated by the Commission; (2) to make the revocation procedure therein prescribed conform to the procedure provided in section 410(f) of the act by eliminating the term 'willfully' in the first proviso; and (3) to provide that the Commission may, upon reasonable notice, suspend motor carrier operating authorities for failure to comply with insurance regulations issued by it pursuant to section 215 thereof."

JUSTIFICATION

The purpose of the attached draft bill is to subject motor carrier operating authorities to suspension, change, or revocation for willful failure to comply with any rule or regulation lawfully prescribed by the Commission and to provide uniformity between parts II and IV of the Interstate Commerce Act with respect to revocation procedure. It is also designed to permit suspension of motor carrier operating rights, upon notice, for failure to comply with the Commission's insurance regulations.

As section 212(a) of the act now reads, the Commission cannot suspend or revoke a certificate except for failure to comply with the provisions of part II "or with any * * * regulation of the Commission promulgated thereunder * * *". The Commission has found this language to be unduly restrictive upon its enforcement powers. For example, regulations prescribed under the Transportation of Explosives Act do not come within the category of regulations promulgated under any provision of part II of the Interstate Commerce Act. The Commission is therefore powerless to suspend or revoke the certificate of any carrier for violations of the Explosives Act of any regulations prescribed thereunder, irrespective of how willful such violations may have been. However, by simply changing the words "of the Commission promulgated thereunder" to "promulgated by the Commission," as proposed in the attached draft bill, the Commission would be able to revoke or suspend certificates for willful or continued noncompliance with any of its lawful rules and regulations. Enactment of this recommended amendment would thus enable the Commission to cope more effectively, in the public interest, with serious violations of any of its applicable rules or regulations and not only those promulgated under part II of the Interstate Commerce Act.

Under the first proviso of section 410(f) of the act, a freight forwarder's permit may be revoked if the holder thereof fails to comply with an order of the Commission commanding compliance with the provisions of part IV, a rule or regulation issued by the Commission thereunder, or the terms, conditions, or limitations of the permit. Under the corresponding provisions in section 212(a), however, the failure of a motor carrier to obey a similar compliance must be shown to have been willful before the carrier's certificate or permit may be revoked. Once disobedience of a compliance order is established, an additional showing of willfulness should not be required. Proof of disobedience should be sufficient. The proposed change in the quantum of proof would make motor carrier operating rights revocable in the same manner as freight forwarder operating rights under section 410(f).

The second proviso in section 212(a) provides for the suspension, upon notice, but without hearing, of motor carriers' and brokers' operating authorities for failure to comply with brokerage bond regulations and tariff publishing rules. It does not, however, provide for suspension on short notice for failure to maintain proof of cargo, public liability, and property-damage insurance under section 215. As previously indicated, section 410(f) is a counterpart of section 212(a) and contains a provision similar to the second proviso of section 212(a). The second proviso in section 410(f), however, provides for suspension on short notice of freight forwarder permits for failure to comply with the cargo insurance provisions under section 403(c) and the public-liability and property-damage insurance provisions under section 403(d). The draft bill would bring section 212(a) into further conformity with section 410(f) by removing this distinction.

From the standpoint of the traveling and shipping public there is as much reason to require motor carriers to keep their cargo and public-liability and property-damage insurance in force as there is to require freight forwarders to keep their insurance in effect. It is therefore desirable in the public interest that the Commission have the authority to suspend motor carrier rights, on short notice, when insurance lapses, or is canceled without replacement, until compliance is effected. The prospect of such action by the Commission should act as a deterrent to violations of this nature. An investigation under section 204(c) is not a satisfactory answer to the problem since such a proceeding may be somewhat lengthy and the public may be adversely affected should losses occur while it is pending.

The proposed change in section 204(c), which relates to investigations and the issuance of compliance orders, would bring that section into conformity with the suggested amendment to section 212(a) by similarly removing the restrictive nature of the present wording.

The amendments proposed in this draft bill would enable the Commission to administer the enforcement provisions of part II of the act more effectively.

S. 1733. A bill to make the civil forfeiture provisions of section 222(h) of the Interstate Commerce Act applicable to unlawful operations and safety violations by motor carriers, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsection (h) of section 222 of the Interstate Commerce Act, as amended (49 U.S.C. 322 (h)), is amended to read as follows:

"Any motor carrier, broker, or lessor, or other person, or any officer, agent, employee, or representative thereof, who shall fail or refuse to keep, preserve, or forward any account, record, or memorandum in the substance, form, or manner prescribed in this part or in any rule, order, or regulation prescribed under this part; or who shall fail or refuse to comply with any requirement of this part with respect to the filing with the Commission or with any agency, office, or representative of the Commission, as prescribed by the Commission, any annual, periodical, or special report, or other report, tariff, schedule, contract, document, or data or with any rule, order, or regulation prescribed with respect to such filing; or who shall fail or refuse to make full, true, or correct answer to any question required by the Commission to be made under the provisions of this part; or who shall fail or refuse to comply with the provisions of section 203(c) or section 206(a)(1) or section 209(a)(1); or who shall fail or refuse to comply with any rule, regulation, requirement, or order promulgated by the Commission pursuant to the provisions of sections 204(a)(1), 204(a)(2), 204(a)(3), or 204(a)(3a), shall forfeit to the United States, the sum of $200 for each such offense, and, in case of a continuing violation not to exceed $100 for each additional day during which such failure or refusal shall continue. All forfeitures provided for in this paragraph shall be payable into the Treasury of the United States and shall be recoverable in a civil suit by the Commission or its duly authorized agent, brought in the district where the motor carrier or broker has its principal office, or in any district in which such motor carrier or broker was, at the time of the offense, authorized by the Commission, or by this part, to engage in operation as such motor carrier or broker, or in the district where such forfeiture may accrue; or in any district where the offender is found. All process in any such case may be served in the judicial district whereof such offender is an inhabitant or wherever he may be found."

The recommendation and justification accompanying Senate bill 1733 are as follows:

RECOMMENDATION No. 22

This proposed bill would give effect to legislative recommendation No. 22 of the Interstate Commerce Commission as set forth on page 75 of its 78th annual report as follows:

"We recommend that section 222(h) be amended so as to (a) extend the civil forfeiture provisions therein to unlawful operations and safety violations by motor carriers, (b) permit the Commission to institute for-

feiture actions directly in the courts, and (c) increase substantially the amount of the forfeitures prescribed."

JUSTIFICATION

The purpose of the attached draft bill is to provide the Interstate Commerce Commission with a more effective means of coping with the spread of illegal and so-called "gray area" motor carrier operations which are undermining the strength of the Nation's regulated common carrier system. It is also designed to buttress the Commission's intensified motor carrier safety enforcement program.

Under existing law, procedures for dealing with certain motor carrier violations are often slow and cumbersome, and frequently ineffective. Criminal prosecutions, for example, must be brought in the district in which the violations occurred. Thus, in the case of multiple violations by a carrier with extensive territorial operations it may be necessary to institute separate actions in several district courts if all of the violations are to be covered. Civil forfeiture proceedings, on the other hand, may be instituted in the district in which the carrier maintains its principal office, where it is authorized to operate, or where it can be found. Moreover, less time is needed for investigating violations because of the difference in quantum of proof required in such proceedings.

Under the proposed amendment a civil forfeiture action could be brought against a for-hire motor carrier for transporting property without a required certificate or permit. Such action would be available whether or not the carrier had taken steps to give the operation an appearance of legality, but the principal enforcement advantage that would accrue would be when the operator, by means of an alleged vehicle lease or an alleged purchase of the commodity hauled, has attempted to give the operation an appearance of private carriage. More specifically, an owner of a vehicle may enter into a vehicle lease arrangement with a manufacturer under which the manufacturer allegedly uses the vehicle in private carrier operations. Such arrangements range all the way from a bona fide lease of a vehicle, at one extreme, to an obvious sham at the other. No enforcement action is, of course, involved in the case of a bona fide lease. The obvious shams, however, are the subject of criminal prosecution.

While there are a number of vehicle arrangements which the Commission believes to be illegal for-hire carriage by the vehicle owner, it is doubtful that a criminal conviction could be secured because of the necessity of showing knowledge and willfulness and proving guilt beyond a reasonable doubt. In addition, in a criminal proceeding there can be no appeal from an acquittal. Such cases are now handled in the civil courts, but an injunction against such operations in the future is all that can be secured. The possibility of a civil injunction action, where there is no pecuniary penalty or criminal stigma involved, has very little effect as a deterrent to would-be violators. A civil forfeiture action, such as that proposed, carrying with it substantial monetary penalties should, on the other hand, have a strong deterrent effect against questionable leasing arrangements.

Operations sometimes referred to as "buy and sell" operations are very similar in effect. By allegedly purchasing merchandise the transporter represents the operation to be private carriage. As in the case of leasing arrangements these operations have many variations, some of which present close questions as to whether the operation constitutes for-hire carriage. Some are obviously illegal for-hire operations and are handled as criminal cases. Others, however, are not so clearly unlawful as to warrant criminal action for the reasons stated above in connection with questionable leasing arrangements, but which, in the Commission's views, are nevertheless unlawful. Such operations may be continued for substantial periods during the pendency of a civil injunction proceeding and before a cease and desist order is issued by the court. If the proposed amendment were enacted a number of these cases could be made the subject of a civil forfeiture action in which, if successful, the operator would suffer a money judgment or forfeiture.

Enactment of the proposed legislation would also greatly facilitate the Commission's enforcement activities in the important area of motor carrier safety. Although a very high percentage of cases involving violations of the Commission's safety regulations are disposed of by pleas of guilty or nolo contendere, investigations looking toward such prosecutions are nevertheless extremely time consuming because of the necessity of proving to the court every element of the alleged criminal offense. Since the quantum of proof required in a civil forfeiture proceeding is not as great as that required in a criminal action, a substantial amount of the time that must now be spent in preparing for criminal prosecutions in such cases could be devoted to handling a larger number of civil forfeiture proceedings.

The Commission's efforts at more effective and expeditious enforcement would also be greatly enhanced if it were authorized to institute forfeiture proceedings directly in the courts instead of proceeding through the Department of Justice as it is now required to do. Delays would be avoided not only by eliminating the mechanics involved in taking the extra step, but also by the elimination of such delays as may be caused by the time consumed in convincing the U.S. attorney that an action should be filed.

These proposed amendments, coupled with a substantial increase in the amount of the forfeitures prescribed, would strengthen the Commission's hand considerably in dealing with some of the principal factors contributing to the decline of regulated common carriers.

AMENDMENTS TO THE ADMINISTRATION'S HOUSING MEASURE, S. 1354 (AMENDMENTS NOS. 65, 66, AND 67)

Mr. JAVITS. Mr. President, I send to the desk, for printing and appropriate reference, three amendments to S. 1354, the administration's housing bill. The amendments would—

Permit the Housing and Home Finance Agency Administrator to waive the present 15-percent limitation on allocation of public housing funds for use by any one State, upon a finding that imposition of the limitation would cause hardship to a large number of low-income families in that State. The result of the present limitation is that fewer dwelling units are built in States with higher construction costs. Waiver of the limitation would provide authority for the allocation of more low-rental housing in New York as well as other States with large urban centers. The continuing 15-percent dollar limitation for any one State is unrealistic as well as unfair. It ignores the need for larger amounts of low-income housing in the high-cost, densely populated urban areas; it does not recognize the fact that metropolitan areas ignore State boundaries; it inhibits the Administrator of the Housing and Home Finance Agency from allocating public housing on an areawide and regional basis; and it is out of step with the growing emphasis on area development that has been recognized in other sections of the Housing and Urban Development Act of 1965. It is a relic of the past; it should be discarded, now.

Increase the Federal cost limitation on construction of rooms for low-rental housing by $1,000 per room from the existing limitation of $2,750 per room in New York and $3,750 per room for housing for the elderly existing in areas of acute need and high cost such as New York. Increasing the per room construction cost limitation would permit more desirable and livable low-rent housing.

Expand relocation assistance for small businesses displaced by urban renewal projects to include payments of up to $10,000 upon relocation. The present limitation on relocation compensation is $1,500, but this figure was found to be totally inadequate by the Select Committee on Real Property Acquisition of the House Committee on Public Works. This additional payment is designed to aid small businesses which are less able to adjust to a new environment than the larger and more flexible business enterprises.

Strengthen the existing National Housing Act middle-income program by providing for a program of Federal matching grants for State and local contributions to such housing projects. The amendment would permit the Federal Government to make matching grants equal to one-half the value of State and local contributions to the Federal program and thus permit substantial reductions for existing middle-income programs. Contributions could take the form of local tax abatement or donation of land prior to construction of a project or local rent subsidy. Where the State or local contribution was made in the form of tax abatement or rent subsidy on an annual basis, the Federal contribution could be made yearly up to 25 percent of the development cost of the housing project. In New York City, for example, where real estate taxes on a $12,500 unit amount to approximately $490 per unit, a matching grant of full value equal to the dollar amount of a tax abatement of 50 percent would result in a reduction of $41.50 per month for a rental of a single unit.

The PRESIDING OFFICER. The amendments will be received, printed, and appropriately referred.

The amendments (Nos. 65, 66, and 67), were referred to the Committee on Banking and Currency.

VOTING RIGHTS—AMENDMENT (AMENDMENT NO. 68)

Mr. SMATHERS. Mr. President, I submit an amendment to S. 1564, the voting rights bill of 1965. In the amendment there are incorporated several recommended revisions.

This amendment is intended, first to clarify and improve the language used in the original bill. Secondly, each of the substantive changes is designed to

make the bill a clear implement of congressional authority under the 15th amendment; and finally, the amendment is intended to broaden and to strengthen the assurance to every American citizen that his rights under the 15th amendment shall be held inviolate. No one who has taken an oath to uphold the Constitution of the United States can disagree with that objective.

Mr. President, many times in the past I have joined with my southern colleagues in opposing so-called civil rights legislation. I have willingly participated in full and extended debate over these issues.

I felt then, as I feel today, that most of those measures granted rights to one person at the expense of another. I have fought such provisions as first, the Fair Employment Practices Commission, because it tells an employer who he must hire in his own private business; second, the Public Accommodations law, because under this law the Federal Government brings its awesome power to bear against private businessmen, dictating whom they must admit, and whom they must serve in their place of business, or go to jail; and third, the so-called genocide provision, because it permits the Federal Government to hang like a dagger above the heads of a sovereign State the threat that all Federal funds will be cut off, unless such State bows to the mandate of so-called civil rights.

And, Mr. President, I have fought such legislation for many other reasons—but never because it sought to protect the right of all American citizens to register and to vote.

On the contrary, in each instance that I have opposed these measures, I have always made it expressly and abundantly clear that I was not thereby opposing the right to vote. It is my belief that every American citizen, in every State, regardless of his race or his color, should not only be allowed to exercise his franchise; he should be encouraged to do so. In my judgment, franchise and freedom are inseparable in America.

In the State of Florida, Mr. President, we have no literacy laws. We outlawed the poll tax 25 years ago. We go out into the highways and the byways and actively seek the vote of every citizen. The overwhelming majority of the citizens of Florida are in full and complete accord with the 15th amendment and all that it stands for.

Less than 24 hours after the President announced his plan to ask for voting rights legislation, I told the people of my State by newspaper, radio, and television, that I hoped to be able to support such legislation.

However, I have now had an opportunity to study carefully each of the provisions of the bill that was sent to Congress. We should not let such a bill become our final choice.

It is not only unclear in its language, unfair in its application, and unsafe in its total effect upon our system—it is patently unconstitutional in more than one respect.

In our concern for the rights of citizens under the 15th amendment, we should not let haste and anxiety dictate a remedy worse than the disease.

We should not discriminate against one section of the Nation on the grounds of discrimination. Pure hearts and motives know no State or regional boundaries.

We should not assign to the Attorney General, whose function is to enforce the law, the dual capacity of passing judgment upon the offender. That principle is repulsive to our system of government and inconsistent with elementary criminal jurisprudence.

We should not cite judicial delays as a basis for abandoning the judicial system, or else we may establish a precedent that the next generation may find expedient to follow—and the next—and the next—until the erosion process is complete.

We should be guided by the 15th amendment, which Congress has explicit authority to implement. The measure we pass, unlike the original bill, should guarantee to every citizen in every State the right to vote regardless of race or color—and we should protect that right in every State.

It is to meet these objections, Mr. President, that I have drafted my revisions to S. 1564. The amendment I offer today would achieve the following results:

First. At the very outset, it acknowledges that every State has the constitutional right to impose voter qualifications and procedures, so long as they do not conflict with the 15th amendment and other provisions of the Constitution.

Second. Under the original bill, the Attorney General is empowered to trigger the appointment of examiners, without court action, whenever (a) he receives 20 or more written complaints from citizens of a State or political subdivision alleging their voting rights are being violated; or (b) he determines, in his own discretion, that such examiners should be appointed.

The amendment provides that the Attorney General may not act on his own discretion, but must first receive 20 or more such complaints. At that point, the Attorney General may apply to the appropriate court of appeals for preventive relief.

Third. If the court issues an injunction, the order may provide that, during the term of the injunction, any tests or devices as a condition to voting shall be suspended in such State or political subdivision. The court is required to convey notice of such order to the Civil Service Commission, which then must appoint examiners to function as prescribed in the original bill.

Fourth. To obviate complaints against judicial delays, it is provided that (a) the court must render a decision within 30 days after the action is filed; and (b) the act goes into effect immediately upon issuance of an injunction by the court, irrespective of any appeal that may be taken from that decision, subject, of course, to the denial of certiorari or upholding of the decision by the Supreme Court.

Fifth. (a) If a person listed by an examiner as qualified to vote alleges to an examiner, within 24 hours after closing of the polls, that he was not permitted to vote or that his vote was not counted, the amendment requires—rather than permits—the U.S. attorney, upon request by the examiner, to ask the court of appeals—rather than the district court—for an order restraining certification of the election results; and (b) additionally, the amendment extends that right to every citizen in every State, regardless of whether examiners have been appointed in such State. Where no examiners exist, a citizen applies directly to the U.S. attorney.

Sixth. The amendment deletes that provision of the original bill under which listed persons would lose their right of franchise merely because they failed to exercise it. Such a provision imposes stricter standards upon those citizens than upon the general population.

Seventh. The original bill failed to state by whom challenges to a listing by an examiner could be brought. Our amendment provides that such challenges must be brought by appropriate election officials.

Eighth. In the original bill, the provision with respect to poll taxes was written in such terms that the voter was required only to tender payment for the current year, irrespective of liabilities for previous years, and irrespective of whether the amount tendered was timely or adequate under State law. Furthermore, the examiner was authorized but not required to accept the tendered amount. From a careful reading of this section, it appears that, in fact, no payment would be required. In effect, the right of the individual States to impose a poll tax in State or local elections would be abrogated.

Recently the Congress deemed it necessary to resort to a constitutional amendment in order to prohibit poll taxes in Federal elections. Clearly, Congress lacks the statutory power to prohibit such taxes in State or local elections.

The amendment deletes this provision because it is unconstitutional.

Ninth. With one exception, the original bill provided that the District Court for the District of Columbia should have jurisdiction under the act. The amendment transfers all judicial authority to the appropriate court of appeals.

Mr. President, I trust that the Judiciary Committee and the Senate will carefully consider each of these revisions.

The PRESIDING OFFICER. The amendment will be received and appropriately referred.

The amendment (No. 68) was referred to the Committee on the Judiciary.

ELEMENTARY AND SECONDARY EDUCATION ACT OF 1965—AMENDMENT (AMENDMENT NO. 69)

Mr. JAVITS. Mr. President, I send to the desk for printing, on behalf of myself, the Senator from New Jersey [Mr. CASE], and the Senator from Colorado [Mr. DOMINICK], an amendment to the Elementary and Secondary Education Act of 1965, H.R. 2362. This bill has

just been reported by the Committee on Labor and Public Welfare. My amendment seeks to amend the so-called poverty definition, fixing the level at $3,000 instead of $2,000 for the last 2 years of the bill, and provides for matching funds in the bracket between $2,000 and $3,000. This would increase by 60 percent the number of children who would be affected and realistically reassess what represents poverty in the United States, especially in the big cities.

The lowering of the boom on any amendments in the committee makes it absolutely essential for Senators to realize that when the bill comes up on the floor, amendments which were not acted on in committee—because of some ukase that went out, I believe, from the President of the United States that no amendments were to be accepted, but were to be voted down by the majority—must be subject to the independent judgment of the majority of the Senate.

The principal title of this bill directs more than $1 billion in aid toward poverty-related children who are defined as those coming from families with less than $2,000 annual income and those from families whose income from aid to families with dependent children—AFDC—is more than $2,000. This $2,000 annual income poverty level stands in contrast with the $3,000 poverty level employed by the Office of Economic Opportunity in connection with its programs for preschool children—such as Project Head Start—and the administration's higher education bill (S. 600), which also stipulates a $3,000 annual income poverty level in setting forth the requirements for a student to receive a scholarship incentive.

Thus, we are faced with the anamoly of a youngster being at the poverty level during his preschool and college years if he comes from a $3,000 annual income family, but during his school years being considered at the poverty level only where his family earns $2,000 or less.

This amendment is designed to meet two principal objections to the present bill which had been pointed up by witnesses during the recent hearings: First, there is no matching provision; and, second, under the inadequate poverty yardstick of $2,000 annual family income, only about 11 percent of all school-age children are reached.

Under the amendment we are submitting today, the formula for the first year would stand as presently written, with each State receiving a Federal grant equal to 50 percent of the current average annual per pupil expenditure, multiplied by the number of children from families of under $2,000 annual income and those from AFDC families above $2,000. This formula would continue to apply for the second and third years for the under $2,000 and AFDC children. However, during the second and third years, children from families in the $2,000 to $3,000 annual income category would be brought in under a matching formula providing for a Federal contribution of 25 percent of the average annual per pupil expenditure, where this is matched by an equal amount from State and/or local funds.

Under our amendment, therefore, the number of children directly affected would be increased by about 60 percent—from some 5 million to some 8 million children—with a great improvement in educational opportunity, while Federal cost for title I would be raised only about one-third. In this way the bill could much more effectively serve its purpose of fighting poverty by aiding a substantial added number of the school population from such families who need it badly.

To illustrate how our amendment would work, consider a State with an average annual per pupil expenditure of $450. For each of the 3 years authorized for H.R. 2362, that State would receive a Federal grant of $225 for every child between 5 and 17 from a family with an income of $2,000 or less and those from AFDC families above $2,000. In addition, for each of the second and third years of the operation of the education bill the State would receive a Federal grant of $112.50 for each child from a family with an income of from $2,000 to $3,000—not counting AFDC children previously covered—provided that that amount is matched from State and/or local funds. Thus, an additional $225 a year would be directed to the child from the $2,000 to $3,000 income family, as well as to the child from under $2,000 income family.

In addition, the State could elect to receive either the additional funds for the $2,000 to $3,000 annual income children or the funds available under the special incentive grant provided by section 204.

I ask that there be appended to my remarks at this point a chart prepared by the Department of Health, Education, and Welfare giving the number and percentage of school-age children in each State coming from families with incomes of less than $3,000 annually, a Library of Congress study, "Federal Laws Relating to Education Which Have Provisions Requiring Matching by the Recipient," a HEW survey as to the amounts to be received by each State under this amendment, and the amendment itself.

The PRESIDING OFFICER. The amendment will be received, printed, and appropriately referred.

The amendment (No. 69) was ordered to lie on the table.

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

	Total, age 5 to 17 population in families less than $3,000	Percent of total age 5 to 17 population
United States and outlying areas	8,808,863	19.7
50 States and District of Columbia	8,211,720	18.7
Alabama	343,201	38.0
Alaska	8,102	15.0
Arizona	65,701	19.0
Arkansas	214,900	45.0
California	396,207	11.0
Colorado	63,100	14.0
Connecticut	39,902	7.0
Delaware	13,799	13.0
Florida	265,891	23.0
Georgia	373,102	35.0
Hawaii	18,259	11.0
Idaho	27,000	15.0
Illinois	269,794	12.0
Indiana	140,803	12.0
Iowa	126,789	19.0
Kansas	79,102	15.0
Kentucky	279,697	35.0
Louisiana	304,694	34.0
Maine	41,999	17.0
Maryland	102,302	13.0
Massachusetts	96,402	8.0
Michigan	223,193	11.0
Minnesota	133,793	15.0
Mississippi	321,205	51.0
Missouri	209,006	21.0
Montana	26,600	15.0
Nebraska	68,593	20.0
Nevada	5,998	9.0
New Hampshire	13,697	9.0
New Jersey	112,998	8.0
New Mexico	63,400	23.0
New York	402,401	11.0
North Carolina	474,008	38.0
North Dakota	41,704	24.0
Ohio	271,407	11.0
Oklahoma	145,404	25.0
Oregon	45,597	10.0
Pennsylvania	342,197	13.0
Rhode Island	23,799	12.0
South Carolina	286,799	41.0
South Dakota	49,801	28.0
Tennessee	334,893	36.0
Texas	652,698	26.0
Utah	23,397	9.0
Vermont	16,698	17.0
Virginia	275,490	27.0
Washington	70,702	10.0
West Virginia	154,895	31.0
Wisconsin	111,001	11.0
Wyoming	10,900	13.0
District of Columbia	27,700	20.0
American Samoa	6,592	85.0
Canal Zone		
Guam	3,279	17.0
Puerto Rico	583,172	22.0
Virgin Islands	4,100	42.0

Source: Summary of IBM listing by counties.

THE LIBRARY OF CONGRESS,
Washington, D.C., February 25, 1965.

FEDERAL LAWS RELATING TO EDUCATION WHICH HAVE PROVISIONS REQUIRING MATCHING BY THE RECIPIENT

I. Grants for educational television broadcasting facilities, Public Law 87-447: Section 392(e) provides for matching formula for the method of aid. The Federal share may not exceed 75 percent.

II. National Defense Education Act of 1958, as amended, Public Laws 85-864, 88-665:

Section 204 provides that the institution of higher education is to provide an amount equal to not less than one-ninth of Federal contributions for loans under title II.

Section 304(b) of title III provides for a dollar-for-dollar matching formula for grants to acquire equipment.

Section 504(a) of title V provides that Federal payments shall equal the amount expended by the State during the first year of the program and one-half such amount thereafter in carrying out the State plan.

Section 504(b) provides for a dollar-for-dollar payment for testing students.

III. National School Lunch Act, as amended, Public Law 396 (1946), Public Law 518 (1952), Public Law 87-823: Title 42, United States Code, section 1756 provides matching grants for assistance in the payment of food costs. For each dollar of Federal funds paid, the State must pay $3 into the program.

IV. Smith-Hughes Act, as amended: Title 20, United States Code, section 19 provides that grants of the Federal Government are subject to a requirement for an equal expenditure of State funds.

V. George-Barden Act, as amended: Title 20, United States Code, section 15(k) provides for a dollar-for-dollar matching requirement by the States.

VI. Title VIII of the National Defense Education Act of 1958: Title 20, United States

Code, section 15ccc(a)(1) requires that for each dollar of Federal funds expended, an equal amount must be spent by the States.

VII. Vocational Education Act of 1963, Public Law 88–210, part A: Section 6 provides that the State share shall equal the Federal payments.

VIII. Higher Education Facilities Act of 1963, Public Law 88–204:

Section 107 of title I provides that the Federal share for a project for an institution of higher education other than a public community college or public technical institute shall in no event exceed 33⅓ percent; and in the case of a project for a public community college or technical institute, the Federal share shall be 40 percent of its development costs.

Section 202 of title II provides that the Federal share of a grant for construction of graduate academic facilities may not exceed 33⅓ percent of the development cost of any such construction project.

Section 303(a) of title III provides that loans for construction of academic facilities shall not exceed 75 percent.

IX. Library Services Act, as amended, Public Law 597 (1956), Public Law 86–679, Public Law 88–269: Title 20, United States Code, section 353(c) provides that the Federal share shall be no greater than 66 percent nor less than 33 percent.

Estimated distribution of funds under proposed Javits amendment to the Elementary and Secondary Education Act of 1965 (H.R. 2362)

	Estimated basic amounts as bill now written [1] (A)	Estimated additional amounts under Javits amendment [2] (B)	Estimated total amounts (col. (A) plus col. (B)) (C)
50 States and District of Columbia	$1,106,631,732	$328,573,951	$1,435,205,683
Alabama	31,397,950	8,067,694	39,465,644
Alaska	1,809,608	478,612	2,288,220
Arizona	10,250,710	2,725,914	12,976,624
Arkansas	22,142,767	5,959,442	28,102,209
California	77,996,272	16,966,102	94,962,374
Colorado	8,879,240	2,974,630	11,853,870
Connecticut	7,799,100	2,085,750	9,884,850
Delaware	2,128,780	795,025	2,923,805
Florida	29,621,770	12,575,888	42,197,658
Georgia	37,240,335	12,160,748	49,401,083
Hawaii	2,212,265	801,933	3,014,198
Idaho	2,580,688	1,011,406	3,592,094
Illinois	49,878,448	12,224,899	62,103,347
Indiana	19,697,510	7,399,612	27,097,122
Iowa	17,629,216	5,892,916	23,522,132
Kansas	10,850,360	4,205,488	15,055,848
Kentucky	30,472,362	7,419,276	37,891,638
Louisiana	39,709,164	11,985,941	51,695,105
Maine	3,834,842	1,977,986	5,812,828
Maryland	14,767,074	5,480,940	20,248,014
Massachusetts	15,565,176	4,942,476	20,507,652
Michigan	36,951,540	9,981,338	46,932,878
Minnesota	21,918,564	6,902,084	28,820,648
Mississippi	31,750,310	6,047,086	37,797,396
Missouri	$28,790,329	$9,065,759	$37,856,088
Montana	4,550,595	1,515,202	6,065,797
Nebraska	7,344,926	3,306,875	10,651,801
Nevada	926,901	350,778	1,277,679
New Hampshire	1,658,800	677,270	2,336,070
New Jersey	21,582,796	6,356,049	27,938,845
New Mexico	9,650,575	2,703,462	12,354,037
New York	103,001,780	27,973,308	130,975,088
North Carolina	48,859,475	13,727,906	62,587,381
North Dakota	5,156,476	1,842,386	6,998,862
Ohio	38,272,522	12,414,802	50,687,324
Oklahoma	16,280,778	5,164,077	21,444,855
Oregon	8,304,555	2,476,146	10,780,701
Pennsylvania	48,926,736	16,514,722	65,441,458
Rhode Island	3,851,402	1,132,470	4,983,872
South Carolina	27,348,774	6,688,342	34,037,116
South Dakota	6,933,504	2,061,159	8,994,663
Tennessee	32,054,100	9,089,925	41,144,025
Texas	76,546,602	26,343,801	102,890,403
Utah	2,846,762	957,264	3,804,026
Vermont	2,099,223	1,129,478	3,228,701
Virginia	31,974,150	10,184,475	42,158,625
Washington	11,800,065	3,538,684	15,338,749
West Virginia	17,158,180	4,083,576	21,241,756
Wisconsin	17,553,290	6,291,741	23,845,031
Wyoming	1,611,309	703,996	2,315,305
District of Columbia	4,463,076	1,217,112	5,680,188

[1] Distribution estimated on the basis of the age 5 to 17 population in families with incomes of less than $2,000 per annum (1959) and in families receiving more than $2,000 from AFDC payments (1959), times 50 percent of the estimated 1964–65 current expenditure per pupil in average daily attendance.

[2] Estimated on the basis of the age 5 to 17 population in families with incomes of $2,000 to $2,999 (1959) less the age 5 to 17 population in families receiving more than $2,000 from AFDC payments (1959) under sec. 203(a)(2)(B), title I, H.R. 2362, and 25 percent of the estimated State current expenditure per pupil in average daily attendance (1964–65).

H.R. 2362

Amendments intended to be proposed by Mr. JAVITS (for himself, Mr. CASE and Mr. DOMINICK) to H.R. 2362, a bill to strengthen and improve educational quality and educational opportunities in the Nation's elementary and secondary schools:

On page 8, beginning with line 3, strike out all through line 8, and insert in lieu thereof the following:

"(c) For the purpose of this section—

"(1) for the fiscal year ending June 30, 1966, and each of the two succeeding fiscal years, the 'Federal percentage' and the 'low-income factor' shall be 50 per centum and $2,000, respectively, and

"(2) for each of such two succeeding fiscal years, an additional amount shall be determined using a 'Federal percentage' of 25 per centum and a 'low-income factor' of $3,000 but more than $2,000 (excluding children counted under section 203(a)(2)(B)), and added to the basic grant, if (A) such amount is matched by State or local funds, or both, to be used for the same purpose as such basic grant and (B) at the option of the State educational agency of each State, such agency elects to receive for such year the amount determined under this clause (2) in lieu of a special incentive grant pursuant to section 204.

Any amount contributed by a State for the purpose of clause (2) shall be in addition to regular payments of State aid made by such State, and any amount made available by a local educational agency for the purpose of such clause with respect to any fiscal year shall represent an increase in such year in current expenditures of local funds for elementary and secondary school education by such agency over the amount of such expenditures in the previous fiscal year."

On page 9, line 16, after "shall" insert ", if no election has been made to receive the amount determined pursuant to section 203(c)(2) in lieu thereof,".

On page 10, line 2, after "shall" insert ", if no election has been made to receive the amount determined pursuant to section 203(c)(2) in lieu thereof,".

ADDITIONAL COSPONSORS OF BILLS

Mr. DIRKSEN. Mr. President, on March 8, 1965, I introduced a bill (S. 1412) for the relief of military and civilian personnel for losses sustained to property by fire on August 17, 1963, while stored in commercial warehouses in Alexandria, Va.

At the next printing of this bill, I ask unanimous consent that the name of the junior Senator from Arkansas [Mr. FULBRIGHT] be added as a cosponsor.

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

Mr. MAGNUSON. Mr. President, at its next printing, I ask unanimous consent that the name of the junior Senator from New Jersey [Mr. WILLIAMS], the name of the junior Senator from Pennsylvania [Mr. SCOTT], and the name of the junior Senator from Maryland [Mr. TYDINGS] be added as cosponsors of S. 1588 to authorize the Secretary of Commerce to undertake research and development in high-speed ground transportation, and for other purposes.

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

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had disagreed to the amendments of the Senate to the bill (H.R. 5721) to amend the Agricultural Adjustment Act of 1938, as amended, to provide for acreage-poundage marketing quotas for tobacco, to amend the tobacco price-support provisions of the Agricultural Act of 1949, as amended, and for other purposes; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. COOLEY, Mr. MCMILLAN, Mr. ABBITT, Mr. STUBBLEFIELD, Mr. DAGUE, and Mr. LATTA were appointed managers on the part of the House at the conference.

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. CHURCH. 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 ADMINISTRATION SHOULD SPELL OUT PREREQUISITES FOR AN ACCEPTABLE POLITICAL SETTLEMENT IN VIETNAM

Mr. CHURCH. Mr. President. I have prepared, for delivery this week, an extended address on the subject of Vietnam. In this address, I intend to reiterate the plea I made in the Senate on February 17 for a negotiated settlement of the war in southeast Asia. I also intend to emphasize my belief that if our carrot-and-stick strategy is to succeed in bringing Hanoi to the conference table on acceptable terms, it is not enough to brandish the stick only. It is equally important to show the carrot.

Finally, I intend to emphasize the necessity for breaking the diplomatic deadlock—first you withdraw, then we will talk—that finds both sides, in effect, demanding the surrender of the other as the price for negotiations.

The President has just disclosed that he will make a major speech on Vietnam in Baltimore tomorrow evening. This will be a policy statement of great importance. Accordingly, I shall defer any statement of my own until Thursday, following the President's address to the Nation.

However, in the meantime, I should like to call the attention of the Senate to the exceptionally fine Walter Lippmann column, published in the Washington Post this morning. In it, Lippmann asks for an explanation of why the administration has thus far neglected to adequately spell out the prerequisites for an acceptable political settlement in Vietnam. He writes:

> We have never had, at least so far as I know, any straightforward explanation of why the administration persists in keeping its war aims uncertain. The crucial uncertainty is whether or not the administration intends to impose as yet undefined conditions which must be met before it will agree to a cease-fire and the beginning of negotiations for an armistice.
>
> This uncertainty has seemed to many who are much concerned a deliberate tactic, designed to make the Hanoi government sue for peace before it learns the terms of the peace.

Lippmann points out that it would be easy to put an end to the uncertainty. I agree. I believe, moreover, that this is the missing ingredient which must be supplied if we are to have any prospect of soon reaching the conference table.

I strongly commend the column to my colleagues, and ask unanimous consent that it may appear at this point in the RECORD.

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

IS UNCERTAINTY NECESSARY?

(By Walter Lippmann)

We have never had, at least so far as I know, any straightforward explanation of why the administration persists in keeping its war aims uncertain. The crucial uncertainty is whether or not the administration intends to impose as yet undefined conditions which must be met before it will agree to a cease-fire and the beginning of negotiations for an armistice.

This uncertainty has seemed to many who are much concerned a deliberate tactic, designed to make the Hanoi government sue for peace before it learns the terms of the peace. That this is the tactic of the administration is the opinion, for example, of Senator JOHN SHERMAN COOPER, a lawyer and judge whose opinion in a matter of this kind carries weight. This is also the opinion of 17 nonalined governments which have just addressed an appeal to the principal powers. It is, as a matter of fact, the very general opinion throughout the world, and it is a principal reason why, even among our closest allies, there are deep misgivings about us.

Yet it would be easy to put an end to the uncertainty. The administration's stock formula is that Hanoi must show a willingness to "leave its neighbors alone." This is a quite ambiguous formula. It seems to say that there can be no cease-fire, no end, that is to say, to the Vietcong terrorism in South Vietnam and to the American bombing in North Vietnam, until Hanoi does—does what? Nobody knows what. Secretary Rusk never says what. And supposing that Hanoi did show a willingness to "leave its neighbors alone," how would the administration know whether to believe Hanoi, or how long to believe it?

This fundamental vagueness and imprecision is a wholly different thing from an unconditional cease-fire. There are indications that the administration may be thinking of clarifying its position. But the indications are ambiguous. On Sunday evening on "Meet the Press," Mr. McGeorge Bundy allowed that, "I didn't say anything about specific preconditions." It is not clear to me from studying the text whether there are no preconditions or whether Mr. Bundy, like Mr. Rusk, would not spell out the preconditions.

We are told that there are no signs from Hanoi that it wants a cease-fire followed by talks. To insist on this is to labor the obvious and it is beside the point. Considering the military situation in South Vietnam, it would be surprising indeed if Hanoi did not think or at least say, that it was in sight of a smashing victory. There can be no guarantee that if we decided to call for an unconditional cease-fire, that there would then be one.

The consequences of a misconceived and mismanaged war cannot be erased easily or cheaply. But it is more important that we save what can be saved and strengthen our position for the future which is complicated and entangled. The essential diplomatic material must be provided without which our allies cannot proceed to play their part in saving the peace. Nor can the Soviet Union, nor the nonalined nations, nor the Holy See, nor the Secretary General of the United Nations.

If the administration clarifies its position on a cease-fire, it will be taking the first indispensable step toward emerging from our present near isolation in southeast Asia into what could become membership in a great diplomatic coalition for peace and order.

In addition to this specific and indispensable correction of our diplomatic stance, we can improve our position in the war by spelling out—in general terms publicly, more specifically through private diplomatic channels—the nature of the overall settlement in southeast Asia which we would support. These are the "carrots" of a peace offensive, and in his statement of March 25 the President made a sketchy beginning along this line.

A diplomatic action on a sufficient scale to produce some results will have to include indications—through private channels, say of the Soviet Union and of France—of what kind of government might be set up in Saigon, and of the possible relations between North and South Vietnam which, according to the Geneva agreements of 1954, are not two sovereign nations but two zones of one sovereign nation.

Almost certainly some such political understandings as these are indispensable to the liquidation of the war. The juicier carrots of a large south Asian economic development are most desirable and talking about them will do good. But we must remember that on both sides men are dying for what they regard as inalienable political rights, and it is to that that our diplomatists must first address their minds.

THE PROPOSED CONSERVATION CUTS

Mr. HRUSKA. Mr. President, this week the Senate Agriculture Appropriations Subcommittee begins its annual review of the justifications submitted by the Department of Agriculture for the coming fiscal year. They contain many important items, but much attention will be centered around a proposed cut of $100 million in the agricultural conservation program and a $20 million cut for the Soil Conservation Service.

The agricultural conservation program cut is a direct budget slash while the Soil Conservation Service cutback will be through the "back door" in that the administration proposes to establish a new technical assistance "revolving fund." The new fund, if set up, will shift up to 50 percent of the cost of the services of Federal soil technicians and engineers to the already hard-pressed farmer. In effect, it will amount to at least a $20 million cut.

The so-called revolving fund is additionally noxious since it fails to recognize the contributions already being made by farmers and county and State governments to these programs. In Nebraska alone it could mean increased costs to the farmers of approximately $500,000. This would be on top of the $1.5 million in conservation cost sharing already being spent by our farmers, as my colleague from Nebraska, Senator CURTIS, has previously stated on the Senate floor. These are additional costs to be heaped on the hard-pressed farmer who has been caught in the cost-price squeeze as never before.

These two programs have been on the books for 30 years. During that time they have been widely accepted by farmers and have advanced the objectives of conserving our natural resources as well as making a substantial and continuing contribution to our farm economy.

In my State of Nebraska, the agricultural conservation program and SCS programs have achieved great success. In fact, the State ranks second in total participation in the programs. However, the work has just really begun. A high official of the Department of Agriculture recently estimated that in Nebraska only about 13 percent of the job has been done to date. This estimate is founded on necessary and practical conservation objectives. These objectives are long

range, as should be the planning for all sound conservation programs. It is a kind of effort that is not suited for crash projects or quick starts or stops. It needs a steady, deliberate pace of operations so that the landowners and operators, the local, State, and Federal Government officials concerned with the programs can proceed in an orderly fashion with their planning and activities to achieve those goals.

Now the Johnson administration comes forth and suggests a 40-percent cut in the SCS budget for a single year. Such a slash is irresponsible at the very least and certainly not keeping good faith with the farmers and State and local governments who have invested substantial amounts of time, effort, and money in this important task.

There are many of us, on both sides of the aisle who will oppose these reckless cuts. There are many of us who are wondering if this is what the so-called Great Society has in store for our farmers.

My information is that the cuts were imposed by the Bureau of the Budget below the level of the original requests submitted by the Department of Agriculture. This is another example of budgeteers making farm policy, a duty which should be enjoined upon the Department of Agriculture rather than upon those who would seek to do things solely from the standpoint of reducing appropriations in an area where the uses have been demonstrated and where they are sound, in order to make them available for new and larger areas. Perhaps this proposal is a logical extension of the kind of thinking that led Kermit Gordon, the Director of the Bureau, to the conclusion in his January article in Saturday Review that there is no future on the farm for 2½ million of our 3½ million farmers.

This Senator rejects the spurious thinking that led to the proposed cuts. I shall do all that I can to see that the funds are restored.

Mr. President, Mr. Gene Kemper, editor of the Alliance Daily Times-Herald, of Alliance, Nebr., has editorialized on the proposed cuts very clearly and forcefully in the March 30 edition of his newspaper. I ask unanimous consent that the article be placed in the RECORD at this point.

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

CUTTING ACP AND SCS NOW WOULD BE AG FOLLY

One only has to watch the Times-Herald's farm page each Saturday to realize how many rural people hereabouts are taking advantage of conservation services and practices offered by governmental agencies.

Farmers and ranchers have taken advantage of the agriculture conservation program to build terraces, ponds, windbreaks, and otherwise prevent a return of the "dirty thirties." The Government pays half and the landowner half. An additional Government service here is technical advice provided free by the Soil Conservation Service (SCS). Surveys and other help from this source have encouraged many a landowner to improve his acreage and increase its productiveness.

Now comes the Federal Government, which is doing these things on the cuff in other parts of the world, wanting to cut down on the conservation program at home. The Johnson administration is recommending to Congress a $100 million cut in the agriculture conservation program budget and a $20 million cut in the SCS technical assistance program. The suggestion is made that landowners pay the Government for this SCS help.

The entire recommendation is inconsistent at this time when efforts started in the 1930's are starting to really pay off. And at the very moment when new programs are being started to preserve natural resources and beautify the Nation.

SCS was born in 1935. It has been a most important long-range soil resource program. The form of assistance provided is technical to make soil surveys and investigations, to plan balanced use and conservation measures designed to meet the need and land capabilities of individual farms and areas, and to draft designs and specifications and to furnish supervision when conservation plans for a farm or area are being carried out.

The agriculture conservation program was also established in 1935, and under it the Government pays farmers about 50 percent of the costs of carrying out soil conserving practices. Through it serious soil depletion and erosion problems have been corrected.

These programs have been supplemented over the years by watershed protection and flood prevention programs, by a soil bank program, by the Great Plains Conservation Act of 1956 under which a necessary effort to fight erosion was mounted.

The 88th Congress, which President Johnson has called "the greatest conservation Congress in our entire history," passed more than 30 conservation measures including the providing of a land and water conservation fund.

Naturally none of these programs have been perfect. But the SCS and agriculture conservation programs have in effect been basic to the effort of conserving soil and water resources. They have worked hand in hand.

They perhaps could stand revision and expansion. The proposed cuts, however, would do little else but harm soil conservation goals.

Support for the cuts come primarily from the Budget Bureau and from administration statements dealing with economy. We realize that claims on the budget are mounting, but we realize also that some of these claims could just as easily be dumped or cut.

The effort to protect and assure better use of present land resources, and to expand land resources is no less important today than it was back in the 1930's. It is more important.

The proposed cuts represent an overdose of emphasis on budget dollars, and not enough emphasis on the importance of soil conservation and the dollars it will eventually produce.

The proposed cuts are inconsistent with the long-range program still unfinished. Congress should put the administration back on this one farm track that has traveled in the right direction.

TAX CREDITS AND TAX DEDUCTIONS FOR COLLEGE STUDENTS—RESOLUTION OF STUDENT CONGRESS OF UNIVERSITY OF ILLINOIS, CHICAGO UNDERGRADUATE DIVISION

Mr. DIRKSEN. Mr. President, on December 10, 1964, the Student Congress of the University of Illinois, Chicago Undergraduate Division, unanimously adopted a resolution relating to tax credits and tax deductions for college students. I ask unanimous consent that the resolution be printed at this point in the RECORD.

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

Whereas President Johnson in his state of the Union message of January 4, 1965, recognized the great necessity for our Nation's future leaders to be college graduates; and

Whereas the Student Congress of the University of Illinois, Chicago Undergraduate Division also takes cognizance of the unalterable significance which a college diploma for each citizen means for the furtherance of our Nation as a world leader socially, culturally, and economically; and

Whereas the cost of obtaining a college education in an American university requires many thousands of dollars and places great stress upon a family's budget in innumerable cases; and

Whereas the 88th Congress, through its consideration of the 1964 tax bill and specifically the Prouty and Ribicoff amendments which would have provided tax credits on college expenses, also recognized the enormous encumbrances which university tuitions place upon the finances of a family or self-sustaining student; and

Whereas President Johnson's plans for the Great Society seem to indicate that the present time is most propitious for Executive and congressional action which would mitigate the economic burden of tens of thousands of college students and their families and those unmanifested financial burdens of generations of students to come in the following years: Therefore be it

Resolved, That the Student Congress of the University of Illinois, Chicago Undergraduate Division, implore President Johnson and each and every Member of the Congress of the United States of America to provide relief to the overburdened American university student and his family; Be it further

Resolved, That such relief be preferably in the form of a tax credit, which would permit either student or parent, whichever one pays the cost of tuition and textbooks, to deduct the full cost of same from his gross taxable income.

Proposed by Elliot S. Bacall.

Adopted unanimously on December 10, 1964.

ORGANIZATION OF U.N. TRADE AND DEVELOPMENT BOARD

Mr. JAVITS. Mr. President, I call attention to the organization of the 55-member U.N. Trade and Development Board which had its first meeting yesterday and elected as President-Chairman the Honorable Syed Amjad Ali, Permanent Representative of Pakistan to the U.N.

The establishment of this Board on a permanent basis, following the U.N. Trade and Development Conference in Geneva last year, now provides a continuing body to emphasize and consider in a broad context the economic problems of the developing nations and their relations with the industrialized countries.

Mr. President, I ask unanimous consent to have printed in the RECORD an article entitled "Pakistani Named to New U.N. Unit," by Kathleen McLaughlin, which appeared in today's New York Times, and an article by the Honorable Syed Amjad Ali, entitled "Trade Status Outweighs Development Assistance," which appeared in the February 26, 1965, issue of International Banker and out-

lines Pakistan's economic progress and discusses the work of the United Nations Conference on Trade and Development.

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

[From the New York Times, Apr. 6, 1965]

PAKISTANI NAMED TO NEW U.N. UNIT

ALI IS UNANIMOUSLY CHOSEN DEVELOPMENT AGENCY HEAD—OTHER ELECTIONS DUE; NEW YORK SITE IS UNCERTAIN; 55-NATION BOARD WILL WORK TO REDUCE WORLD POVERTY AND SPEED UP GROWTH

(By Kathleen McLaughlin)

UNITED NATIONS, N.Y.—Hailed as "the most representative forum in the history of international economic cooperation," the United Nations Trade and Development Board began organizing itself here today on a permanent basis.

Syed Amjad Ali, of Pakistan, who thus characterized the newest unit of the world organization, was unanimously elected president-chairman of the 55-nation Board, which will now function on a year-round basis.

The election of other officials is awaited tomorrow. Geographical representation will be important in their selection.

Secretary General U Thant, in a brief address of welcome, commented that the task of maintaining peace is "no longer viewed solely in terms of political events, but is indivisibly linked to the achievements of better standards of living in all parts of our shrinking globe."

"Governments and people expect this new machinery to make definite progress in achieving these aims," he added.

STANDING ROOM ONLY

An unexpectedly heavy influx of government delegations left standing room only for latecomers, especially among observer groups. The latter included representatives of intergovernmental organizations, primarily regional trade associations not previously active in New York.

They included the Soviet trade bloc known as Comecon (Council for Mutual Economic Assistance), the European Common Market, the European Free Trade Association, the Organization for Economic Cooperation and Development, the Latin American Free Trade Association, the Central American Economic Integration Organization, and the Arab League.

As in the Geneva conference last year, the Organization of African Unity and the Organization of American States also took part, attesting to their interest in trade problems.

NEW PATTERNS SOUGHT

The board, president Ali said, would work toward reduction of "the deep cleavage existing in the world today," not on political or ideological bases nor on color and race, but "primarily on the basis of plenty and poverty."

More directly, he stated it as the introduction of a new pattern of international trade that will favor and accelerate the economic growth of the developing countries.

The developing countries hold 31 seats on the board, although the chair of Indonesia, elected with the others at the Geneva conference, remained vacant. Since no official word has been received of Indonesia's resignation, the matter of a replacement will not come up for discussion at this time.

[From the International Banker, Feb. 26, 1965]

TRADE STATUS OUTWEIGHS DEVELOPMENT ASSISTANCE

(By Syed Amjad Ali, permanent representative of Pakistan to the United Nations)

The urge to develop is present whether a country is small or large, whether it has recently become independent, or whether it has been free for centuries. Among the developing nations, the drive for economic progress is particularly marked due to what Adlai Stevenson has called the "revolution of rising expectations."

The populations of the world are aware of the economic benefits made possible by 20th century technology, and have become impatient with a primitive standard of living.

Pakistan's drive for economic development began in 1950 with its first 5-year plan.

Completed in 1955, this program was not a glowing success. The quantum of foreign assistance did not match requirements, while exports earnings fell off due to the decline of international commodity prices.

The second 5-year plan, however, to be completed this June, has achieved outstanding results. GNP has increased by 24 percent and will rise an additional 30 percent during the third 5-year plan.

Industrial production has scored impressive gains; the increase for 1963 came to 14 percent, and final figures for 1964 will, it is hoped, be comparable.

Export earnings have also shown marked improvement, growing 5 percent in 1963 to $417 million.

Pakistan's economic progress is attributable to the political stability it has enjoyed over the last 6½ years, to its sense of financial discipline, and to effective utilization of its material and human resources.

The flexibility of Pakistan's economic policies also contribute importantly to the nation's growth—particularly in the sphere of industrial development.

Pakistan's economic philosophy allows its people full latitude to develop their initiative. In industrial development, the Government only enters a field where private enterprise is hesitant, or where private interests require financial and/or managerial help.

Such Government participations are channeled through the Pakistan Industrial Development Corporation (PIDC). A large number of enterprises have been aided by PIDC, but management is generally left in the hands of the private investors—even though as much as 50 percent of a firm's capital is provide by the Government through the PIDC.

Private enterprise has also been strengthened by two investment institutions:

The first is the Pakistan Industrial Credit and Investment Corp., launched in 1957 with the help of the World Bank. To my mind, it has proved the most effective investment venture among all the similar institutions established in the developing nations.

A second Pakistani institution is the Pakistan Industrial Development Bank, which helps small investors to enter industrial production.

Both the Pakistan Industrial Development Bank and the Pakistan Industrial Credit and Investment Corp. provide loans in foreign exchange and in Pakistani rupees.

Pakistan has not only helped its own private investors, but has also created the necessary climate for foreign private investment. The Pakistan Investment Promotion Bureau was set up for this purpose, and I had the honor of being its first chairman.

This Government institution deals with all foreign private investment proposals. All plans and applications are, I believe, handled in a genuinely expeditious manner.

To date, Pakistan has had its share of private foreign investment, but hopes that the flow will significantly increase in the years ahead. Meantime, friendly governments have provided an important amount of foreign aid assistance.

However, foreign aid clearly cannot be an instrument of development for all time to come. In order to finance the imports so desperately needed for industrialization, Pakistan and all other developing nations must improve their positions in international trade.

At present, the developing nations are extremely vulnerable in terms of world trade. Projects indicate that if they achieve the 5-percent minimum annual growth rate recommended for the United Nations "development decade," their collective trade deficit on imported capital equipment and other manufactures will rise to $20 billion by 1970. Such a deficit would considerably exceed the aid now forthcoming from the developed nations and the East bloc.

Solutions to both the immediate and long-range problems demand improvement of the new nations' trading position.

Pakistan has, of course, been concerned by the unsatisfactory state of international trade for many years. In the interests both of our own national progress and of a more equitable world order, we have sought to do something about it.

As long ago as 1952, I urged the United Nations Secretary-General—then Trygve Lie of Norway—to call an international trade conference.

Later, the trade position of the developing nations was seriously weakened with the post-Korea slump in commodity prices. Between 1953 and 1961, commodity export prices fell 8 percent. Manufactures at the same time became more expensive.

The United Nations reports that, over this period, "the terms of trade of primary commodities fell by 26 percent in relation to those of manufactures. * * *"

In Pakistan's case, the terms of trade by the end of 1962 stood at 60.1, relative to 1949.

Positive action in organizing an international trade conference was at last taken in 1962 and 1963.

The United Nations Conference on Trade and Development (UNCTAD) met in Geneva from March through mid-June of last year attended by representatives of 122 nations.

As vice chairman of the Conference, as a member of the Special Committee on Conciliation, and as deputy leader of the Pakistan delegation, I was honored by a number of responsibilities. Perhaps most important, I was elected chairman of the group of 75 developing countries, and presented its joint declaration to the Conference.

UNCTAD's conclusions were provocative:

Exports of the developing countries should no longer be discriminated against (by quotas, etc.) by the industrial nations.

To prevent further deterioration or sharp fluctuation of commodity prices, international commodity agreements should be negotiated or, where they presently exist, strengthened.

Nonreciprocal concessions should be given industrial exports of the developing nations so as to promote their industrialization.

The first point seems incontestable to me, and certainly accords with the often proclaimed—but unpracticed—trade beliefs of the industrial nations.

There is also growing acceptance of commodity agreements. Such arrangements should be mutually beneficial, saving the industrial nations from the high prices of scarcity periods, as well as protecting commodity producers from times of glut.

Nonreciprocal concessions, at first blush, seem at sharp variance with the standards of the industrial nations established in the General Agreement on Tariffs and Trade (GATT).

But the facts are that the Commonwealth has long since afforded nonreciprocal concessions to its members, and the European Common Market extends similar benefits to some of the new African nations.

If it is recognized that the developing countries cannot achieve their economic takeoff without strengthening their positions in world trade, the industrial nations can

certainly generalize and expand presently existing nonreciprocal concessions.

These improvements, I appreciate, can at best come gradually; the immediate benefit of the UNCTAD is the fact of its being. UNCTAD provided a forum for the developing nations to define their trade needs and problems.

The new institution, which next meets in 1966, began what will be a continuing dialog between the developing and industrial nations. This April, the 55-nation Trade and Development Board established by UNCTAD will hold its first session.

UNCTAD's paramount value is the spirit it generated among the developing nations. As I stated, in the closing declaration of the Group of 75:

"The developing countries regard their own unity, the unity of the 75, as the outstanding feature of this conference.

"This unity has sprung out of the fact that, facing the basic problems of development, they have a common interest in a new policy for international trade and development * * * [and] a strong conviction that there is a vital need to maintain and further strengthen this unity in the years ahead."

Ten months after the event, I am even more convinced that the unity of the developing countries forged at Geneva will profoundly affect the design of international trade relations in the years to come.

DOUGLAS DILLON

Mr. FULBRIGHT. Mr. President, a few days ago the Washington Post published an excellent editorial about former Secretary Dillon. I wish to endorse the sentiments therein expressed, and to add that I believe that as time passes, we shall recognize even more than we do now the fact that Secretary Dillon has been a great public servant. His broad experience in business, in our foreign service, in the Department of State, and, most recently, as Secretary of the Treasury, gave him an unusual capacity for sound judgment in regard to matters of the highest national importance.

Our country is fortunate to have had such a capable man in a position of influence; and I hope that it will not be too long before he will find it possible to return to the public service.

I ask unanimous consent that the editorial published in the Washington Post be printed at this point in the RECORD.

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

TRULY NOTABLE

There was a time, and not very long ago, when it was customary to praise a Secretary of the Treasury by declaring him to be the greatest since Alexander Hamilton or—at the very least—the greatest since Albert Gallatin. In accepting Douglas Dillon's resignation, President Johnson happily avoided comparisons that are historically irrelevant or inherently invidious. He described Mr. Dillon as "a truly notable Secretary of the Treasury," a characterization which does justice both to the man and the English language.

In his farewell press conference Mr. Dillon was asked whether he had not grown more "liberal" during his 4 years with the Kennedy and Johnson administrations. He replied with characteristic candor that as a liberal Republican, a friend and admirer of Senator CLIFFORD CASE, his fundamental views are unchanged. But then he added that he had learned a great deal. Indeed, it was the ability to learn and learn quickly that made Dillon an outstanding Treasury Secretary.

What distinguishes Douglas Dillon from his immediate predecessors was not only an active record of positive accomplishment, the reform of the depreciation guidelines and the comprehensive assault on the balance-of-payments problem, but an important change in style. In the past the most that one could hope for from an enlightened Secretary of the Treasury was that he would heed the advice of his economic advisers on questions of fiscal policy while continuing in public utterances to employ the conservative rhetoric that still passes for wisdom in some business circles.

Douglas Dillon changed all that, hopefully in a permanent fashion. He made it abundantly clear that a balanced budget is desirable, but only when the economy is operating at a much higher level of employment that has been attained in recent years. And it was equally refreshing for a Secretary of the Treasury to tell an assembly of international bankers that interest rates in Europe are far too high, and that a healthy readjustment requires the reduction of rates in Western Europe rather than the increase of those in the United States.

After 12 years of unbroken service, Douglas Dillon has more than earned a vacation from the tribulations of public life. But President Johnson has expressed a desire to call on him again, and one can only hope that Washington will not for long be deprived of his extraordinary talents.

DISTINGUISHED SERVICE FOR THE DEAF

Mr. HILL. Mr. President, the Alexander Graham Bell Association for the Deaf, at its recent 75th anniversary dinner, presented honor citations and awards to two persons and two broadcasting associations for their outstanding contributions in work for and with the deaf.

Mrs. Harold Hitz Burton, widow of the late Justice H. H. Burton, who was a member of the Alexander Graham Bell board until his death, presented the two honor citations to Mrs. Hobart C. Ramsey, president of the Deafness Research Foundation, and to Mr. Robert H. Cole, the first president of its international parents' organization.

I was given the honor of presenting the awards to the Canadian Broadcasting Corp., for its film, "The Silence Barrier"; and to the American Broadcasting Co., for its television program, "A Woods Full of Question Marks." Both films treated the problems of deafness with sympathetic understanding and absorbing interest.

Probably no chronic physical impairment is as prevalent in the United States today as ear disorders. It is estimated that 18 million people, including 3 million children, suffer from some degree of hearing loss. This means that many children do not get a normal education, and many adults cannot make full use of their capabilities in a career, not to mention the silent suffering.

Mr. President, I ask unanimous consent to have printed in the RECORD the citations presented to Mrs. Ramsey, Mr. Cole, the Canadian Broadcasting Corp., and the American Broadcasting Co., because of their deep interest and fine accomplishments and contributions in the field of educating and teaching the deaf and the impact of responsible television programing in support of educational programs for deaf children.

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

THE ALEXANDER GRAHAM BELL HONORS CITATION FOR DISTINGUISHED SERVICE FOR THE DEAF, PRESENTED TO MRS. HOBART C. RAMSEY

The Alexander Graham Bell Association for the Deaf, in its 75th anniversary year, is honored to present to Mrs. Hobart C. Ramsey, president of the Deafness Research Foundation, the 1965 Alexander Graham Bell Honors Citation.

Mrs. Ramsey has a deep personal interest in the problems of deafness since she herself had a severe hearing impairment for a number of years, until her hearing was restored to a serviceable level through surgery. This experience gave her the impetus for organizing in 1958 the Deafness Research Foundation. The foundation is the first national voluntary lay organization devoted primarily to furthering research into the cause, prevention and cure of disorders of the ear. Its aims and purposes have been officially endorsed by the appropriate medical societies and associations.

Many people do not suspect a hearing loss until they have lost a significant amount of their hearing. The average person is inclined to mask or deny, even to himself, that a loss exists. The Deafness Research Foundation urges all, especially children, to have regular complete hearing evaluations. It seeks to stimulate financial support for research, and to encourage those who have ear disorders to assist science on behalf of future generations.

In 1960 the Deafness Research Foundation and the American Academy of Ophthalmology and Otolaryngology sponsored the temporal bone banks program for ear research. This was the first nationwide effort to provide the inner ear structures essential to ear research. It has been hailed by authorities as one of the most progressive steps taken in the development of research in deafness in this country.

In recognition of the outstanding contribution which Mrs. Hobart C. Ramsey has made and is making in furthering research into the causes and prevention of deafness, this association presents to her the 1965 Alexander Graham Bell Honors Citation.

As authorized by the membership and the board of directors.

GEORGE T. PRATT,
President.

JUNE MILLER,
Secretary.

WASHINGTON, D.C., *March 8, 1965.*

THE ALEXANDER GRAHAM BELL HONORS CITATION FOR DISTINGUISHED SERVICE FOR THE DEAF PRESENTED TO MR. ROBERT H. COLE

The Alexander Graham Bell Association for the Deaf, in its 75th anniversary year, is honored to present to Mr. Robert H. Cole, the first president of its International Parents' Organization, the 1965 Alexander Graham Bell Honors Citation.

Across the face of the earth, on farms and in cities, surrounded by wealth or poverty, are to be found children born deaf. This has been so since the beginning of the history of man, and is still the case. Deafness does not respect race, religion, geography, social status, economic condition, or educational background.

Deaf children have in common frustrated parents, posing unanswered questions, seeking some light, searching for guidance and constructive assistance. They speak all languages. Most have never before seen a deaf

child. Some find themselves in sparsely settled areas, miles from another deaf child.

The Alexander Graham Bell Association for the Deaf, at its meeting in Los Angeles, Calif., in 1956, considered the possibility of organizing the parents of deaf children. At Pittsburgh, in 1958, a small group of parents established the parents' section, and elected Mr. Robert H. Cole its first president. There were 18 affiliated groups of parents.

For the next 6 years, Mr. Cole, on his own time and at his own expense, tirelessly traveled the length and breadth of the country, meeting with and speaking to groups of parents of deaf children. No group was too small, or too inconveniently located, for him to visit. At the time of his resignation as president in June 1964, the section had been renamed the International Parents' Organization and there were 129 affiliated groups representing 4,100 families in the United States and abroad.

In recognition of the outstanding contribution which Robert H. Cole has made to deaf children everywhere, to their parents and to our profession, this association presents to him the 1965 Alexander Graham Bell Honors Citation.

As authorized by the membership and the board of directors.

GEORGE T. PRATT,
President.
JUNE MILLER,
Secretary.

WASHINGTON, D.C., *March 8, 1965.*

THE ALEXANDER GRAHAM BELL AWARD FOR DISTINGUISHED SERVICE FOR THE DEAF PRESENTED TO CANADIAN BROADCASTING CORP.

The Alexander Graham Bell Association for the Deaf, in its 75th anniversary year, is honored to present to the Canadian Broadcasting Corp. the 1965 Alexander Graham Bell Award for distinguished service for the deaf.

Because deafness is invisible and not a fatal disease, the deaf seldom enjoy the sympathetic understanding and concern, nor the assistance of the general public, accorded others with handicapping conditions. It seems that few take the time to comprehend that the sense of normal hearing is directly related to the acquisition of speech and language by children, and that language is the avenue to education and human fellowships. Because their speech is different, and communication is more difficult, the deaf often find themselves misunderstood and sometimes avoided. A large-scale program of public information is needed if the deaf are to participate fully in a world of predominantly hearing people.

The Canadian Broadcasting Corp., on October 19 and October 26, 1964, presented over its nationwide television network two half-hour programs entitled "The Silence Barrier." The real stars of the production were deaf children from Canada and the United States who demonstrated that oral education for them is both possible and worth the necessary effort. The programs reached into thousands of homes, and did much to promote public interest and knowledge of the capabilities of children who do not hear.

In recognition of the excellence of the contribution of the Canadian Broadcasting Corp. television network toward a better understanding of the problems relating to deafness, and in highlighting the challenges facing educators and the public, this Association confers upon it the 1965 Alexander Graham Bell Award for distinguished service for the deaf.

As authorized by the membership and the board of directors.

GEORGE T. PRATT,
President.
JUNE MILLER,
Secretary.

WASHINGTON, D. C., *March 8, 1965.*

THE ALEXANDER GRAHAM BELL AWARD FOR DISTINGUISHED SERVICE FOR THE DEAF PRESENTED TO AMERICAN BROADCASTING CO.

The Alexander Graham Bell Association for the Deaf, in its 75th anniversary year, is honored to present to the American Broadcasting Co. the 1965 Alexander Graham Bell Award for distinguished service for the deaf.

Because deafness is invisible and not a fatal disease, the deaf seldom enjoy the sympathetic understanding and concern, nor the assistance of the general public, accorded others with handicapping conditions. It seems that few take the time to comprehend that the sense of normal hearing is directly related to the acquisition of speech and language by children, and that language is the avenue to education and human fellowship. Because their speech is different, and communication is more difficult, the deaf often find themselves misunderstood and sometimes avoided. A large-scale program of public information is needed if the deaf are to participate fully in a world of predominantly hearing people.

The American Broadcasting Co., on October 26, 1964, presented over its nationwide television network the Ben Casey show entitled "A Woods Full of Question Marks," a production of Bing Crosby Productions. This sensitive and dramatic program reached into thousands of homes to brilliantly demonstrate the way in which physicians, educators and parents can cooperate to help deaf children. All who contributed to this successful performance—writer, director, producer, and actors—can be justly proud as it represented a major stride forward in promoting public interest and knowledge of the capabilities of children who are deaf. The deaf children who acted themselves were the real stars.

In recognition of the excellence of the contribution of the American Broadcasting Co. television network toward a better understanding of the deaf and problems related to deafness, this association confers upon it the 1965 Alexander Graham Bell Award for distinguished service for the deaf.

As authorized by the membership and the board of directors.

GEORGE T. PRATT,
President.
JUNE MILLER,
Secretary.

WASHINGTON, D.C., *March 8, 1965.*

THE JOB CORPS OFFERS HOPE FOR MANY YOUNG AMERICANS

Mr. FULBRIGHT. Mr. President, there recently came to my attention an article, written by Mark R. Arnold, and published in the March 29, 1965, edition of the National Observer, which I believe will be of interest to Members of Congress and other readers of the RECORD. Mr. Arnold has done an excellent job of capturing the spirit and purpose of the Job Corps camp recently established in the Ouachita National Forest, in Garland County, Ark. Often those of us who are "snowed under" by the countless issues which come before Congress forget the effect our actions have on individual American citizens. Mr. Arnold's article, entitled "That Abraham Lincoln—He's Dead, Isn't He?" is a thoughtful description of the hope the Job Corps offers for many young Americans; and I ask unanimous consent that the article be printed at this point in the RECORD.

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

[From the National Observer, Mar. 29, 1965]

THAT ABRAHAM LINCOLN—HE'S DEAD, ISN'T HE?—A REPORTER LAYS TOPSOIL WITH THE 100-PERCENT LOSERS IN A JOB CORPS CAMP

(By Mark R. Arnold)

ROYAL, ARK.—Carl Ward, 16, a clean-cut, blond, high school dropout from Poplar Bluff, Mo., laid down his shovel, pushed his green army surplus cap over his forehead to shield his eyes from the sun, and reflected a moment before answering my question about why he had joined one of the new Federal Job Corps camps. When he spoke, his voice was soft, his words accented with a country twang.

"I never did much after I left school. Wasn't much to do. I helped out this old woman who lives across from us to earn a little money. Once in a while I'd work in the grocery store or at the filling station. The principal at school—he knows us real well—he come out and told us about the Job Corps. Said I could learn to drive a cat (Catepillar tractor) or something like that. I don't know what I want exactly. Maybe go back and drive a truck like my daddy. Lessen they learn me something better here."

Carl Ward is one of 70 boys enrolled in the Ouachita Job Corps Conservation camp outside Hot Springs, Ark. He is one of 100,000 boys and girls who will be mustered into new Federal training centers that will be established over the next 18 months to give a new lease on life to out-of-school, out-of-work youth.

A SEARCH FOR THE EFFECTS

I spent 4 days at the Ouachita (pronounced Wash-a-tah) camp recently, living and working alongside the corpsmen. I wanted to find out whether such surroundings can indeed instill new values and new hope in boys who, for want of motivation and skills, might otherwise become tomorrow's welfare recipients.

What is life like in the Job Corps? What kind of boys are signing up? What are they learning. Can the new Federal camps, part of the antipoverty effort turn them into productive citizens? These are some of the questions I asked myself as I nosed my rented car into the Ouachita National Forest in which my camp is located.

I had chosen to live in a rural Job Corps camp, rather than in one of the larger urban centers also established by the poverty program, because I wanted to try to get to know the neediest youngsters. The urban centers are for more advanced youths, who will learn such specific skills as auto mechanics, data processing, and cabinet making. The rural centers, like the one at Ouachita, are for youths who lack the fundamental social and education skills needed to get or keep a job. "Most of these boys," a camp official told me upon my arrival, "are 100-percent losers. They've been kicked around all their lives. We've got a lot of unlearning to do before they can start learning a trade."

I had anticipated some resistance to the presence of a newsman among the boys, but my misgivings were short lived. After I had moved into a barracks, exchanged my business suit for some old Army fatigues, and joined a game of basketball, I found the youngsters friendly and eager to talk. I got to know about two dozen corpsmen by name, and interviewed a like number. My first impression, subsequently confirmed by daily contact, was that these boys had not been handpicked to give the Job Corps program a good name. They were right off the streets.

Beyond that, it is hard to generalize about them. One is a high school graduate, who

officials say is trying to find himself. Six are total illiterates. The average youth has completed 8 years of schooling but is reading on a fifth- or sixth-grade level. Some have criminal records. They come from as far away as Connecticut and as near as Little Rock, 80 miles to the north. Some are products of big-city slums; others were recruited from declining rural communities. Half are white and half are Negroes and nonwhite Spanish-Americans. Many come from broken homes. Most come from large families. Almost all have backgrounds of poverty.

Most of them heard of the Job Corps from a friend, a clergyman, a welfare worker, or a school principal. They joined because "My mom thought I could learn something here," or "I couldn't find a job." or "I was just hanging around the house." "Just hanging around," is a phrase that turned up repeatedly in my interviews with them.

"HE'S DEAD, ISN'T HE?"

Their world, in most cases, is confined to their immediate surroundings. During a bull session I started one night about civil rights, someone mentioned that Abraham Lincoln had freed the slaves. "That Abraham Lincoln," said one of the boys, puzzled. "He's dead, isn't he?" A Negro youth who wants to learn to run a bulldozer said he hopes to become "an international" and work in Africa. "What part of Africa?" I asked. He answered: "Siberia." I was repeatedly besieged with questions about Vietnam: Where is it? Why is the United States involved there? And about more mundane subjects: How big is the earth? How far is it from New York to California? How high do jets fly? Is it true President Kennedy's assassin was a Communist? What's a Communist?

Teaching basic social and work skills to boys like these is no mean task. "Most of these boys are here," Camp Director Ralph Cunz told me, "because no one has ever been able to help them before. The problem isn't that they can't learn. It's that they haven't wanted to. Our job is to make them want to, to motivate them to make something of themselves. We've got one thing going for us. The fact that they joined up shows they want to be helped."

The basic facilities of the camp are designed to provide some of the amenities the boys missed at home. The youths are housed four to a room in attractive new prefabricated trailer units with pine-paneled walls. The barracks line one side of an open athletic field complete with basketball and volleyball courts and a baseball diamond. A fifth building, like the barracks composed of prefabricated trailer units, serves as an education center. It has a library, some musical instruments (two guitars, harmonicas, a set of drums), art supplies, and a record collection. The messhall doubles as a meetinghall and lounge. There are plans to build a gymnasium for wrestling, boxing, weight-lifting, and other sports. There will be shops for wood and metalworking.

TIME FOR STUDY AND WORK

The camp day begins at 6 a.m. and ends with lights out at 10:30 p.m. Three days a week are devoted to work training. The other 2½ days (the boys work a 5½-day week) they receive basic education. While I was there, most of the work involved beautifying the camp. Youngsters were busy building stairs for the barracks, planting shubbery, and painting some older buildings built while the camp was a recreation center for the World War II Army-Navy Hospital in Hot Springs. The work crew that I joined was given the job of laying topsoil outside the camp dispensary, and making a gravel sidewalk from building to building.

When the basic work on the campsite is completed, the youths will move into the forests. They will bulldoze new trails, remove dead trees, build public recreation areas, pave roads, plant seedlings, and do other conservation work. Those who want to will learn to run bulldozers, and how to repair them. Some of the youths are already being trained as cook's helpers in the camp kitchen, filing clerks for the 23-man staff, and aids in the corps dispensary.

The boys can remain in the camp for up to 2 years, but the plan is to move them into urban centers or other work training programs as soon as they have acquired the basic skills needed for specialized job training.

While at camp, a youngster receives $30 a month spending money. In addition, the Government puts $50 a month aside during his stay in the center, which is paid to him in one lump sum when he leaves. If he prefers, he can have $25 a month of this terminal allowance sent to his family, and the corps matches the amount. Almost all the boys at Ouachita are sending this money home to help their parents.

Talk to some of the boys and you learn about a slice of American life that eludes the public-opinion pollers. Few of the boys I interviewed could tell me how big their hometowns were. Several had never been more than 50 miles from home before.

Willie Lee Thomas, Jr., 20, has been out of work for most of the 3 years since he quit school in the 10th grade in Temple, Tex. He's a wiry, alert Negro youth who left the Job Corps soon after his arrival ("I didn't see what good it was gonna do me"), then returned.

"I couldn't get along with the teachers at school," he relates. "They were always blaming me for things I didn't do. So I quit and got a job in a restaurant for a year. But I couldn't take much more of that. Oh, I've worked at odd jobs, but mostly been hanging around the employment office, but they weren't doing much hiring. Most of the reason I come back, nothing had changed at home. Jobs still hard to get. So I figured, just like they say, you need some kind of education, and if you don't have it, then things are gonna be pretty rough on you."

SOME HAVE HIGH HOPES

In many of the boys, the visitor finds a striking disparity between ambition and expectation. Asked what he would like to be doing in 10 years, 19-year-old Gary Taylor said: "I'd like to do office-type work, maybe work my way up to be president of a company." Asked what he expects to be doing in 10 years, he responded: "Probably running heavy equipment, because it takes a lot of education to do anything else, and it takes a lot of pushing to get an education."

Many of the youths are self-conscious about their lack of achievement. When a work supervisor showed a group of boys the blueprint of a speaker's platform they were to build for the camp's dedication last week, one commented: "Ain't nobody here with sense enough to read a plan like that."

Even the simplest tasks can prove burdensome. Like writing a letter home. Said 17-year-old James Grice of Atlanta: "I try to write twice a week, but it takes so much time to look up the words I don't know in the dictionary."

A TYPICAL DAY

On a typical workday, I accompanied the boys to the work-assignment area at 8 a.m. That's the time work is supposed to begin, but boys were straggling in up to 8:20. A camp official explained to me that the boys are not used to working on a schedule. There was a lot of horseplay while we were waiting for the stragglers. The talk was of prowess with girls and of souped-up cars. Glen Kile, the deputy camp director for work, assigned all the boys to crews under the supervision of seven work supervisors, most of them career forestry officials. (The camp is run by the U.S. Forest Service.)

My crew was given the job of spreading gravel to make sidewalks along the side of the dirt road in front of the barracks. After a 10:30 break for coffee, three of the eight members of the group disappeared. "How come they can goof off and we have to still work?" one boy wanted to know. The work supervisor, Cliff Tackett, a former Boy Scout leader, replied: "They may goof off now, but when they need a recommendation to get a job, they won't get it. They're only hurting themselves."

We broke for lunch, then returned to work until 4 p.m. An hour's recreation period followed, then supper and a movie. Movies are shown 3 nights a week. On Saturday nights the boys are free to go into Hot Springs. A bus picks them up for the return to camp at 11 p.m.

Discipline frequently proves a problem to Camp Director Ralph Cunz. "We try to be as unmilitaristic as possible," he told me as he made an inspection of the barracks one afternoon. "We try to give them incentives to do what they should be doing." Sometimes this approach is successful. All of the barracks were kept cleaner after it was announced the boys in the two cleanest barracks would have an extra night in Hot Springs. Frequently, however, the boys are torn by the examples of the camp leaders and those of their friends. "When D. (one of the bigger corpsmen) says it's time to knock off work," a Negro youth said as he dug a shovel into a pile of gravel, "we knock off, even them that doesn't want to."

But there are rewards for those who apply themselves to work and study, and the rewards are enticing some of the youths who pride themselves on putting out as little as possible. The camp's two VISTA volunteers (Domestic Peace Corps men) have set up a camp newspaper. Some of the hardest to reach youngsters signed up for job interviews to work on it. Others are anxious to serve on the committee that runs the camp canteen. They've been told their conduct must improve if they hope to qualify.

TEACH BY TESTING

Teaching the three R's to some of the youths is a problem too. Job Corps educators in Washington have designed a teach by testing method that permits each youngster to proceed at his own pace. Each corpsman takes a reading test and a 16-problem arithmetic test upon arrival at the camp. A teacher goes over his mistakes with him. When the youth feels he understands his mistakes, the teacher consults a master test chart and moves him automatically to another examination specifically geared to test for the same kind of mistakes. If he achieves a passing score on it, he moves on to more advanced work. If not, he takes another test geared to his specific problem.

The system has not erased all resistance to learning. But it has revolutionized, in the minds of the job corpsmen, the pupil-teacher relationship. At lunch one day I asked a group of boys if the instruction was different from what they received in public schools. Pedro Cantu, a Spanish-American from San Antonio, was the first to speak. "In school if I was stumped," he said, "I wouldn't raise my hand. I'd just keep right on going. Here, the teachers are, well, a friend. You got a question, you ask. They're helpful, like."

THE PRACTICAL APPLICATION

To encourage the boys to sharpen up their reading skills, camp instructors stress the link between what they're being taught and the jobs they hope to obtain eventually. "I had a boy in here the other day," said Teacher Charles Porter, the only Negro on the camp

staff. "He wants to be a cook. I asked him who was going to hire him if he couldn't follow a recipe or make up a menu? Haven't had a bit of trouble from him since."

This approach seems to be working with many of the boys. "I'm going to be reading books on heavy equipment for the next 2 weeks," boasted blond Eddie Turley, who quit school in Little Rock in the eighth grade. But for those whose deficiencies are more basic—to whom learning to read means filling in the missing letter on a page that says C—T alongside a picture of a cat—learning can still be deadly dull.

Some old habits are persistent. After every payday, some of the boys gather to shoot craps, as, no doubt, they did in their hometowns. Fights are not uncommon. I broke up one argument between a Negro and a white boy who were on the point of coming to blows. The Negro claimed the white boy had stuck out his tongue at him.

But the values camp leaders are trying to instill in the boys seem to be taking hold. None of the boys whose confidence I gained knew of anyone who had brought liquor into camp, though it would have been an easy matter to smuggle it back from Hot Springs. Explained Warren Richardson, a bright 19-year-old from Clarksburg, W. Va.: "We know they're depending on us. We're on our honor." On one of the work crews, I listened while a boy boasted of his criminal record (stolen hub caps, truancy, housebreaking). After a while he stopped. No one was interested.

A STATUS SYMBOL

To deal with disciplinary problems, the camp has set up a discipline board, composed of three corpsmen and three staffers. Membership on the board, like membership on the canteen committee and the newspaper, has become a status symbol, and a reward for good performance.

Camp officials do not expect to be able to rehabilitate all the corpsmen. Already, 10 have left for various reasons—homesickness, inability to get along with others, or a distaste for the training. The 70 who have remained can leave anytime they want to. The attractive living quarters, the recreation, the committees, the newspaper, the movies, the individualized education—all are designed to make them want to stay, and learn. And, as such, they seem to be working.

"This is the last chance for most of these kids, and they know it," says Dr. Howard Brighton, a University of Oklahoma educator who is Ouachita's deputy director for instruction. "We've got some who are along just for the ride, and they'll get discouraged and drop out, or else shape up. What we're trying to do is to kindle a spark in these kids, and I think we're succeeding in most cases. Once we've got them hooked, they'll work themselves to keep it alive."

IMPORTANCE OF THE SOIL CONSERVATION SERVICE BUDGET

Mr. CANNON. Mr. President, one of the most urgent challenges facing our Nation is to protect and improve our soil and water resources on the privately owned and operated lands of America.

Thirty years ago, in the wake of floods, land damages, erosion, and a series of frightening dust storms, a Federal, State, and local partnership was formed to conserve our invaluable soil and water resources. This partnership blossomed in the form of the Soil Conservation Service, which has made available, without charge, technical conservation assistance to private landowners.

The 30-year history of the Soil Conservation Service is a study in accomplishment. It is a program that has enjoyed virtually unparalleled support and cooperation at every level. It is a program designed to yield benefits to generations yet unborn, by safeguarding our most precious natural resources.

Through its programs, the Service assists Soil and Water Conservation Districts and other cooperators, watershed groups, and Federal and State agencies having related responsibilities in bringing about physical adjustments in land use that will conserve soil and water resources, provide for agricultural production on a sustained basis, and reduce damage by floods and sedimentation.

We have made great progress in the field of soil and water conservation; but the demands of the future illustrate that much remains to be done.

Because of the great work remaining before us, Mr. President, I was most disappointed to note that the Bureau of the Budget has proposed that soil conservation districts, farmers and ranchers, and other landowners make $20 million in payments to the Federal Government during the next fiscal year, for vital technical assistance provided by the Soil Conservation Service.

If adopted, the proposal would have the effect of reducing the Federal Government's contribution for technical services—and, in effect, its contribution toward our Nation's future—by $20 million.

I feel that this proposal represents an unwarranted reversal of national policy of the conservation and development of privately owned land and related resources. It is a reversal of national policy of aiding the family farm and farmers least able to pay for essential conservation work.

The decline of farm income is no secret, nor are we unaware of the financial plight of many ranchers who have been so hard hit in recent years by declining livestock prices and increased livestock imports.

In my State, many of those who are most knowledgeable about the effect of the proposal to establish a revolving fund declare flatly that few landowners could pay up to 50 percent of the cost of technical assistance furnished to help install planned conservation practices on their land.

I fear, Mr. President, that the proposed reduction, in the long run, may prove to be many times more costly and harmful to our natural resources than the $20 million that will be saved this year.

I will oppose the reduction in the Soil Conservation Service budget for assistance to landowners cooperating in the effort to conserve our soil and water resources; and it is my hope that the proposal will be firmly rejected by Congress.

The prudent use of our land and water resources benefits not only farmers, ranchers, and sportsmen. The real benefit will be derived by all who follow us. The Soil Conservation Service must be provided the funds necessary to enable it to continue its work on flood prevention, soil surveys, watersheds, and the other programs which are so vital to the future of our Nation.

AMERICAN HOSPITAL ASSOCIATION STRONGLY URGES REINSTATEMENT OF SERVICES OF MEDICAL SPECIALISTS AS REIMBURSABLE COSTS UNDER AGED HEALTH CARE BASIC PLAN

Mr. DOUGLAS. Mr. President, on March 29 I urged, in a Senate speech, that the Senate restore to the House committee approved plan for expanded medical and hospital care for the aged reimbursement under the basic plan of the in-hospital services of medical specialists. While I dislike the barbaric English usage of some of the titles, the official designations of these specialties are radiology, pathology, anesthesiology, and physiatry.

After making this speech, I sent a telegram to Dr. Edwin N. Crosby, executive vice president of the American Hospital Association, asking the position of the association on this matter. The telegraphed reply of Dr. Crosby on behalf of the association speaks for itself, but I point out in summary his evaluation that the exclusion of these services: First, would seriously retard the continued development of the modern hospital as the central institution in our health service system; second, not only will confuse the public through a multiple-billing approach and cost them more, but could endanger the quality of patient service; third, interferes with existing relationships between hospitals and physicians and tends to dictate a nationwide pattern prescribed by the Federal Government; fourth, is certain to face aged beneficiaries with a substantial reduction in the benefits they will receive; fifth, will imperil the long-standing arrangements developed by many Blue Cross plans; sixth, will make the administration of the overall program enormously more complicated; and seventh, will require nationwide renegotiation of contracts between hospitals and specialists and between hospitals and third party agencies.

I earnestly hope the Senate will act to correct this exclusion, and I ask unanimous consent that the text of Dr. Crosby's telegram be printed in the RECORD.

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

APRIL 5, 1965.

Senator PAUL DOUGLAS,
U.S. Senate,
Washington, D.C.:

In reply to your wire the American Hospital Association takes the position that radiology, pathology, anesthesiology, and physiatry services in hospitals are essential to the provision of high quality patient care in the hospital and thus are basic hospital services. Exclusion of these services would seriously retard the continued development, so striking in the past few decades, of the modern hospital as the central institution in our health service system. The association's historic policy position that radiology, pathology, anesthesiology, and physiatry are hospital services was clearly enunciated on February 7, 1957, by our board of trustees when it acted to include these benefits as benefits of prepaid hospitalization benefit plans.

Fragmentation of the components of hospital service not only will confuse the public through a multiple billing approach and cost them more, but more importantly could endanger the quality of patient service in the hospital by diminishing the administrative controls necessary for the optimum delivery of these services coordination of which is so essential to high quality hospital care. The association maintains the position that these services including the professional activity of the specialist are a proper part of hospital reimbursable costs.

In testimony before the House Ways and Means Committee in its hearing on similar legislation in July 1961 we urged that these medical specialists' services be included in the hospital benefits proposed and we argued strongly against the deletion of such specialists' services from the bill. More recently we expressed our support of the provision of such services as it was incorporated in H.R. 1. We opposed interference by the Congress in the local arrangements developed through the Nation by the individual specialists and the hospitals concerned. We were distressed that the services of these specialists were removed from the definition of hospital services in H.R. 6675. We believe that this interferes with existing relationships between hospitals and physicians and tends to dictate a nationwide pattern prescribed by the Federal Government. The present provisions of H.R. 6675 in respect to these specialists will, we believe, seriously disturb the existing relationship throughout the Nation and may as above noted threaten in certain instances continued efforts to improve the quality of patient care. It is certain to face aged beneficiaries with substantial reduction in the benefits they will receive under the legislation. The longstanding arrangements developed by many Blue Cross plans will be imperiled. The administration of the overall program will become enormously more complicated. The required total separation of the particular physician's services involved from the departmental costs of hospitals will require nationwide renegotiation of contracts between hospitals and specialists and between hospitals and third party agencies. The effects will most likely be extended overall to hospital patients.

We strongly urge the reinstatement of the services of these specialists as a part of hospital services in the legislation you finally pass.

EDWIN L. CROSBY, M.D.,
Executive Vice President,
American Hospital Association.

DR. PAUL A. MILLER, PRESIDENT, WEST VIRGINIA UNIVERSITY, ADDRESSES AMERICAN HOME ECONOMICS ASSOCIATION ON "POVERTY AMIDST AFFLUENCE"

Mr. RANDOLPH. Mr. President, the American Home Economics Association, whose headquarters are in Washington, D.C., sponsored a national workshop on working with low-income families at the University of Chicago, Ill., Center for Continuing Education, March 15–19, 1965. The association represents 23,500 members of the home economics profession, working in education, business, research, extension service, and health and welfare.

The workshop subject has been a part of the basic philosophy of the American Home Economics Association since its inception in 1909. Nationally recognized authorities on the problems of low-income families addressed 200 leading home economists. The purpose was to examine contributions the home economics profession can make in breaking the poverty cycle.

Dr. Paul A. Miller, dynamic president of West Virginia University, Morgantown, was the keynote speaker. Other participants included Dr. Allison Davis, professor of education, University of Chicago; Dr. Oscar Ornati, professor of economics, the graduate faculty of political and social science, New School of Social Research, New York City; Mrs. Esther Peterson, Special Assistant to the President for Consumer Affairs and Assistant Secretary of Labor, and Dr. Frank Riessman, associate professor, department of psychiatry, Albert Einstein College of Medicine, New York City.

Mr. President, Dr. Miller's address, entitled "Poverty Amidst Affluence," contains important statistics and information about the one-fifth of this Nation's population living in substandard conditions and his recommendations concerning the elimination of impoverishment will be of interest to all individuals who share the administration's concern for a workable solution to this problem.

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

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

POVERTY AMIDST AFFLUENCE: AN OVERALL VIEW OF POVERTY IN CONTEMPORARY AMERICAN SOCIETY

(By Paul A. Miller, president, West Virginia University)

In a time of ever-narrowing specialization, it is important to consider whether the generalist or the specialist should make decisions on broad policy matters that cut across the dividing lines of specialties. The specialist, himself respectful of specialized knowledge, is often reticent to claim such global wisdom for himself. The generalist, if he is reticent at all, is by definition not in full possession of the facts; that, or he is respectfully deferential to the specialists. Fortunately, social progress does not necessarily become stymied in the untangling of this paradox; people are just too complex in their responses for that. Fortunately, too, the politics of these matters is responsive to the constant sifting and winnowing of fact and opinion, of countervailing powers, and wide perspective in decisionmaking. Then, somebody somewhere must take a great gulp of air and set out across the uncharted seas of specialized knowledge making observations built on facts and a grasp of wholeness. He knows that the eventual political decision will be a compromise; he hopes that it will be broad enough to accommodate contingencies, narrow enough to be practicable, the result of a pooling of facts from many specialties with public ramifications that are unspecialized. The point, then, is to form a coherent picture from a mass of detail. And so it is with one who speaks upon the very broad subject of poverty in contemporary American society.

The romantic rediscovery of poverty in the United States, a portion of the domestic inquiry that is a timely and necessary diversion from the more frustrating complications of promoting international development, has brought with its sentiment and oratory a searchlight on accumulating mountains of research data. The work of hundreds of social scientists on the causes and spread of poverty has suddenly become valuable as the grist for local and Federal programs collectively and sensationally described as a "war." The call to arms, sounded by John Kenneth Galbraith, Michael Harrington, and others, moved John F. Kennedy to initiate a broadly based Federal program aimed at the annihilation of poverty in the United States. The program continues with a new vigor in the Johnson administration. Through the causation, one fact is clear: none of this would be possible were it not that the American public is in a mood of receptivity to government programs attacking the causes of poverty. The iron is hot. The danger is that we may be tempted to strike too quickly, that we create false expectations, that insufficient years and resources will be allocated to the task, and that we shall seek a cure by treating symptoms. By pointing to the evident pitfalls of a crash program against poverty, I am attempting to define it as a phenomenon occurring amidst affluence.

The poor are always with us, the Victorian said with a shrug, and that was that. The outlook was characteristically Victorian until the 1930's. The coming of the depression with its one-third of a nation without sufficient soil to till or machines to tend brought to a stop the entire economy; our smugness about massive unemployment crashed with it. A prewar, war, and postwar economy absorbed the slack, and the nation yet was free to debate seriously the classical economic theory of "free" enterprise. But the technological and organizational revolution beginning in the late 1940's brought an end to that. Then we developed a new vocabulary for poverty: instead of temporary unemployment, we had structural unemployment, underemployment, the obsolescence of men and resources, an underclass, insular poverty and, finally, the other America.

As Christopher Jencks has pointed out, up to 1963, Americans spoke of the underprivileged, the deprived, the disadvantaged, the discriminated against, and about all those with low incomes in depressed areas. Poverty was euphemized, its misery softened. But early in this decade, poverty became recognized as a culture; today, its continued widespread existence in the midst of affluence threatens anew the growth of the Nation's economy.

At the same time, the limits of technology are nowhere in sight, and cybernation is both a promise and a threat. There is a frightening spector of larger pools of permanently unemployable people, a stagnating economy, urban blight, and rural decay, increasing juvenile delinquency, and the gradual shift from a military-oriented economy to a consumer-oriented economy, with all its discontinuities in the world of employment. The American body politic is rightfully alarmed and prepared for decision and action. This conference and similar ones across the Nation testify to this fact.

The statistics are well enough publicized. One-fifth of this Nation, the richest in history, lives in poverty. An arbitrary figure, yet, but a conservative one. Twenty-two percent of the poor are nonwhite, and nearly one-half of all nonwhites live in poverty. The heads of over 60 percent of all poor families have only a grade school education. One-third of all poor families are headed by a person over 65, and almost one-half of families headed by such a person are poor. Of the poor, 54 percent live in cities, 16 percent on farms, while 30 percent are rural nonfarm residents. Over 40 percent of all farm families are poor, and more than 80 percent of nonwhite farmers are poor. Less than half of the poor are in the South; yet a southerner's chance of being poor is roughly twice that of a person living in the rest of the country. One-quarter of poor families are headed by a woman; but nearly one-half of all families headed by a woman are poor. There are more than 9 million families in the United States whose family incomes are below $3,000 per year. Over 11 million of these

family members were children, one-sixth of our youth. Moreover, 5.4 million families, containing more than 17 million persons, have total incomes below $2,000.

Paradoxically, a majority of the poor are employed: infrequently, to be sure, and in the most menial of tasks, but nonetheless they do not appear in the statistics on unemployment, nor are they widely eligible for welfare benefits. On the other hand, about half of the 4 million workers who are unemployed at any given moment are members of families with total incomes of $4,000 or more. The unemployed, as one writer describes them, are the elite of the poor. They are persons who have skills, but may have been displaced by new technology. They have known better times, and they are eligible for the retraining programs that occur most frequently in the cities, where most of them live. However, among both unemployed and underemployed are those who either have given up looking for work or have given up looking for something better. There is no accurate way of determining the extent of resignation to poverty by these persons, but its significance is quite obvious.

What is poverty? Michael Harrington remarks that "A definition of poverty is * * * a historically conditioned matter. It would be possible to prove that there are no poor people in the United States, or at least only a few whose plight is as desperate as that of masses in Hong Kong." But his point is simply stated: "In a nation with a technology that would provide every citizen with a decent life, it is an outrage and a scandal that there should be such social misery.

Poverty is now recognized as a national problem, and national means are being used to attack it. The most auspicious antipoverty plan is the Economic Opportunity Act of 1964, the basic purpose of which is to create new jobs and to train people to fill them. The Job Corps, work-training and work-study programs, urban and rural community action programs, employment and investment incentives, all are part of the administration's war on poverty.

The economic theory underlying these programs seems to be based on the assumption that a national economy expanding fast enough, faster than our present annual growth rate, will absorb unemployed workers and upgrade the jobs of those who are underemployed.

However, there is a lively debate about whether this assumption is correct. Some economists build a quite persuasive case for increased welfare programs on the counter-assumption that any economic expansion will absorb no more workers than new technology will displace. Chief among them is Robert Theobald, the prophet of the age of cybernation. He proposes nothing less than a radical change in the national outlook toward work. Looking into the future, he sees the time when man will no longer be required to live by the sweat of his own brow. He estimates that roughly 10 percent of the work force may become capable of producing all the goods and services needed by the entire population. His proposal is for a guaranteed annual income to every citizen, based on need rather than on one's marketable skills.

Needless to say, such proposals are controversial, and will be for a long time to come. They ask nothing less than a radical redefinition of the ethic of work. It is questionable, therefore, whether such proposals can be more than visionary at this time. The close relationship between individual dignity and an honest job is deeply imbedded in the American way. Whether it is so deeply imbedded that it cannot be changed remains to be seen, and the inquiries of people like Theobald deserve widespread discussion and debate.

Until such time as there is a radical change in the national outlook in these matters, the only road open to political relevance is one of basic conservatism—the gradual and persistent grinding away at poverty through accepted means. This means that ways must be found to stimulate the general economy, and that people must be taught to meet the world of work with skills. These hopes are reflected in the Annual Report of the President's Council of Economic Advisers in 1964. As strategy, the Council advocates moving into the broad front of fighting discrimination, improving regional economies, rehabilitating urban and rural communities, improving labor markets, expanding educational opportunities, enlarging job opportunities for youth, improving the Nation's health, and promoting adult education and training.

Some of these notions are incorporated into the Economic Opportunity Act of 1964. While the greatest promise of the act is that it emphasizes education as a weapon against poverty, its major observable accomplishment has been the awakening an affluent Nation to the seriousness of its poverty problem.

Curiously, John Kenneth Galbraith has been criticized for isolating poverty into two camps: insular and case poverty. Although these terms are not comprehensive, as Gunnar Myrdal and Harrington have shown, they throw light on discussions about Appalachia, the deep South, the northern border regions, and rural and urban pockets everywhere. But regardless of any shortcoming, Galbraith's "Affluent Society," by being a best-seller, helped to create a climate that has made possible the Area Redevelopment Act, the Economic Opportunity Act, and the Appalachian Development Act.

However, it remains to be seen whether the administration's poverty package will effectively engage the misery of the poor. The present commitment is clearly too shallow in outlay, but it would be senseless to discard it for what it lacks. As President Johnson frequently says, "Half a loaf is better than none; in fact, a slice is better than none."

A crash program cannot accomplish everything, but it is a good beginning. The roots of poverty run deep; but unlike a tree, poverty cannot be killed by sawing it off at the ground.

Long ago, Gunnar Myrdal spoke of the vicious circle of poverty, a theory of circular causation. Stated simply, poverty breeds poverty. Its symptoms are a lack of aspirations, illiteracy, indifference to self-betterment, cynicism about economic alternatives, and occasional hostility to change. The poor, like the rich, band together for support. Unlike the rich, once in the ghetto the poor are immobile. They find no ways in their own lives to break out of the vicious circle, and society offers little help to them apart from frequent appeals to conscience, morality, and ambition, which are assumed to be a sort of involuntary reflex.

What is poverty? Neither statistics nor definitions can tell the story. You have to see it. You have to look into the eyes of a raggedy child to see the harshness already growing deeply inside. You have to see the fear under the resolute setting of the lips. You have to feel something inside yourself. You have to see yourself as having sprung from the same soil as this child. You have to smell the stink of poverty, know its brutality, and the brutes it makes of those who live in it. But even though you hate the stink and you fear the brutality, you can't really understand what poverty and its handmaidens of illiteracy and mental retardation really are. Some have done so and have expressed it well. Foremost among them is James Agee, who produced a book with Walker Evans, the photographer, called "Let Us Now Praise Famous Men." To read it is a terrifying experience because it is an utterly new and unimaginable world that exists within its pages. Although the book was written in 1936, and its subject is three tenant families in Alabama, it is neither ancient nor regional history. The masks may be different today, and the poor harder to idealize now than they were in 1936, but the poverty of the mind and spirit is unchanged:

"These children, still in the tenderness of their lives, who will draw their future remembrance, and their future sorrow, from this place: and the strangers, animals: for work, for death, for food: and the scant crops: doing their duty the best they can, like temperless and feeble-minded children: rest now, between the wrenchings of the sun.

"O, we become old; it has been a long, long climb; there will not be much more of this; then we will rest; sorrow nor sweating nor aching back, sickness, nor pity, hope gone, heaven's deafness; nothing shall take or touch us more: not thunder nor the rustling worms nor scalding kettle nor weeping child shall rouse us where we rest: these things shall be the business of others: these things shall be the business of our children, and their children; we will rest."

That is the vicious circle.

Liberals may be high minded about poverty, or conservatives high handed about it. It is possible for one to love or to hate the poor, but it is utterly impossible for one not to love their children. To use a word of political currency, this is where we find "consensus" about attacking poverty. It means that present efforts may relieve the misery of the poor, but their greater effect is to eliminate the chance that the children of today's poor will grow up to be poor themselves. The vicious circle of poverty must be broken at the point where the most victimization occurs: in children.

Poverty is not a matter which most individuals are capable of solving by themselves. It is a public problem requiring public solutions. But to be effective, the public policy must stir the minds and feelings of the electorate to the extent that programs will be given adequate support from the public treasury, at Federal, State, and local levels. There are fundamental issues of communication involved, because there would surely be more evidence of action, particularly at State and local levels, if the public were better informed of the facts.

Historically it is true that when this Nation is alarmed, it is capable of accomplishing virtually anything. As a people, we support to the limit any and all demands upon national security. We finance the landing of rockets on the moon, and hang the expense. When hundreds of laboratories carry on fantastically costly research into subjects about which the taxpayer understands nothing, there is no complaint. In fact, the public clamors for more; in the name of science and national image, nothing is too expensive.

We are notably lavish with pets, automobiles, and organized sports, but we seem incapable of transferring this largesse to unfortunate people. A case in point is our historical indifference to the plight of the American Indian—this despite several decades of public study and discussion. Even more deplorable, and despite more than a half century of public guilt, it takes the threat of revolution by the American Negro to make the Nation act.

It leads one to wonder whether the current national commitment to the poor will amount to more than a romance. As Allan Nevins remarked, "The United States throughout its history has carried a grinning ape on its shoulders—the ape of complacency." Let us hope that this time it shall be different.

What, then, does the critic offer as a program?

First, if our commitment to the elimination of poverty is to mean anything, it must be accompanied by massive support in dollars, ideas, and energy, with an objective of actual solution. What we have seen thus far is almost negligible in proportion to the

problem. Public policy, when it is timidly financed, always is piecemeal. No one knows how much the entire war will cost in money, brains, or activity, but we can ill afford not to invest to our limit—which is nowhere in sight.

However, once substantial and continuing support is assured, there is a very real danger of waste. For instance, the recent poverty legislation will allocate funds to the States and through them to the local communities. This may please the hearts of those who fear Federal control, but the point is that the communities most in need of outside support are least capable of using it wisely. They lack the organizing skills and technical knowledge necessary for comprehensive planning and action programs. The absence of such leadership and competence at the local level makes it questionable that imaginative plans will be forthcoming from those requesting support. There is a wide gulf between the public planning expertise of the Federal Government and the States. Accordingly, new ways must be explored whereby poor communities and poor States may obtain the services of experts in many fields as a prelude to public spending. Part of the answer may lie in the establishment of regional systems of cooperative activity whereby experts may be shared among several States to formulate statewide development strategy.

Second, ways must be found to put this support behind the building of institutions: schools, universities, libraries, and adequate health, welfare, and counseling services in every community where they do not now exist. It is necessary that support be generous for community physical improvements—sewage disposal systems, roadbuilding, urban and rural community building renewal—but a greater emphasis should be placed on the development of institutions. If we have learned anything about economic and social development, it is that investment in human institutions is more important than investments in hardware. This is yet another call for a massive assault—a comprehensive and organized program that will improve existing institutions while creating new ones. The keystone is the educational system.

The classic studies of Theodore Schultz and others, as well as years of experience at home and abroad, leave little doubt about the preeminence of education within the entire development enterprise. We know that poor schools tend to follow poor people. And although they cannot do the task in a vacuum, schools are the very heart of the model community. I speak of new kinds of schools, to be sure: schools offering limitless variety without meaningless activity; schools recognizing that each child is entitled to be educated to the limit of his abilities whether they be in carpentry, housewifery, or neurosurgery. I speak of school-related institutes whose chief obligation is that of preparing young people in technical skills, in the crafts, and in the practice of effective community citizenship.

One of the curious aspects of underdeveloped communities, in this country and abroad, is that they tend to deemphasize educational attainment at the intermediate levels. One reason is that Western culture tends to be success-oriented. Students who are highly capable of learning according to prescribed patterns glide along a smooth track with rewards at each stop along the way. But what of those who are not so intellectually gifted? Large gaps exist in the structure of education in which there are few turning-off points for students of varying motivations, aptitudes, and financial means. At its core, the American educational system harbors some peculiarly undemocratic notions of class and caste. Indeed, the best minds must be nurtured and guided to the heights of the educational process, but my point is that our responsibility is just as great for accommodating all the rest. Once we remove from our schools the notion that the unsuccessful, unskilled, and unprepared may be dumped into the community, we will have found the basis for a truly American school system.

As with adequately financed development activity of all kinds, the temptations are strong to pump money into existing organizations in hopes of a miracle. But it just won't happen. Instead, what we need is some intensive national planning on how to send a barrage of fresh ideas and teaching competence into every underdeveloped community and region in the Nation.

The triumphal success of the program in Prince Edward County, Va., is sufficient basis for optimism. You will recall that in 1959 Prince Edward County closed its public schools. A private academy for whites was opened and financed by the State. The Negro children were offered no schooling until 1963, when several private foundations granted enough money to operate semiprivate schools for 1 year.

A daring, imaginative administrator was hired, and he put together a staff of teachers firmly committed to the task. The children were offered free clothing, meals, and medical attention. Then, into the schools was brought a variety of old and new devices: ungraded classrooms, team teaching, books by the hundreds, emphasis on reading skills, unfixed goals, skepticism of standardized testing, variable class sizes, avoidance of rote assignments and yes-and-no questions, extensive use of audiovisual techniques and educational television. The school day and week lengthened, and the children were exposed to the arts in music, plays, films, and brief trips to urban centers. In short, they received a year's glimpse of the outside world.

In just 1 year, the results were far beyond expectations. Many students achieved 4 years' learning in 1; in fact, some were able to enter college.

If such a program were instituted on a permanent basis, with supporting community services for work training, health and welfare, there is no limit to what might be accomplished. Although a number of pilot programs would be necessary, at a later stage the program would be extended and enlarged to include regions. New devices of consolidation would be established, and school administration would be assisted from the shackles of underfinancing and established rigidity.

I envision no new bureaucracies, either at Federal or local levels. The public support should follow new ideas and the newer concepts of educational experimentation, with the Government role being much like that of a private foundation.

Third, emerging facts of family life need to be incorporated into community and State services. Solon T. Kimball speaks of the nuclear family vis-a-vis the corporate community, and analyzes the lack of institutional flexibility between them. While the schools and many community service agencies continue to idealize the family unit, as though the family were the focus of all American life, quite the opposite approach would come closer to the realities of contemporary society. If Kimball is correct, the community is becoming the dominant arbiter of values and ambitions. It is in the community that the family acquires its aspirations, not the other way around. These notions suggest to me a need for fewer fixed assumptions about the autonomous pervasiveness of family life.

Anachronistic too is our division of vocations by sex, according to a fixed assumption of appropriateness. Hospitals go begging for nurses, yet few men respond to this calling for which they are admirably well suited. There is a national shortage of professional domestic help—another vocation which men are certainly as well qualified to enter as women. Another paradox is that while the public schools cry out for competent teachers, untold thousands of college-educated American housewives spend their days scrubbing floors and diapering children. In recent years we have seen a breaking up of the ancient proposition that a mother must devote all her time to her household, but the news has not permeated the public school systems, most of which dislike to employ part-time teachers. Meanwhile, the mothers and the schools suffer, not very silently.

Other ancient assumptions deserve reexamination. To facilitate the inevitable transition of youth from the home into the community, new devices should be attempted, including community nursery schools for the children of working mothers and public boarding schools for children from slum areas. It is reasonable to expect that the community of the future will assume many of the roles traditionally assigned to the family. In fact, to advocate otherwise is to speak for an agrarian ideal that is utterly untenable in a corporate, interdependent society.

Fourth, we should saturate poor localities with an endless variety of cultural impressions. We need more libraries circulating more books, statewide educational television networks, and greatly magnified participation of local people in the creative and performing arts. Books, magazines, and newspapers must be gotten into every home. In short, youth and adults should be barraged with facts about the world apart from the home and the ghetto. Show them the richness of occupational alternatives—these become the avenues of escape.

A new intelligence about mobility is indicated. It seems almost heretical to say it, but one of the most predictable characteristics of an underdeveloped community is a strong kinship system. Frequently, however, social mobility is regarded, even by professional people, with the disdain for a social evil, making all the more difficult the up-rooting of rural people from uneconomical family-size farms, and minority groups from urban ghettos. People are taught to endure poverty for love of one's own soil—provincialism, to be sure, with a certain Faulknerian hopelessness. Tenacity is an admirable quality, indeed, but pathetic when there is so little about a place worth loving. The most wretched poverty seems to associate with the strongest ties to place.

Accordingly, a strategy against poverty will include the encouragement of mobility, with social agencies bearing more of the responsibility for counseling before moves and paying the relocation costs. The advantages and disadvantages need to be pointed out, and the people prepared for the consequences of either moving or remaining. It should be made clear that, for most, remaining will be axiomatic with a minimum standard of living, few opportunities, and the danger of the unbroken cycle for one's children.

Fifth, I propose that the Nation set out to actually eliminate poverty in a definable geographic area or within a single culture group. The best example of the former is Appalachia, of the latter, the American Indian. What a testing ground both would be for ideas and men! But apart from the dramatic aspects of such programs, this approach would challenge to the core that inscrutable maze of halfway objectives and less than halfway solutions of the corporate society.

No one inside or outside this creature of American organizing genius is quite certain who has responsibility for results. Evaluation is impossible, pragmatism reduced. Put in a billion dollars and a few million trickle down, here, there, and everywhere, so diluted and dispersed as to be almost imperceptible. But confine the goals within certain limits of activity, expect results within a given time—which is to say, fix responsibility—and the

possibilities for success are far greater than they would be in the typically far-flung administrative program.

Something of this nature will be attempted under the Appalachian Development Act, with its program for building roads. Limited through the program is, 10 years from now there will be something to show for the investment, and it is a necessary requirement for development in a region relatively isolated from surrounding territory. We in Appalachia are hopeful that this strategy will eventually be applied to the building of institutions, thereby making development likely in fact as well as in name.

In the second example, the American Indian provides what is perhaps the most wretched case of American forgetfulness and complacency. Culturally deprived, isolated, politically expendable, the Indian is an uncomplicated and dramatic example of poverty amidst affluence. We have studied him and his culture exhaustively, publicly suffered guilt over his ravishment, pitied his tragic loneliness, and then done almost nothing to help him. Nearly invisible within his vast forsaken reservation, the Indian is now viewed with clinical detachment. Indeed, Americans can be brutal in their neglect of speechless minorities. If we are truly serious beneath all our talk, there could be no better place to begin, no better place to focus all we know about eliminating poverty and then to carry it through to completion. It is not necessary to say that the methodology gained here would be of inestimable value to poverty programs everywhere.

Finally, all the discussions and planning about effective ways for eliminating poverty will not matter much if the people most deeply involved are unable to persuade a majority of the American people that it is unnecessary for poverty to persist amidst affluence; that it can be eliminated; that we have the resources for the task; and that it is a moral commitment.

I close with a passage from John W. Gardner: "The renewal of societies and organizations can go forward only if someone cares. Apathy and lowered motivation are the most widely noted characteristics of a civilization on the downward path. Apathetic men accomplish nothing. Men who believe in nothing change nothing for the better. They renew nothing and heal no one, least of all themselves. Anyone who understands our situation at all knows that we are in little danger of failing through lack of material strength. If we falter, it will be a failure of heart and spirit."

SHORTAGE OF SEASONAL FARM LABOR

Mr. ROBERTSON. Mr. President, I know of the desperate need in Virginia for temporary workers to harvest our apple crop, a need which has been met in the past only through the use of imported workers.

Virginia and other States are threatened with the loss of this type of assistance at harvest time by an arbitrary decision of the Secretary of Labor that he can persuade unemployed domestic workers, most of whom know nothing about farmwork, to take to the fields and orchards across the country and harvest a variety of crops as they mature.

As I say, I know what we face in Virginia, but I wanted to find out what the situation would be in the State of Washington. I sent a telegram of inquiry to Mr. J. W. Bloxom, manager of the Washington Fruit & Produce Co., Yakima, Wash., asking whether there would be enough domestic workers to harvest the apple crop in his State. Let me read from his reply:

> In answer to your telegram, I can assure you this State did not have enough domestic workers this past season to harvest a small apple crop in a timely manner * * *.
>
> To forecast what is going to happen next fall calls for an expression of opinion rather than stating facts on the last season's harvest. The same group of men from the Washington State Employment Security Department, at Olympia, referred to in the first paragraph of my letter to you of March 29, told me in that same conversation they felt we would be even shorter of domestic apple harvest help this coming fall than we were last fall if we have a normal crop. In fact, they forecast a progressively more difficult time in the coming years securing domestic workers for our apple harvest.
>
> I could not assure you of their willingness to state these opinions to you in writing, but I am asking them at this time for that. As you know, their salaries are paid by the U.S. Department of Labor, although they are employees of the State of Washington, and I would doubt their willingness to publicly take a stand contrary to that of the U.S. Department of Labor.

Now, we have abundant evidence of the power of a Cabinet officer to force all who depend on him for their jobs to support his point of view, regardless of the facts and the evidence. But no Secretary can successfully command the apples to stay on the trees, or the row crops to remain in suspended animation in the fields until he has completed his experiment of trying to persuade inexperienced, unemployed city people to go into the countryside and bring in the harvest.

Secretary Wirtz is gambling with crops that are not his, with farm income that does not belong to him, and with perishable produce prices that he seems determined to force upward, to the distress of all consumers.

Bureaucratic managers in Communist countries have made themselves the laughing stock of the free world by imposing arbitrary controls and theoretical policies on agriculture, then rushing cadres of ill-trained and poorly prepared city dwellers into the fields in a desperate effort to retrieve their errors of judgment. To see such a sorry spectacle repeated in this country is an appalling prospect, but that is what we face if Secretary Wirtz persists in telling experienced growers across the country that he can run their fields and orchards better than they can.

A COSTLY REVERSAL IN POLICY

Mr. MUNDT. Mr. President, in the opinion of a good many experts—and I have been hearing from them in my mail—administration proposals to readjust the formula for cost-sharing assistance in soil conservation work stand as a threat to many of the accomplishments achieved during the past quarter of a century.

The effort to shift 50 percent of the cost of technical assistance from Federal financing to local or landowner financing, if approved by Congress, could well mark the beginning of the end for a program that is one of the most worthy ever to be adopted in this country.

Immediately, it would mark a massive reduction in the work now being undertaken to conserve our valuable soil and water resources. In the distant future it could mean a return to those dreaded and dreary days of the past when the black clouds of dirt swirled over what was called the Dust Bowl.

Mr. President, I would hope that all Members of the Senate make it a point to familiarize themselves with the attempt underway to cutback activities of the Soil Conservation Service. For I am convinced that if this mandate to reduce SCS activities and virtually shortchange the technical assistance program is successful now, it will mean the erosion of this important program will have set in, and the effort to end erosion of our valuable resources will be going out.

Mr. President, the March 20 issue of the Farmer magazine and the March 19 issue of the Drovers Journal contain editorials on this important subject. They are worthy of the attention of the Senate, and I request permission to include them in the RECORD, followed by a statement which I issued on March 23 in my newsletter report.

In addition, Mr. President, I ask that following my newsletter report there be printed two excellent editorials from South Dakota newspapers on this important subject. The first is entitled, "Soil, Water, Saving Need Still Urgent" and was published in the Aberdeen American-News of Aberdeen, S. Dak., of which Henry J. Schmitt is editor and publisher, and E. J. Karrigan, associate editor. The second is entitled "Mother Nature Emphasizes Need for More Soil Conservation," and it appeared in the Daily Plainsman published in Huron, S. Dak., by Mrs. Robert D. Lusk.

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

[From the Farmer magazine, Mar. 20, 1965]

WILL FARMERS HAVE TO PAY FOR SCS HELP?

Proposed in the President's budget is that farmers share the cost of technical assistance they get from Soil Conservation Service personnel in mapping terraces and contours, and in planning pond dams and other soil and water savings structures. It is estimated the farmers' share of such services will total $20 million.

The proposal is made as soil and water conservation district leaders are calling for increased support for projects designed to conserve soil and water. Also it is made at a time when the President himself is urging development of rural recreation facilities so that in the Great Society all Americans may enjoy outdoor recreation.

The President's penuriousness on the one hand doesn't jibe with his largess on the other.

If streams and lakes are to be suitable for recreation, they must not be depositories of silt from unprotected land. And the land to be protected is privately, not publicly owned land. "The simple arithmetic of land ownership in the United States," according to the National Association of Soil and Water Conservation Districts, "dictates that the lion's share of the conservation job ahead will be on privately owned lands" because more than 70 percent of the Nation's land is in private ownership.

What it appears is overlooked in the budget message is that soil and water conservation measures are not designed by SCS personnel simply to make farming more profitable for the individual landowner at the expense of the public. The service is publicly sponsored to conserve soil and water so the

American public is assured a continuing and abundant food supply at reasonable prices. That is soil conservation's chief function. Its other function is to prevent floods and the fouling of lakes and streams.

If flooding along the Nation's great rivers is to be prevented or reduced, efforts at prevention must start in the far back reaches of the watersheds that feed the rivers. Contour planted crops, terraces, grassed waterways, structures across gullies, and other devices must be used to hold water where it falls or prevent its rapid runoff. And although the individual landowner does profit from such devices, it should not be overlooked that the resident far downstream also profits.

If the Congress does OK the President's cost-sharing proposal, it is likely that the best land will get the best treatment, and the poor land will be ignored. This is to be expected because the farmer whose hilly land is extremely low in organic matter and therefore most subject to erosion is least likely to employ the services of SCS technicians. And yet it is his unprotected land that makes most trouble for downstream dwellers and is most responsible for the silting of lakes and streams.

[From the Drovers Journal, Mar. 19, 1965]

MUST WE CUT SOIL WORK?

While we are strong for economy and the elimination of needless spending in the operation of the Federal Government, the proposal by the Johnson administration of a sharp cutback in funds expended for soil and water conservation and the small watershed program leaves us cold.

The possibility that Congress will be asked to approve such a cut arose when the Bureau of the Budget suggested recently that a $20 million reduction be made in the Soil Conservation Service budget allocated to technical help in the conservation districts. Under the plan, landowners and operators in SCS districts would be required to pay up to 50 percent of the cost of any technical assistance in applying soil and water conservation practices on their lands. The money so paid in would go into a "revolving fund" for technical services.

We don't like the idea because we believe this abrupt shift in what has been established soil conservation policy for 30 years would seriously reduce the soil and water conservation work on privately owned farms all over the Nation. That, in our view, would be a serious mistake. If anything, the intensifying cultivation practices of modern farming call for increased soil conservation work, not less, if we are to leave a legacy of good topsoil to future generations.

Soil conservation officials over the Nation—who serve out of a sense of duty, not for salary—estimate that if the combined revolving fund and $20 million budget cut proposal goes through, soil work might be cut as much as 50 percent from present activity. This is only a guess, of course, but we would agree that under present circumstances, farm and ranch income simply could not absorb an additional load for technical soil assistance. The net of it in most cases would be that the project would be given up, or at least postponed indefinitely.

Senator KARL MUNDT, of South Dakota, told the Senate recently that "the administration's shortsighted proposal, calling as it does for payment for technical assistance, would discourage many farmers and ranchers from establishing enduring conservation systems on their land, because they simply cannot afford this additional expense."

In addition, the Senator said, such retrenchment in the Soil Conservation Service program probably would have a snowballing effect. "Abandonment of the Federal Government's traditional policy of providing technical assistance would be taken as a cue by others," he said. "It no doubt would be followed by decreased State and local appropriations and contributions to this work, which, including contributions of private groups and individuals, now amounts to approximately $44 million a year."

Senator QUENTIN BURDICK, of North Dakota, took a similar stand on the Senate floor, saying he believes such action "would strike a very serious blow to conservation work just at a time when this administration has rededicated itself to a new and vigorous policy of conservation and the beautification of our country." He quoted C. R. Guthermuth, vice president of the Wildlife Management Institute, to the effect that "slashing appropriations in the face of expanding population and accelerating needs is false economy. It will result in deterioration of valuable soil and water resources, increased rural poverty and the weakening of an otherwise strong nation."

Congress is under pressure from the administration to find places for trimming the big Department of Agriculture budget. We are certain there must be more appropriate places than in basic soil work, which is truly our "bread and butter" for the years to come.

A COSTLY REVERSAL IN POLICY

Out of the devastation that was the Dust Bowl of the 1930's came a pledge, "to never let it happen again," and action, through soil and water conservation work, to make sure those dirt-ridden bone-dry days remain a thing of the past. Soil conservation districts were formed and a most successful partnership of Federal-State-local cooperation was brought into play to conserve and protect our precious soil and water resources. Congress, through the Soil Conservation Service, has provided funds for skilled professional assistance—out on the land where it is needed. The States have provided the legal mechanism, and funds for other phases of the work. The local people have provided the organization, the leadership and the coordination. Individual participants have provided most of the fnuds required to carry out conservation programs on their land. Nothing approaching this cooperative effort at all three major levels of our Government has been accomplished before in the United States or anywhere in the world. As to the Federal Government's role—it has been a proper one. It has helped the local people carry out their own program. It has provided only the assistance that the local people cannot provide for themselves.

That worthy program to end the waste and preserve our land and water resources—of which two-thirds of the conservation job remains to be done—is in grave danger today. The administration now wants to shift 50 percent of the cost of technical assistance from Federal financing to local or landowner financing. This proposal is also tied up with a proposed reduction of $20 million in the SCS budget allocated for technical help to soil conservation districts. The recommendation comes at a time when the current workload requires more than 1,500 additional man-years of technical assistance. What happens if the plan goes through?

Officials of the Nation's nearly 3,000 soil conservation districts—people who serve out of civic duty, not for salary—believe soil and water conservation work now being accomplished would be reduced by as much as 50 percent. The proposed cut and change represents about one-third of the present technical help of the SCS in districts. If the administration action—which would also reverse congressional policy of more than 25 years—is successful, it will mark a step backward that could come back to haunt future generations because this generation failed to measure up to its proper stewardship of our soil and water resources.

[From the Aberdeen (S. Dak.) American-News, Mar. 27, 1965]

SOIL, WATER SAVING NEED STILL URGENT

Farmers in North and South Dakota and elsewhere during the past third of a century have become accustomed to Uncle Sam as an influential partner in their agricultural operations. The Government programs which included Federal controls of individual farm management have been variously interpreted as being good, tolerable or bad.

Regardless of how farmers and others view the results, Government programs have been and must continue for some time to be vital factors in agricultural operations. The change in programs that made farmers dependent upon the Government must be gradual to permit adjustment without financial penalty to the agricultural regions.

One suggested change, that is almost unanimously opposed in areas where its benefits have been universally praised, concerns the Soil Conservation Service.

South Dakota was one of the first States to know its advantages and one of Brown County's conservation districts—still operating effectively—was one of the first in the Nation.

Some of the pioneers in making that partnership program, between Federal and State Government and the landowner, work so successly are still active, still pointing to the necessity of continuing the conservation of water and soil for the benefits of future generations.

Some who faithfully devoted years of their lives to voluntary service in the interests of water and soil conservation died in the belief they had helped prove a program that would never die, but would become increasingly important as the world produced more mouths to feed.

As the Soil Conservation Service program was set up during the years of the drought, duststorms and depression, the Federal Government provided technical services; the States the authorizing legislation for the creation of conservation districts plus some administrative funds; and the landowners paid most of the funds needed to carry out the conservation work on their farms.

During the 30 years the program has been in operation it has helped minimize the damage of drought and erosion. The program has been one of the stabilizing influences in agriculture.

The current proposal that alarms farmers and farm area residents comes from President Johnson's Director of the Budget. It is that 50 percent of the cost of technical assistance be shifted from the Federal Government to the landowners and that the SCS budget for technical assistance be reduced by $20 million.

Some critics of this proposal, including Senator KARL MUNDT, Republican, of South Dakota, say it would place the Soil Conservation Service program in grave danger at a time when two-thirds of the job remains to be done. He said the administration program would have a snowballing effect. Abandonment of the Federal policy of providing technical assistance would be taken as a cue by State and local participants.

Dakotans certainly will support—and the Department of Agriculture should heed—Senator MUNDT's contention that "although we have harnessed the atom and are conquering outer space * * * our way of life, our American dream, and our future prosperity and welfare as a nation still rest upon an agricultural resource base."

"No legislation, no budget cuts," Senator MUNDT argues, "can change the fact that under all is the land, and that how we manage that land and its resources of soil, water, timber, and wildlife will largely determine what tomorrow will be for all of us."

What is done about soil conservation makes the big difference in America's challenge to feed and clothe a rapidly expanding

population. There is still need for instruction and encouragement in crop rotation (to prevent soil depletion), contour plowing (for sloping land), drainage and other tested techniques.

The soil conservation program is needed today as much as it was 30 years ago. It must not be discouraged.

[From the Huron (S. Dak.) Daily Plainsman, Mar. 3, 1965]

MOTHER NATURE EMPHASIZES NEED FOR MORE SOIL CONSERVATION

Mother Nature, this past winter, emphasized the folly of the administration proposal to cut back America's soil and water conservation programs.

This emphasis came in the form of sweeping winds which caused a 50-percent increase in soil erosion in the November 1–March 1 winter season. This sharp increase was reported on the heels of the administration's planned cuts in soil conservation funds which could precipitate a 50-percent reduction in the present soil-saving programs.

The Department of Agriculture estimates 3,142,000 acres suffered extensive wind erosion, compared with damage to 2,087,000 acres the previous winter.

South Dakota's wind damage was placed at 35,221 acres, almost a seven-fold increase, and North Dakota's at 18,730 acres, about twice the loss of the previous year.

But hardest hit by the winds sweeping over the plains was Texas where 1.8 million acres were damaged by winter winds.

The toll of lost crops has not yet been computed in dollars and cents, nor has any estimate been made of permanent loss of crop production from these eroded acres.

That more than 3 million acres were damaged by wind in one winter points out the necessity for more conservation, not less, and supports the estimate that two-thirds of the Nation's cropland—888 million acres—needs conservation treatment.

Senator KARL MUNDT, a long and consistent supporter of soil and water conservation, termed the administration proposal a break of faith with the "dust bowl" era pledge "never to let it happen again."

Calling the budget cut a backward step, Senator MUNDT declared the protection of our soil and water resources to be more imperative now than ever. The current workload alone requires 1,500 additional man-years of technical assistance to farmers and ranchers willing to invest in conservation.

If Congress permits the administration's $20 million cut in the Soil Conservation Service budget to stand, it will signal the abandonment of a 25-year-old policy of fostering conservation. Soil conservation programs, since their start, have cost the Nation's taxpayers $10 billion. But the efficiency of production fostered by this investment has saved the same taxpayer many times this amount of money in the cost of food that he must buy.

To abandon the war against soil erosion in a shortsighted effort to provide money for a questionable attack upon poverty, will in the long run work a financial hardship not only upon farmers but upon every American consumer, who eventually will be forced to spend an increased portion of his income for food.

CONGRESSMEN NARRATE PERSONAL KNOWLEDGE ON CONTRIBUTIONS OF GI BILLS

Mr. YARBOROUGH. Mr. President, as time progresses, this Nation becomes more and more aware of the contributions which the World War II and the Korean GI bills have made to our country. Although 11 million individuals and our entire Nation have been benefited by these two bills, we are now faced with a situation where hundreds of thousands of able men and women who have sacrificed from 2 to 4 years of their lives in the protection of this great country, are left with minds unchallenged and talents ignored. These are the cold war veterans.

Many of these people are merely numbers in the columns of unemployment statistics, when they could be economically valuable individuals in the broadening stream of intellectual and technical progress. We who are in a large measure responsible for the future of America cannot continue to allow this inexcusable waste of democracy's most precious resource—the unfettered mind. The cold war GI bill (S. 9) will allow us to tap this vital intellectual resource and to move forward, just as did the GI bills of World War II and the Korean conflict. Why should we who have reaped direct rewards from these prior investments now refuse to provide for the advancement of the cold war GI? There is no just reason.

Mr. President, responses to a questionnaire which I sent to the freshmen Members of the House of Representatives indicate that 61 percent of the new Congressmen who replied to the inquiry have received educational benefits from one of the two previous GI bills. To emphasize the contributions to their careers which these bills have made, I ask unanimous consent that some of their remarks be printed at this point in the RECORD.

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

Congressman JOHN J. GILLIGAN, of Ohio: "I taught literature for 5 years in a university after the war and three-fourths of all my students were beneficiaries of the GI bill. It is my conviction that the money expended by the Federal Government in the contributions made to our society in government, business, and education by young men who are able to develop more fully their skills and talents through the educational provisions of this magnificent legislation. It would be hard to calculate just how much of our recent economic boom has been due to the superior skills of these well educated young men, millions of them, but the GI bill must surely be reckoned to be one of the most productive investments of the taxpayers money in the history of this Nation."

Congressman ELIGIO DE LA GARZA, of Texas: "I think the money spent by the Government on the GI bill has been returned 10,000-fold."

Congressman BARBER B. CONABLE, JR., of New York: "I went to law school not only under the GI bill but also under a full expense scholarship."

Congressman GALE SCHISLER, of Illinois: "Tremendous benefit because of my age and the fact that I was married and had one child before my graduation from college."

Congressman JOHN R. SCHMIDHAUSER, of Iowa: "The GI bill was a great contribution to our entire society."

Congressman JOSEPH P. VIGORITO, of Pennsylvania: "Probably I would not have received my master's degree without the GI bill."

Congressman DONALD J. IRWIN, of Connecticut: "Not only was it [the GI bill] helpful to me, but it allowed me to get an education with many fine men who would not have gone to college at all if not for the bill. I also instructed many men as an instructor of Spanish at Yale. I was a 20-year-old sophomore teaching men in their thirties who had won battlefield commissions."

Congressman ED REINECKE, of California: "As a disabled vet [10 percent] I had additional benefits—feel a responsibility to return the favor or part of the cost."

Congressman JAMES H. SCHEUER, of New York: "While I personally would have been able to continue my education uninterrupted even had there been no GI bill of rights, I am sure that for the vast majority of veterans, the GI bill either made possible or certainly accelerated, the education of many veterans who have since made outstanding careers for themselves in public life."

Congressman LLOYD MEEDS, of Washington: "I feel the GI bill [particularly the educational benefits] was the most significant legislation imaginable."

NEW YORK TIMES SUPPORTS CREATION OF GUADALUPE MOUNTAINS NATIONAL PARK

Mr. YARBOROUGH. Mr. President, the New York Times, probably the Nation's leading newspaper, has recently published a very fine article outlining the many reasons why it is important for the people of the Nation that the Guadalupe Mountains in Texas be preserved as a national park. The Guadalupe Mountains comprise one of two areas proposed for national park status by President Johnson; the justification is well stated by the author of the New York Times article, Charles Layng, when he refers to the "often fantastic beauty of timbered slope and canyon" found there.

To better acquaint the Congress and the public with the nature of this unique area, I ask unanimous consent to have printed at this point in the RECORD the article entitled "Potential National Park for Texas," by Charles Layng, from the New York Times of March 28, 1965.

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

[From the New York Times, Mar. 28, 1965]

POTENTIAL NATIONAL PARK FOR TEXAS

(By Charles Layng)

EL PASO, TEX.—With dramatic effectiveness, the massive dome of El Capitan, in the Guadalupe Mountains of west Texas, looms over a sweeping, four-lane highway. It can be seen for 75 miles on a clear day, and, out in this arid country, one can rely on clear days almost all of the time.

El Capitan is the southernmost peak of the Guadalupes. It is backed by Guadalupe Peak, which at 8,751 feet, rates as the highest point in Texas.

This is one of the 12 areas, involving 750,000 acres in various sections of the country, that President Johnson would like to see become national parks. The Guadalupes lie 115 miles east of El Paso, and just over 500 miles west of Dallas, but the building of U.S. 62–180 has made them comparatively accessible.

The ride along the road skirting the eastern and southern rim of the mountains is awe inspiring. It also is a trifle forbidding, because the surrounding land is so arid. But the real spirit and the beauty of the Guadalupes lie in their vast interior reaches, where the majestic, dour splendor gives way to a more intimate and often fantastic beauty of timbered slope and canyon.

MASSIVE WALLS

From the desert below, one can have no idea of the huge and lovely forest of Ponderosa pine and Douglas-fir situated in the "bowl" above. That comparatively flat area

of several thousand acres stands at an elevation of about 7,500 feet, and is surrounded by massive walls and high peaks.

The mountains are laced and interlaced with canyons of all descriptions. The most spectacular of all are North and South McKittrick Canyons, which come together, rather like a grand finale, to form McKittrick Canyon itself.

A geologist, Wallace Pratt, has already donated 6,000 acres of the main canyon country to the National Park Service, and it is presently being administered as a part of Carlsbad Caverns National Park. The rest of the Guadalupe Mountain area in Texas belongs to J. C. Hunter, Jr., of Abilene.

FOSSIL REEFS

Mr. Hunter, and his father before him, went to great pains to keep this unusual wilderness area in its original state. The mountains are composed of Permian marine limestone, and contain what geologists have called one of the most extensive and significant fossil reefs in the world.

There are few trees in the desert area, but the mountain slopes are covered in many places with Texas walnut, Texas madrone, hackberry, gray oak, juniper, limber pine and big tooth maple, as well as a bewildering variety of cacti. Occasionally, too, there is a clump or two of quaking aspen and Gambel oak.

Largely through the efforts of the elder Mr. Hunter, there is teeming animal life in these mountains. In 1926, he imported 44 Rocky Mountain elk, and now there are nearly 400 of them.

Although it was thought that big-horn sheep, once common on the Guadalupe peaks, had been completely exterminated, a herd of them was spotted last summer high on the slopes of El Capitan. There is also a herd of about 2,500 mule deer; they are scattered through the high-land canyons and the rolling country at the base of the range.

Of the smaller animals, bobcats, racoons, skunks, squirrels, coyotes, gray fox and porcupines are quite common. An occasional bear and a few mountain lions are also found. However, they are probably on their way somewhere else, since they are not thought to be natives of this area.

WILD TURKEYS

Bird life is abundant, and wild turkeys, which were "planted" 10 years ago, have now become well established.

Although the Guadalupes were frequented by the Spanish in the 16th century, it was not until 1849, when routes to California's goldfields were being sought, that American citizens became seriously interested in the area.

In 1858–59, despite the dangers from the Mescalero Apaches, the Butterfield-Overland Mail Line was estabilshed. It carried passengers between St. Louis and San Francisco.

An overnight stop called Pinery Station was set up, and later became a military subpost to protect travelers. The station was abandoned in 1881, but it is still standing. In fact, it is the only remaining station of the old Butterfield stageline that is situated on a transcontinental highway, in this case U.S. 62–180.

LEFT NO REMAINS

Since the Mescalero Apaches did not construct anything, and depended entirely upon game and wild plants for their livelihood, they left no archeological remains. In the last few years, however, evidence has turned up indicating the presence of a pre-Indian civilization in these mountains at least 6,000 years ago.

This vast area is still, to a great extent, unknown. Prospectors have wandered through, but they have been surprisingly few in number in view of the many rumors of Spanish treasure and gold mines hidden away in the box canyons.

CONSTITUTIONAL ISSUES POSED BY S. 1564, THE VOTING RIGHTS BILL

Mr. ERVIN. Mr. President, this is the first of a series of statements I shall make on S. 1564, the administration's voting rights bill, which I believe constitutes an unprecedented and clearly unconstitutional encroachment on the right of the States to fix voter qualifications.

Let me make clear at the outset that my opposition to S. 1564 is based solely on constitutional grounds. I believe, as I think all Americans of good will believe, that all qualified citizens of all races should be permitted to register and to vote, and that any person who interferes with another's right to vote, on account of race or color, should be prosecuted to the full extent of the law. I have repeatedly admonished the Justice Department for its failure to vigorously enforce existing Federal voting laws, which, I believe, are adequate to secure to every qualified citizen of any race the right to vote in any Federal election.

I may point out, Mr. President, that there are already more Federal laws protecting an individual's right to vote than there are to protect any other right. Remedies available under these laws include the following:

First. Any citizen may bring a suit for damages against any election official who denies him the right to vote—42 U.S.C. 1983.

Second. Any citizen who alleges he is wrongfully denied the right to vote may sue in Federal court, without a jury, to prevent the denial of that right—42 U.S.C. 1971.

Third. Any election official, anywhere in the United States, who denies any qualified voter his right to register and to vote is punishable by fine and imprisonment—18 U.S.C. 242.

Fourth. Any election official who conspires with another to deny any citizen the right to vote is subject to a fine of $5,000, or imprisonment for 10 years, or both—18 U.S.C. 241.

Fifth. The Attorney General may sue in the Federal courts for an injunction at any time any person is engaged, or there are reasonable grounds to believe he is about to engage, in any act designed to deprive a person of his right to vote—42 U.S.C. 1993.

Sixth. If a Federal judge finds a pattern of discrimination pursuant to the 1960 Civil Rights Act, he may appoint Federal voting referees to replace local officials—42 U.S.C. 1971.

Seventh. The 1964 Civil Rights Act provides that all voting cases be expedited, and that everyone with a sixth-grade education shall be presumed to be literate—42 U.S.C. 1971.

It is my belief that discrimination in voting could be eliminated in a relatively short time through forceful prosecution of existing laws, and that, therefore, no additional legislation is necessary. If, however, it is felt that additional legislation is needed to implement fully the 15th amendment, I am impelled by my oath as a Senator to uphold the Constitution to do my utmost to assure that such legislation not dilute the authority of the Constitution.

I would support any proposed legislation which was consistent with the 15th amendment itself and with the other provisions of the Constitution, and which operates fairly against all States alike. But S. 1564 is not such legislation. It is patently unconstitutional in its utter disregard of the fundamental principle that the States have the sole right to prescribe voter qualifications. Moreover, it is a harsh, highly discriminatory bill, designed to punish certain Southern States and to exclude other States, thereby constituting regional legislation, rather than the general, national legislation which it should be if it is necessary at all. In short, the bill constitutes a discriminatory Act of Congress designed to end discriminatory acts of others.

I feel that it is most unfortunate, Mr. President, that the administration has undertaken to pressure Congress into taking precipitous action on this ill-advised bill. Furthermore, it is ironic that only 15 days have been allowed for consideration of it in committee, whereas, according to the Attorney General, the administration had been working on the bill since December, and obviously had not completed it at the time of the President's special message to Congress. The fact that S. 1564 was drafted in haste and passion is borne out by the technical inconsistencies within it, as well as by the injudiciousness and arbitrariness of the formula proposed to establish the presumption that the 15th amendment has been violated by some States.

There can be no doubt that the Constitution vests the power to establish the qualifications for voting in both Federal and State elections solely in the States. Section 2 of article I provides that the voters in each State for members of the national House of Representatives shall have the same qualifications as those prescribed by the State for voters for the members of the most numerous branch of that State's legislature. Similar provisions are made in section 1 of article II and in the 17th amendment with respect to voters for the President and for U.S. Senators. Every Supreme Court decision on the subject has held that these provisions prohibit the National Congress from affirmatively prescribing voter qualifications; and I challenge the Attorney General or anyone else to point to one decision to the contrary.

The fact that Congress has been felt to have no such power is evident from the fact that, since the ratification of the Constitution, all attempts by the Federal Government to change voter qualifications have been made by constitutional amendment. The 15th amendment expanded the franchise to include persons who had previously been denied the right to vote because of race, color, or previous condition of servitude; and the 19th amendment extended the franchise to women. In fact, the 1959 report of the Civil Rights Commission recommended that if State literacy tests were to be abolished, that should be done by constitutional amendment. Not until 1961 did the Commission execute its remarkable turnabout and recommend legisla-

tion, instead of a constitutional amendment; and it did this in the face of an unbroken line of Supreme Court decisions holding that Congress may not by legislation bar or limit the right of the States to make literacy a qualification for voting.

In *Lassiter* v. *Northampton County Election Board*, 360 U.S. 45 (1959), the U.S. Supreme Court unanimously held that my own State's literacy test, which is simple and objective in nature, and applicable to all races alike, does not violate any provision of the Constitution of the United States. In short, the Supreme Court held that, as part of its policy, a State is entitled to require of the electorate some minimum standard of education and may, therefore, prescribe a literacy test as a prerequisite to the exercise of the franchise.

The constitutional power of the States to establish literacy tests and other qualifications for voting in both Federal and State elections is admittedly subject to the limitation, prescribed in the 15th amendment, that no State may deny or abridge the right of a citizen to vote on account of race or color. Section 2 of the 15th amendment provides that Congress may enforce the prohibition by appropriate legislation.

The proponents of S. 1564 argue that it is constitutional on the ground that it is intended merely to prevent violations of the 15th amendment, not affirmatively to legislate voter qualifications. However, section 3(a), the provision which determines which States and counties are to be affected by the bill, contains no reference whatever to any denial or abridgement of the right to vote on account of race or color, which is the foundation of the 15th amendment. Instead, section 3(a) merely sets forth the arbitrary and indefensible criteria that only those States and counties shall be affected which had literacy tests in November 1964, and in which less than 50 percent of the adult population voted in the 1964 presidential election. There would be no necessity that any actual violations of the 15th amendment had been shown to have occurred. Moreover, no provision anywhere else in the bill would limit the operation of section 3(a) to enforcement of the 15th amendment.

The Attorney General, in his testimony before the Judiciary Committee, stated that the basic premise behind section 3(a) is that the use by a State of a literacy test and low voter participation in that State necessarily indicate that there has been discrimination in the administration of the literacy test, in violation of the 15th amendment. The absurdity of that premise is easily demonstrated by reference to my own State.

Almost 52 percent of all North Carolinians of voting age voted in the last presidential election. However, 34 North Carolina counties which voted less than 50 percent would be presumed to have violated the 15th amendment, merely because North Carolina has a literacy test. Bear in mind, moreover, that North Carolina's literacy test is a simple test of reading and writing, and was held to be constitutional in the case of Lassiter against Northampton County Election Board. In contrast, New York County, N.Y., which also has a literacy test, voted only 51.3 percent in the last election. Yet it is untouched by this bill, whereas Hyde County, N.C., which voted 49.7 percent, would be presumed to have violated the 15th amendment. How can it seriously be asserted that a presumption of voter discrimination can depend upon a failure by three-tenths of 1 percent to achieve 50 percent voter participation?

The absurdity of the presumption is further illustrated by comparing North Carolina with Texas, which has no literacy test. One hundred and thirty-seven counties in Texas voted less than 50 percent in 1964; but these counties are not covered by the bill. Only 44 percent of the eligible voters of Texas voted in 1964; yet the entire State would be deemed innocent of discrimination, simply because it had no literacy test. It is particularly interesting to note, in this regard, that 19 of the 34 North Carolina counties condemned by the bill had a higher voter participation than did the State of Texas. It is also noteworthy that the report of the North Carolina Advisory Committee to the U.S. Commission on Civil Rights, for the period 1959–62, entitled "Equal Protection of the Laws in North Carolina," suggested—at page 38—that—

> the disproportionately low registration and low voting of Negroes in North Carolina is due more to apathy or * * * to poor schooling and poor school attendance than to election officials' arbitrary denial of the right to register on account of race.

These comparisons, as well as many more of a similar nature which I could outline if time permitted, demonstrate clearly that the formula in the bill for determining what areas are to be affected by it is illogical, discriminatory, and has no reference to violations of the 15th amendment upon which the bill is supposedly based.

The arbitrariness of the formula is further demonstrated by the fact that it relates only to the 1964 presidential election. On the basis of low voter participation in that election alone, the bill would condemn the States which had literacy tests, and would leave all other States forever presumed innocent and unaffected. Surely if the bill purports to enforce the 15th amendment, it should be flexible enough to combat discrimination wherever and whenever it appears. Under the present bill, a State such as Texas, which is not covered by the bill, because it had no literacy test on November 1, 1964, would never be affected by the provisions requiring the appointment of Federal registrars, even if it subsequently enacted a literacy test. Such a State would also not be required by section 8 of the bill to seek a declaratory judgment approving any new voting laws, as would the States affected by the bill.

Apart from exceeding the authority of Congress under the 15th amendment, S. 1564 also contains provisions which are contrary to some of the most basic principles of our Constitution. Section 3(c) provides that any State or county caught by the formula in section 3(a) may escape the Federal-examiner procedure only by obtaining, from a three-judge district court convened in the District of Columbia, a declaratory judgment to the effect that neither the State or county nor any person acting under color of law has, during the preceding 10 years, denied or abridged anyone's right to vote for reasons of race or color. By condemning an entire State for a single act of discrimination occurring as long as 10 years ago, the bill violates the spirit of the constitutional prohibition against ex post facto laws.

In addition, Mr. President, section 3(c) would slam shut the doors of every court in the United States to States covered by section 3(a), except the District Court of the District of Columbia. It does not seem to me that a bill which would compel a State to travel hundreds, or even thousands of miles at great expense to gain access to a court of justice would be a fair system of justice. Indeed, one of the reasons stated in the Declaration of Independence as justification for breaking the ties of the Colonies with Great Britain was "For transporting us beyond Seas to be tried for pretended offenses." I submit that there is very little difference in principle between that and requiring States to travel to the District of Columbia to assume the impossible burden of proving 10 years' innocence of voting discrimination. If such a suit must be entertained at all, I fail to see why a three-judge court sitting in Richmond, Va., or Charlotte, N.C., or Charleston, S.C., could not try the case with the same intelligence and integrity and the same dispatch as could the already overburdened District Court in the District of Columbia.

Rather than trespass further upon the time of Senators, I shall discuss other aspects of the bill in subsequent statements. I do, however, wish to state my conviction that this bill has many grave defects, and needs careful scrutiny. I have devoted a very great deal of my time to the bill since its introduction, and I still find new defects in it almost daily. I sincerely hope each Senator will carefully consider my remarks before making a final judgment on this bill.

OPPOSITION TO MEDICARE—RESOLUTION OF SIOUX CITY JUNIOR CHAMBER OF COMMERCE

Mr. MILLER. Mr. President, I ask unanimous consent to have printed in the RECORD a resolution in opposition to the medicare bill, adopted by the board of directors of the Sioux City, Iowa, Junior Chamber of Commerce and by a three-fourths majority vote of the general members in attendance at their regular meeting of March 30, 1965.

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

SIOUX CITY JAYCEES,
Sioux City, Iowa.

Hon. JACK MILLER,
Senate Office Building,
Washington, D.C.

DEAR SENATOR: The enclosed copy of a resolution duly approved by our organization is

being forwarded to you, at the members' request, for your consideration.

Sincerely yours,

ELWOOD L. THOMAS,
President.

I do hereby certify that the following is a true and correct record of a resolution approved by the board of directors and general members of the Sioux City, Iowa, Junior Chamber of Commerce.

"*Be it resolved,* That by a vote of a majority of the board of directors of the Sioux City, Iowa, Junior Chamber of Commerce and a three-fourths majority vote of the general members in attendance at the regular meeting of March 30, 1965, the Sioux City, Iowa, Junior Chamber of Commerce is opposed to the present bill before the Congress of the United States known as medicare, and that we are opposed to Government intervention in any form of insurance program for the elderly."

ELWOOD L. THOMAS,
President.

Attest:

P. ERICKSON,
Secretary.

TRIBUTE TO THE LATE EDWIN BORDEN BROADHURST, LIEUTENANT GENERAL, U.S. AIR FORCE

Mr. ERVIN. Mr. President, my colleague, the Senator from North Carolina, Senator JORDAN, joins me in a statement which I shall make at this time:

Yesterday, the Nation was saddened to learn of the untimely death of one of our most valiant and able military officers, Lt. Gen. Edwin Borden Broadhurst.

General Broadhurst was the distinguished son of one of North Carolina's most illustrious families. A man of great capacity and outstanding accomplishments, he was born on August 16, 1915, in Smithfield, N.C., where he attended public schools. Later, he attended The Citadel, in Charleston, S.C., and was graduated from the U.S. Military Academy in June 1937.

The death of General Broadhurst not only saddens those of us who knew him, but his loss will be greatly felt by the Air Force, where he had been Chief of Staff for the United Nations Command, and the U.S. forces in Korea.

General Broadhurst's reputation as an outstanding officer and able citizen is well known. His military career included assignments in the Philippines, Java, Australia, and New Guinea. He flew 20 combat missions against the Japanese in the early 1940's. He had been decorated with the Silver Star, Legion of Merit, Distinguished Flying Cross, Air Medal, and Purple Heart.

His postwar duties included service with the General Staff, in Washington, D.C.; Chief of the U.S. Military Mission in Chile; Chief of Plans, Strategic Air Command; Commander of the 5th Strategic Reconnaissance Wing; Commander of the 57th Air Division; Inspector General, Strategic Air Command; Commander of the 7th Air Division; and his most recent assignment as Chief of Staff, United Nations Command, United States forces in Korea.

General Broadhurst's career is one of the most outstanding in the history of the U.S. Air Force. Beginning as a second lieutenant in 1937, he moved quickly up the ranks. By 1963, he became the youngest lieutenant general in the Air Force; and he was the highest ranking officer from North Carolina on active duty. General Broadhurst was a modest and unassuming man of superior intellect and capacity. His accomplishments were many, and belied his years. This son of North Carolina was a worldly and sophisticated man; but he always remained a man of great humility and kindness, and one who never lost the common touch.

General Broadhurst is survived by his wife, the former Viola Suebert, of Cottonwood, Idaho; his three children, Edwin, Jr., age 20; Mary Ann, age 18; and Barbara Ellen, age 15; his sister, Mrs. Marvin Taylor; and his mother, Mrs. Mabel Borden Broadhurst, one of our State's most vibrant and attractive citizens, who at age 89, last year, was awarded the Smithfield, N.C., Citizen of the Year Award.

General Broadhurst is known to a number of Members of Congress; and I am certain that each of them who knew him personally and by reputation joins Senator JORDAN and me in expressing to his family and to those who have known and worked with him throughout the world, the sympathy and appreciation of a nation grateful for his services.

AID BY RUTHERFORD, N.J., TO HAZARD, KY.

Mr. WILLIAMS of New Jersey. Mr. President, last week, I witnessed a heartwarming example of personal involvement in a national problem—a fundraising affair which was unique, original, and noteworthy for its purpose and results.

Over 20 tons of clothing, food items, and medical supplies were corralled in Rutherford, N.J., with the help of the citizens of Rutherford, and, in particular, the Girl Scouts from Bergen and Passaic Counties, to complete the VFW Post No. 227's "Operation Hazard."

"Operation Hazard" is a relief project, undertaken by the VFW Post No. 227, to bring purpose and hope to the meaningless lives of some 6,000 residents of an impoverished environment camouflaged in the poverty of southeastern Kentucky. The target of this miniature "war on poverty," Hazard, Ky., seems ironically named, when we consider the $800 per capita family income, and the firsthand account of Edwin Smith, post commander, Ted Galka, and Robert Brentlinger, who reported children in a family alternating days going to school because of the lack of shoes for everyone in the family.

I ask unanimous consent that my remarks at the VFW fundraising dance be printed in the RECORD.

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

STATEMENT BY SENATOR WILLIAMS OF NEW JERSEY BEFORE VFW POST NO. 277, RUTHERFORD, N.J., MARCH 27, 1965

Having been a member of the VFW post in Plainfield, let me say that I have never been prouder to be a member of this great organization than I am tonight. The great effort you have made on your own initiative which is in accordance with the President's program on antipoverty deserves the highest praise. I have been to Hazard, Ky., and smelled the stench of slums and farms. I have seen children who have never had shoes to wear. I have seen their homes with little shelter and less food.

For 5 years I have been working on the problems of the most impoverished people in the Nation. Last week, Sargent Shriver announced an $8-million program to aid the migratory workers in sanitation, housing, and education. This has all emerged from the committee work that I have been doing.

To Commander Ed Smith, chairman of "Operation Hazard," Bob Brentlinger, Vincent McGrath, Ted Galka, and Bill Walsh, and all of you—my congratulations.

OPPOSITION TO REORGANIZATION OF THE ARMY AND AIR FORCE RESERVE—RESOLUTION OF RESERVE OFFICERS ASSOCIATION

Mr. MILLER. Mr. President, I ask unanimous consent to have printed in the RECORD a resolution, adopted by the Reserve Officers Association, in opposition to the reorganization of the Army and Air Force Reserve.

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

RESERVE OFFICERS ASSOCIATION,
DEPARTMENT OF IOWA,
Iowa City, Iowa, March 31, 1965.

Senator JACK MILLER,
U.S. Senate,
Washington, D.C.

DEAR SENATOR: The department executive council of the Reserve Officers Association of the State of Iowa, representing approximately 800 members, passed the following resolution unanimously at a recent meeting:

"The Department of Iowa Reserve Officers Association fully supports the national headquarters of the Reserve Officers Association in their past, present, and future efforts in opposing the reorganization of the Army and Air Force Reserve and that the appropriate congressional committees be kept informed of these efforts."

Sincerely,

R. H. DENNING,
Commander, U.S. Naval Reserve.

Mrs. NEUBERGER. Mr. President, is there further morning business?

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed.

MILITARY PROCUREMENT AUTHORIZATION

Mrs. NEUBERGER. Mr. President, I move that the unfinished business be laid before the Senate and made the pending business.

The motion was agreed to; and the Senate resumed the consideration of the bill (S. 800) to authorize appropriations during fiscal year 1966 for procurement of aircraft, missiles, and naval vessels, and research, development, test, and evaluation for the Armed Forces, and for other purposes.

SUMMARY STATEMENT ON CIGARETTE HEARINGS

Mrs. NEUBERGER. Mr. President, the hearings just concluded before the Commerce Committee on S. 547 and S. 559 have been concerned with two basic questions: First, is cigarette smoking a

definite health hazard; second, if so, is Federal remedial action required and what should it be? I would like to summarize some of the material presented during these 2-week hearings and to make a few observations.

THE HEALTH ISSUE, IS IT REAL?

No useful purpose would be served by my itemizing the testimony of each medical witness appearing at the hearings. No member of the Commerce Committee is a doctor, medical researcher, or statistician. For us to try to distinguish fine points of argument between witnesses would be an exercise of limited value, for we lack their expertise. But we can evaluate the social consequences of their conclusions.

The most authoritative statement on cigarettes and disease is the report of the Surgeon General's Advisory Committee on Smoking and Health, which concluded that "cigarette smoking is a health hazard of sufficient importance in the United States to warrant appropriate remedial action." Buttressing this conclusion, the witness for the American Public Health Association testified that in the last 11 years 65 professional health organizations, medical societies, governmental health agencies and research organizations have reviewed the evidence regarding the relationship between smoking and disease. Every one of these groups has voiced agreement with the Advisory Committee. Among those associated with this hazardous health link are: the American Medical Association, the American Cancer Society, the American Heart Association, the American Thoracic Society, the Canadian Medical Society, the British Royal College of Physicians, the President's Commission on Heart Disease, Cancer, and Stroke, and State medical associations, including many of special interest to the members of the Commerce Committee; that is, the medical associations or societies or boards of health from Alaska, Kansas, Oklahoma, Colorado, Ohio, Vermont, Pennsylvania, Michigan, Washington, Nevada, and Oregon. The collective support which these bodies have given to the smoking and disease thesis is awesome, to say the least.

I have already included in the committee record copies of surveys taken nationally in Britain and the United States and within my own State of Oregon on the smoking habits and beliefs of doctors, demonstrating a dramatic decline in their cigarette smoking. I would now like to add two more State surveys, from Rhode Island and Florida. The Rhode Island survey was taken even before the Surgeon General's report was published and yet it still shows that only one out of three physicians smoked cigarettes. Of those who did not smoke, over half had been cigarette smokers but had stopped. Three out of four of these did so because of scientific evidence or occurrence of adverse symptoms. The Florida survey was taken last year and showed that 97 percent of the physicians believed smoking of cigarettes to be a health hazard. Only 30 peercent still smoked cigarettes and 45 percent had given them up.

Lung cancer received a good deal of attention in the hearings. This is natural, for the direct tie between smoking and this disease has been suspected for a long time and the causal relationship is so well documented. For example, Dr. Diehl, of the Interagency Council, testified that at least 80 percent of lung cancer deaths are attributable to smoking. Dr. Aurbach made a powerful impression on several members of the committee as he described his research and results.

But testimony by the specialist medical organizations endorsed the even broader health problems raised by cigarette smoking. A spokesman for the Public Health Service listed several diseases as responsible for unnecessary and premature deaths attributable to smoking: coronary, lung cancer, bronchitis, emphysema, and cancers of the oral cavity, esophagus, larynx, and bladder. These deaths are increasing.

Questions were raised about the role that air pollution rather than cigarettes might be playing in the incidence of cancer. The remarks from the representative of the American Cancer Society are instructive here:

> Environmental exposure being a factor in increased incidence in cancer is something that has been known for a long period of time. We do not deny this. We do not say that this is not significant and hopefully should be corrected. The cigarette is one of the principal causes of lung cancer, but not the whole cause.

And after all, as one of the witnesses unsympathetic to the two bills pointed out, if air pollution is shown to be a definite cancer cause, cigarettes certainly must be as well.

Those who would seek comfort in the language of the Surgeon General's report that the Advisory Committee was unable to come to any firm conclusions about the causative role of cigarette smoking and cardiovascular disease will not find relief in the results of the Albany and Framingham studies subsequent to the report. So convincing is the evidence now available to heart specialists that they instructed the American Heart Association to present a direct relationship statement to the Committee.

The Surgeon General's report concluded that "cigarette smoking is the most important of the causes of chronic bronchitis in the United States and increases the risk of dying from chronic bronchitis and emphysema." The American Thoracic Society spokesman announced at the hearings that "an exhaustive study" had been concluded recently by the society which further confirmed the findings of the report.

In summary, what has the overwhelming bulk and authority of the medical community said about smoking and disease? They have testified that evidence has been accumulating for several decades on cigarette smoking and its effects on the human body. In every field of medicine where the evidence has indicated a relationship between smoking and disease, a witness from the national organization of specialists in that field has come before the Commerce Committee to declare that cigarette smoking is a serious health hazard and to recommend that Congress take remedial action.

I find these declarations convincing. I am impressed by the number and language of resolutions filed from international, national, State, and local medical associations expressing similar views. It seems significant to me that when the doctors of this Nation were polled, over 90 percent of them agreed that cigarette smoking is a health hazard, and that so high a percentage of them have discontinued smoking cigarettes.

I realize that, even after all the evidence which I find so conclusive is before us, not everyone will agree. The testimony and questions heard these last 2 weeks illustrate this. I would like to express my appreciation to Drs. Clerf, Greet, and Burford, as the elder statesmen, for their opinions, which do not happen to be shared by any of the blue-ribbon juries of scientists mentioned at the hearings. Unfortunately, neither they nor the other medical spokesmen opposed to the Senate bills have had any original data contrary to the findings listed above. These doctors do not seem to have put forward any studies with controls, or any objections of opinion that have not been stated again and again, and found wanting by their own peers. Nevertheless, the long years of devotion by those same doctors to so many thousands of patients deserve from us honor and respect.

One of the most perceptive comments on why people hesitate to accept the unpleasant facts about smoking came from Dr. Hundley of the U.S. Public Health Service. He noted that if you drink poison, you know about it right away. If you ram your automobile into a telephone pole the results are obvious immediately. But the cause and effect of cigarette smoking are so far separated in time. If you smoke cigarettes, it may be 30 years before you find out that you have lung cancer or emphysema caused by your smoking.

There seems no doubt whatsoever, that cigarette smoking is at the very least suspected strongly enough of being a health hazard that countermeasures ought to be taken against it. In dealing with human life, it seems more prudent to assume that the established association between cigarette smoking and disease has causative meaning, than to suspend judgment until no uncertainty remains in the minds of anyone. If we procrastinate, if we try to buy time in the hope that some miracle will occur and the whole problem will disappear like a bad dream, the odds are overwhelming that the people of this Nation—and let us be frank about it, our own families and colleagues right here in the Senate who smoke—will have to pay a heavy price for our timidity.

WHAT REMEDIAL ACTION IS REQUIRED?

Very little need be said about the justification for congressional consideration of this health problem. Tobacco is one of the basic support crops. Over the years the Federal Government has contributed millions of dollars to price supports, to tobacco research for improved

quality and yield, and through the conservation and extension services to tobacco farmers. Having promoted and sustained the development of the industry for so long, it does not seem illogical that the Government should now consider assuming some responsibility for alerting the Nation to the dangers of the habit the Government has and continues to promote.

Federal action being appropriate, what direction should it take? The Public Health Service is continuing research into human behavior concerning smoking, as an aid to determining how their smoking and health educational program should be conducted. The President's Commission on Heart Disease, Cancer, and Stroke recommended that "the sum of $10 million be appropriated to the Public Health Service over a 3-year period for a comprehensive national program of education and public information regarding the hazards of cigarette smoking. The program should be aimed at the education of children, adults, physicians, and educators with the assistance of State and local community agencies. A network of smoking control clinics should be provided to assist those who desire to give up smoking. New and more effective educational material should be developed."

Dr. Terry testified that the PHS is spending $3.2 million on research which has any relationship or any application to the question of smoking and health. Compared to the over $100 million the PHS is spending on all cancer research, this is not much, but it is better than nothing. The new budget requests include $1.9 million for a smoking and health education program and public information clearinghouse within the PHS.

The PHS in cooperation with the Department of Agriculture is conducting research into the technology of safer tobacco. Attempts are being made to isolate the incriminating agents in tobacco, with the hope that they might be removed. The combustion level of tobacco may be related to its danger and this is also under investigation, with the hope that it might be possible to raise or lower it within cigarettes to reduce the hazards. This research will take many years and unfortunately guarantees no happy solution.

I have been joined by Senator MAGNUSON in introducing bills which we believe are remedial and complementary to the educational and research programs just described. The two measures are very similar in intent. They would require a health warning statement on cigarette packages, provide for the quantitative identification on the cigarette package of incriminating agents in the tobacco, and either specifically or implicitly put Congress on record as acknowledging the conclusion of the Surgeon General's report that cigarette smoking is a health hazard meriting public attention and remedial action. S. 547 directs the Federal Trade Commission to establish standards and requirements for warning statements in cigarette advertising, whereas S. 559 makes no mention of advertising other than Federal preemption.

The Department of Health, Education, and Welfare is the major Federal agency charged with the protection of the public health. In its administration of the Food, Drug, and Cosmetic Act, the Federal Hazardous Substances Labeling Act, and other consumer protection legislation, it has interpreted its responsibility in labeling and advertising to mean that they should, in the interest of honesty and fair dealing, neither mislead nor fail to give the consumer the information concerning the product that he needs in order to make an informed decision. This is especially so where the product has a potential for harm.

The Federal Trade Commission is also charged with responsibilities in this field. Their regulations include a provision concerning the misleading and unfair aspects of labeling and advertising. Following the issuance of the Surgeon General's report the Commission applied their regulations to cigarettes and found that the methods by which cigarettes have been and are being sold to the consuming public—by means of labeling and advertising, which fails to disclose the health hazards—are deceptive and unfair to consumers under settled legal principles governing truth and fairness in advertising.

The Commerce Committee heard from the tobacco industry that such health hazard statements are punitive and unfair against a single industry. By any criteria of the public interest, such claims are patently fallacious. Cigarette smoking is a health hazard of such magnitude that it is actually punitive to fail to provide the public with warning statements. The tobacco industry may lose dollars, but the public is losing lives.

No member of the committee who spoke on the issue during the hearings nor any witness before the committee, appeared to believe that the inclusion of a hazardous warning statement on cigarette packaging would have either any or more than minimal effect on cigarette consumption. Perhaps the best justification for the labeling requirement came in an exchange between Senator BASS and Dr. Horn:

> Senator BASS. And you think that to put a label on the cigarette, more people would think cigarettes a major cause of lung cancer?
>
> Dr. HORN. I don't think that it is so much a placing of a label on the cigarette as the meaning of not having a label on the cigarette. The fact that no label exists on the cigarette today is interpreted by many people to mean that this is a perfectly safe and reasonably harmless product.

But as Senator COTTON noted, the effect of package labeling might soon wear off and he suggested that it was fully as important to do something about advertising as it was to label the package from the standpoint of trying to stem or control the habit. This goes right to the center of the problem. If the committee assumes that cigarette smoking is hazardous, then it is certainly logical that Congress give serious thought to endorsing action commensurate with our belief in individual liberties, which would have the ultimate effect of reducing cigarette consumption. As Senator HART remarked during these hearings:

> The only reason it would make sense to put in a warning, would be that the warning would deter.

The tobacco industry has indicated that they will be reluctantly willing to accept the package labeling, but this is presumably based on the assumption shared by everyone on the committee that such labeling will have minimal effect on consumption.

Yet reduction of consumption is of tremendous medical importance. Numerous studies have shown that persons who stop smoking cigarettes experience, within 5 years, a reduction of over 50 percent in the risk of developing lung cancer. Doyle and his associates show that whereas moderate to heavy cigarette smokers observed over an 8- to 10-year period experience three times as many attacks of coronary artery disease, persons who had stopped smoking had no greater incidence of heart attacks than did nonsmokers, indicating that there is a definite preventive effect in stopping smoking which is quite marked in this one disease.

It has been suggested that a warning statement in advertising is unnecessary in that other dangerous products, such as disinfectants which do carry a warning statement on the label, are allowed to be advertised without any reference to their danger being required. Two points can be made here concerning this very natural reaction. First, there is nothing harmful about the use of these other products when the directions on the package are followed. The labeling requirements are usually on how not to use the product, such as consuming it, or consuming more than the recommended dosage, or bringing it near to heat or flame. The evidence on cigarettes is different in one vital respect: even the most moderate smoking is considered hazardous to health. It is not a matter of improper use, it is a pure and simple matter of any use, and certainly to the level of consumption which is considered normal by the average cigarette smoker today.

The second point is that we have no desire to lessen the sale of disinfectants, only the improper use of them. Therefore, hazardous warnings in advertising would serve no useful public purpose. But when we accept the contention that cigarette smoking is hazardous to health, then it is in the public interest that the people be informed of that fact before they have the cigarettes in hand, so that they will hopefully respond by cutting down their smoking or eliminating it. There is still individual choice, but the social consequences of cigarette smoking and disease justify a warning statement on advertising.

Mr. President, I ask unanimous consent that the two medical surveys re-

ferred to in the text of my remarks, an editorial from the New York Times of April 5, and a news item from the same newspaper of April 2 be printed at this point in the RECORD.

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

CURRENT STATUS OF CIGARETTE SMOKING AMONG RHODE ISLAND PHYSCIANS

(By Thomas H. Murphy, M.D., and John T. Tierney, M.S.)

(NOTE.—The authors, Thomas H. Murphy, M.D., medical director, Division of Chronic Diseases, Rhode Island Department of Health, John T. Tierney, M.S., program and planning specialist, Rhode Island Department of Health.)

The physician, more than anyone else, is bombarded with articles in the medical literature on the relationship between cigarette smoking and cardiopulmonary disorders in general and cancer of the lung in particular. Furthermore, he is continuously exposed to the numerous resolutions published by scientific and professional societies condemning the use of cigarettes. The question naturally arises as to the impact of scientific evidence and thought on the cigarette-smoking habits of physicians themselves.

Previous studies conducted in Massachusetts by Snegireff and Lombard[1 2] and in England by Doll and Hill[3] have provided some information on cigarette-smoking habits of physicians.

In September 1963, the Rhode Island Department of Health, in cooperation with the Rhode Island Medical Society, conducted a mail survey on the current status of cigarette smoking among members of the society. The design of this survey was intentionally kept simple to encourage maximum participation of the society's membership. No attempt was made to collect data on the infinite combinations of variables, nor to meet exacting standards of statistical excellence. The survey was intended to answer easily and quickly the following questions:

1. How many Rhode Island physicians smoke cigarettes?

2. Of those who previously smoked cigarettes, how long ago did they stop, and why did they stop?

3. Is there any relationship between the age, medical specialty, or both, of smoking and nonsmoking physicians?

Of the 1,074 questionnaires mailed to members of the Rhode Island Medical Society, 752, or 70 percent, were returned. All returned questionnaires were suitable for inclusion in the study.

Table I indicates the responses by medical specialty to the question, "Do you smoke cigarettes?" Thirty-three percent of Rhode Island physicians who replied smoke cigarettes. This compares with 58.5 percent[4] of the adult male population. The degree of cigarette smoking within the medical specialties ranges from 10 percent among the dermatologists to 58.3 percent among a miscellaneous category consisting of public health, hospital administration, and industrial and physical medicine. The next highest percentage of cigarette smokers was among urologists at 53.8 percent, followed by obstetricians and gynecologists at 45.6 percent, neurosurgeons at 42.9 percent, and orthopedists at 40.7 percent.

Among all physicians, the breakdown shows that 33 percent smoke cigarettes, 35.8 percent stopped smoking cigarettes, and 31.2 percent never smoked cigarettes.

TABLE I.—*Cigarette smoking among Rhode Island physicians, by medical specialty, 1963*

Medical specialty	Total replies	Smokers		Nonsmokers	
		Number	Percent	Number	Percent
General practice	171	59	34.5	112	65.5
Internal medicine	113	31	27.4	82	72.6
Surgery	100	32	32.0	68	68.0
Pediatrics	60	14	23.3	46	76.7
Obstetrics and Gynecology	57	26	45.6	31	54.4
Neurology and psychology	56	20	35.7	36	64.3
Anesthesiology	31	11	35.5	20	64.5
Orthopedics	27	11	40.7	16	59.3
Otolaryngology	24	6	25.0	18	75.0
Radiology	18	4	22.2	14	77.8
Ophthalmology	14	4	28.6	10	71.4
Urology	13	7	53.8	6	46.2
Dermatology	10	1	10.0	9	90.0
Pathology	8	2	25.0	6	75.0
Neurosurgery	7	3	42.9	4	57.1
Miscellaneous [1]	12	7	58.3	5	41.7
Unspecified	31	10	32.3	21	67.7
Total	752	248	33.0	504	67.0

[1] Includes hospital administration, public health, industrial, and physical medicine.

Table II represents a tabulation of the cigarette-smoking status of physicians, related to their present ages. The general trend is for cigarette smoking among physicians to decrease with age.

A review of reports of studies of physicians' smoking habits conducted over the past 12 years indicates that cigarette smoking is on the decrease. This conclusion is further supported by data collected in relation to the number of years since physicians stopped smoking cigarettes. Physicians who have stopped smoking cigarettes 4 or more years previously represented 39.0 percent; 5 to 9 years, 21.9 percent; 10 to 14 years, 13.8 percent; and 15 or more years, 25.3 percent. In the last 12 years, 193 physicians, or 71.7 percent, stopped smoking cigarettes.

To the question, "Why did you stop smoking cigarettes?" most physicians gave multiple reasons. Table IV represents all reasons provided.

The most frequent reason given by the physicians responding can be categorized as scientific evidence and represented 42.5 percent of all reasons. This group gave reasons which acknowledge the deleterious effect of cigarette smoking on health. Many physicians indicated they were influenced by what they read in the medical literature and by what they observed in their own practices. Typical of physicians' comments under this grouping were: "overwhelming evidence," "wasn't worth the risk," "scared," "findings at various necropsies," "impressed by carcinogenic association," "convinced," "health reasons," "unhealthy habit," "preventive medicine," "physician's advice," "as an example to my patients," "following an illness." Most physicians' concern was not limited to cancer, but included a wide range of cardiopulmonary diseases.

Next in importance was the occurrence of symptoms, which accounted for 30.9 percent of all reasons provided. A complete listing of these symptoms and their order of frequency can be found in table V.

TABLE II.—*Cigarette smoking among Rhode Island physicians, by age, 1963*

Age	Total	Smokers		Nonsmokers	
		Number	Percent	Number	Percent
Under 40	163	60	36.8	103	63.2
40 to 49	209	79	37.8	130	62.2
50 to 59	205	69	33.7	136	66.3
60 to 69	102	29	28.4	73	71.6
70 and over	65	9	13.8	56	86.2
Unspecified	8	2	25.0	6	75.0
Total	752	248	33.0	504	67.0

TABLE III.—*Summary of findings reported on cigarette-smoking habits of physicians, 1963*

Study reported by—	Year	Place	Percent smokers	Percent nonsmokers
Doll and Hill [1]	1951	England	87.3	12.7
Snegireff and Lombard.	1954	Massachusetts.	51.8	48.2
Do	1959	do	38.5	61.5
Murphy and Tierney.	1963	Rhode Island.	33.0	67.0

[1] Limited to physicians over 35 years of age and includes all forms of smoking.

TABLE IV.—*Reasons given by 269 physicians as to why they stopped smoking cigarettes, Rhode Island, 1963*

Reason [1]	Number	Percent
Scientific evidence	160	42.5
Occurrence of symptoms	116	30.9
Nonhealth related	45	12.0
Lack of satisfaction	35	9.3
Self-discipline	20	5.3
Total	376	100.0

[1] Many physicians gave multiple reasons.

TABLE V.—*Symptoms [1] which caused physicians to stop smoking cigarettes*

Symptom	Number	Percent
A. Respiratory	71	61.3
Chronic cough	51	
Dyspnea	9	
Chronic irritation of throat	6	
Postnasal catarrh	2	
Rhinitis	2	
Paroxysmal sneezing	1	
B. Neurological and sensory	16	13.8
Impairment of taste and smell	9	
Headache	3	
Slight tremor	2	
Tinnitus	1	
Nervousness	1	
C. Cardiovascular	15	12.9
Angina pectoris	6	
Tachycardia	5	
Extra systoles	1	
Hypertension	1	
Intermittent claudication	1	
Auricular fibrillation	1	
D. Gastrointestinal	7	6.0
Hyperacidity	6	
Abdominal cramps	1	
E. General malaise	7	6.0
Total	116	100.0

[1] Some physicians listed multiple symptoms.

Most physicians indicating they stopped smoking cigarettes because of the occurrence

[1] Snegireff, L. S., and Lombard, O. M.: "Survey of Smoking Habits of Massachusetts Physicians," New England J. Med. 250: 1042, June 17, 1954.

[2] Snegireff, L. S. and Lombard, O. M.: "Smoking Habits of Massachusetts Physicians; 5-Year Followup Study (1954–59)." New England J. Med. 261: 603, Sept. 17, 1959.

[3] Doll, R., and Hill, A. B.: Mortality of Doctors in Relation to Their Smoking Habits; a Preliminary Report." Brit. M. J. 1: 1451, June 26, 1954.

[4] "Teen-agers and Cigarettes." Changing Times, March 1962.

of symptoms jubilantly reported that, upon the withdrawal from cigarettes, the symptoms disappeared. Such comments as "feel fine now," "have been like a new man since," "I feel so good I'll never smoke again," were common.

Non-health-related reasons accounted for 12 percent. Such comments as "to get my wife to stop," "burned holes in my clothes," "changed to cigars," "liked my pipe better," "wasn't ladylike," "as a routine, every 3 or 4 years," "on a bet," "because of religion," "husband couldn't stand smoking," "a stupid habit," "just stopped—no reason," "expense involved," "increases in taxes" were included in this category of responses.

Another significant category was lack of satisfaction and accounted for 9.3 percent of the reasons. Such comments as "never really enjoyed it," "always hated it," "no more pleasure in it," "got disgusted with it," "didn't care for it any more" were listed.

The last significant group of reasons listed was self-discipline and accounted for 5.3 percent of the reasons. Such comments as "unable to control the habit," "to prove that I could," "didn't want to be dependent on them," "wanted to see if I could stop," "smoking too much," and "rebellion to being a slave" were representative of responses in this category.

TABLE VI.—*Primary reason* [1] *given by 269 physicians for having stopped smoking cigarettes, by age at which they stopped, Rhode Island, 1963*

Age	Scientific evidence	Occurrence of symptoms	Self-discipline	No satisfaction	Other non-health	Total	Percent of all age groups
Under 40	36	26	4	21	19	106	39.4
40 to 49	29	28	4	6	10	77	28.6
50 to 59	16	25	1	2	9	53	19.7
60 and over	9	11	1	3	2	26	9.7
Total	[2] 92	[2] 92	10	[2] 33	[2] 42	[2] 269	[2] 100.0
Percent of all reasons	34.2	34.2	3.7	12.3	15.6	100.0	

[1] When multiple reasons were provided, first reason was used.
[2] Totals include responses for which age was not specified.

It was considered of value to relate the ages at which physicians stopped smoking cigarettes to the reasons why they stopped. One might expect the younger physicians to be more influenced by scientific evidence and the older physicians by the occurrence of symptoms. Table VI shows this tabulation.

SUMMARY

In the fall of 1963, a survey was conducted to determine the current status of cigarette smoking among Rhode Island physicians. The results of this survey indicate that 33 percent of the physicians smoke cigarettes. Of the 67 percent who do not smoke cigarettes, 35.8 percent smoked and stopped, and 31.2 percent never smoked.

Scientific evidence and occurrence of symptoms are the most frequent reasons given by physicians for giving up cigarettes.

This study and a review of previous studies indicate that cigarette smoking among physicians is on the decrease. To further support this conclusion, it might be well to conduct a similar survey in the fall of 1968.

SEVENTY PERCENT OF FLORIDA PHYSICIANS ARE NONSMOKERS

The Florida Committee on Smoking and Health requested the Florida State Board of Health to plan and conduct a survey to determine the smoking habits of Florida physicians. The Florida committee is composed of the following agencies: the Florida Medical Association, the Florida State Board of Health, the State Department of Education, the American Cancer Society, Florida division, the Florida Heart Association, and the Florida Tuberculosis and Respiratory Disease Association.

Accordingly, a letter explaining the survey and enclosing a postal card questionnaire was mailed on April 22, 1964, to 5,864 Florida physicians. Response from the physicians was excellent and prompt. Thirty-four hundred and sixty-seven or 60 percent of the physicians returned the questionnaire. Not included in the tabulations are 166 additional responses received after the cutoff date when the data study was completed. Perusal of these late replies indicates that they do not differ from those tabulated.

The questionnaire postal card was simply designed to encourage maximum participation and to supply the following information: Specialty, age, county, smoking habits, average daily consumption of cigarettes by the smokers, if stopped how long and why, opinion as to health hazard of smoking, the effects of the Public Health Service report on smoking and what advice the doctor gives to patients about the smoking of cigarettes.

Careful study of the various specialty groups by age and percent distribution indicates that the distribution of the respondents was not significantly different from the physician population of the State by age and specialty.

No attempt has been made to study the nonrespondents, as the physicians were not asked to sign the cards. Nor was there any attempt made to apply intricate statistical methods to the data.

STATUS OF CIGARETTE SMOKING

Among the 3,467 physicians who responded to the questionnaire 25 percent never smoked, 45 percent smoked but have now quit smoking, and 30 percent are now smoking. In table 1 physicians are distributed according to specific practice. It is noted that the pathologists have the lowest (18.5) percent of smokers in contrast to the urologists who report that 40 percent still smoke cigarettes. The nonsmokers for the total group, those who have quit and those who have never smoked, are 70 percent.

CIGARETTE SMOKING A HEALTH HAZARD

Ninety-seven percent of the physicians reported that they believed smoking to be a health hazard. Three percent stated that they did not believe smoking to be a health hazard. One of the respondents, while not answering the specific question, "Do you believe smoking to be a health hazard?", did comment as follows, "Certainly much less than drinking. Depends on the amount smoked. Dieting, auto speeding, flying, etc., etc., are health hazards. You've got to die of something."

CONSUMPTION OF CIGARETTES AMONG PHYSICIAN SMOKERS

The data indicate that 25 percent smoked less than 1 pack a day, 35 percent 1 pack or more and 40 percent 2 packs or more per day.

HOW LONG STOPPED

Of the 1,485 physicians who have stopped smoking, 17.2 percent have quit for less than a year, 27.3 percent have quit for from 1 to 5 years and 55.3 percent have quit for more than 6 years.

TABLE 1.—*Current status of cigarette smoking among physicians, by medical specialty, Florida, 1964*

Medical specialty	Replies received	Now smoking	Percentage quit smoking	Never smoked
Total, all	3,467	29.9	45.1	25.0
General practice	851	37.0	39.0	24.0
Internal medicine	594	26.5	50.9	22.6
Surgery	469	25.1	48.2	26.7
Obstetrics-gynecology	255	37.0	36.6	26.4
Pediatrics	213	25.0	43.4	31.6
Eye, ear, nose, throat	206	27.1	45.1	27.8
Psychiatry-neurology	160	37.0	44.1	18.9
Radiology	124	21.1	54.9	24.0
Orthopedics	115	29.1	50.1	20.8
Urology	86	40.0	37.4	22.6
Anesthesiology	84	27.0	47.6	25.4
Pathology	84	18.5	45.8	35.7
Dermatology	60	19.6	56.8	23.6
Miscellaneous [1]	166	23.0	53.9	23.1

[1] Miscellaneous includes industrial medicine, physical medicine, public health, and unspecified.

REASONS FOR QUITTING SMOKING

The reasons for quitting smoking were classified into several groups: (1) Health reasons, (2) scientific evidence, (3) lack of satisfaction, (4) self-discipline, (5) whim, and (6) other forty-three percent gave their reason for stopping smoking as health reasons—cough, throat trouble, bronchitis, angina, bronchiectasis, and others.

The next largest group (27.9 percent) was that involving scientific evidence that cigarette smoking was harmful to health. The most common answer given was "fear of lung cancer." One physician answered the question as to "Why did you quit?" with the reply, "Just for the hell of it."

EFFECT OF THE U.S. PUBLIC HEALTH SERVICE REPORT

Eighty-six percent of the respondents reported that the Surgeon General's report on smoking and health had not affected their smoking habits. Of this number, however, a large percent of the respondents had quit smoking or had never smoked. Fourteen percent said that the report had an effect.

ADVISING THE PATIENT ON SMOKING

It was a surprise to learn that 50 percent of the physicians advised all patients to stop smoking, that 45 percent advised those patients with specific conditions to stop, and that almost 5 percent never advised anyone to stop. Among the internists, less than 1 percent of the group never advised their patients to stop smoking, while about 22 percent of the psychiatrists and neurologists never advised patients to stop smoking.

A study of physicians by age revealed there was no significant difference as to what they advised patients about the question of smoking cigarettes.

SUMMARY

This is a report of the results of a survey of the smoking habits of 60 percent of the Florida physicians. Ninety-seven percent of the Florida physicians responding to the survey believe the smoking of cigarettes to be a health hazard. They advise no smoking to all or patients with specific conditions 95 percent of the time.

In conclusion, it is evident from this study that the physicians of Florida are assuming personal responsibility for public education about tobacco and health by instruction and example.

We wish to acknowledge the assistance of the Florida State Board of Health and the Florida Tuberculosis and Respiratory Disease Association in making this survey possible. Especially do we wish to express our appreciation to Mr. Albert J. Klimaszewski, Florida State Board of Health, for his valuable help.

"Stopping smoking is
The easiest thing in the world—
I've done it hundreds of times."
—MARK TWAIN.

CHARLES I. TATE, M.D.,
Associate Professor of Medicine, University of Miami School of Medicine, and Chairman, Florida Committee on Smoking and Health.

J. E. FULGHUM, M.D.,
Director, Division of Chronic Diseases, Florida State Board of Health, and Secretary, Florida Committee on Smoking and Health.

[From the New York (N.Y.) Times, Apr. 2, 1965]

PEDIATRICS ARE URGED TO DISCOURAGE SMOKING

(Special to the New York Times)

EVANSTON, ILL., April 1.—The American Academy of Pediatrics issued a statement today opposing cigarette smoking. It urged its 8,500 members to join "in every effort to discourage acquisition of the habit of cigarette smoking during childhood and adolescence."

Members of the academy are physicians certified in the care of infants, children and adolescents.

The statement prepared by the section committee on diseases of the chest and approved by the executive board, appears in the organization's March–April newsletter.

It said:

"Because of the strong bond of friendship usually present between the pediatrician and the parents and children in the families he serves, his counsel and advice might be far more readily accepted than that of any other individual."

Pediatricians were also urged to take leadership in school and community programs to discourage cigarette smoking.

[From the New York (N.Y.) Times, Apr. 5, 1965]

WARNING ON CIGARETTES

The tobacco industry continues its bitter and exaggerated resistance to the proposed legislation that would require health warnings on all cigarette packages. Its spokesmen have not gone to the extent of claiming that cigarette smoking is healthful. But they are less than frank in disputing statistical evidence linking smoking with the big increase in the incidence of lung cancer and other chronic diseases. They also maintain that passage of the warning requirement might lead to an elimination of advertising and a sharp decline in overall employment among tobacco growers, cigarette makers and other sectors of the industry.

It is perfectly true, as the industry states, that the majority of cigarette smokers do not get lung cancer. But neither the report of the Surgeon General's advisory committee nor other studies made here and abroad have said they do. What these investigations have revealed is evidence of a definite correlation between cigarette smoking and cancer. This evidence amply justifies the mild device of a warning to alert consumers to the danger they may face. If the evidence showed more than that, there might be a good case for banning cigarette sales altogether.

If the cigarette companies can fend off warning labels, their propaganda offensive will doubtless be geared to attract new smokers among the growing number of teenagers. It probably will anyway. The fact is that the labeling requirement should be only a first step in a broad attack. There is need for a Government program that will keep the public continually informed about the dangers in smoking, and there is need for further efforts to help those who want to get rid of the cigarette habit.

Mrs. NEUBERGER. 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. 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.

MILITARY PROCUREMENT AUTHORIZATION

The Senate resumed the consideration of the bill (S. 800) to authorize appropriations during fiscal year 1966 for procurement of aircraft, missiles, and naval vessels, and research, development, test, and evaluation for the Armed Forces, and for other purposes.

Mr. STENNIS. Mr. President, what is the pending business before the Senate?

The PRESIDING OFFICER. S. 800.

Mr. STENNIS. Mr. President, the bill before the Senate now is S. 800, to authorize appropriations during fiscal year 1966 for procurement of aircraft, missiles, and naval vessels, and research, development, test, and evaluation for the Armed Forces, and for other purposes.

In 1960, Congress enacted a requirement for new authorization of appropriations for procurement of what could be briefly called military hardware; that is, aircraft, missiles, naval vessels; later this requirement was extended to funds for research and development. Until that time, only naval vessels were subject to annual authorization bills. Consequently, no complete review of the military program was brought before the two Houses until the appropriation bills came in. After the new authorization requirement was approved, hearings by the Armed Services Committee became much more comprehensive and a major part of the military program for the coming fiscal year was presented to the House and Senate.

The new authorization requirement was imposed by what is known as the Russell amendment, which has proved to be very satisfactory indeed, not only for the membership of the committee but also for the Senate. I think it is of great help, also, to the Appropriations Committee. This is the authorization bill which is before the Senate today. It brings in review a major part of our military program, although it does not deal with personnel, operations and maintenance, and other procurement.

Mr. President, the bill before the Senate would provide $15,283,800,000 in authorization of appropriations for the procurement of aircraft, missiles, and naval vessels, and for research, development, test, and evaluation conducted by or for the Armed Forces. Of this total, $8,687,000,000 is for the procurement part of the bill, and $6,596,800,000 is for research, development, test, and evaluation.

Last year, the Department of Defense sought $17,185,300,000 for the same purposes. The procurement authorization request last year was $10,613,300,000 and this year it was $8,738,400,000—a reduction of $1,874,900,000. Last year the research, development, test, and evaluation request was $6,572,000,000 and this year it was $6,558,800,000—a reduction of $13,200,000.

From these figures, it will be seen that the total authorization requested this year is lower than last year's request by $1,888,100,000. The total approved by the committee is $1,692,820,000 less than the amount authorized for the same purposes last year.

There are several reasons for the reduced authorization request in fiscal year 1966. Not the least of these is the extraordinary ability and energy of the Secretary of Defense and the civilian and military assistants he has selected to help him administer the immense and diverse effort carried on by the Department of Defense. Later in my remarks, I expect to say more about the accomplishments of the Secretary and the strikingly successful cost reduction program he initiated and is continuing within the Department.

Mr. President, these figures are so large, when we think in terms of more than $48 billion in one 12-month period for the Department of Defense alone, that it is almost impossible to contemplate such an amount of mony.

I illustrate by saying that the General Motors Corp. is the largest corporation in history. Its total volume of business last year, I believe, was close to $16 billion, while the Air Force alone, which is only one of the military departments in the Department of Defense, has a budget, I recall, of more than $19 billion. In other words, the Air Force spends more money in one 12-month period than all the volume of business obtained by General Motors in a similar 12-month period.

Another reason that this year's authorization requirement is lower than last year's is that some of the more expensive weapons systems with which our forces are equipped have been substantially paid for in earlier years. The emphasis now is on qualitative improvements, rather than on the initiation of new and costly procurement programs.

For example, most of the cost of developing and procuring the Polaris and Minuteman missile systems has been funded in earlier years. There is no procurement money now needed for the large B–52 bombers, and the other older missile systems require no new authorization in substantial amounts.

Still a third reason for the lower level of authorization this year is that a series of reprograming actions in the middle of this fiscal year that involved stretchouts, cancellations, and changes in accounting or funding practices made substantial amounts of funds appropriated for 1965 and earlier years available to finance the 1966 program.

The Department of Defense appropriations bill for fiscal year 1965 amounted to $46,752 million. The amount requested for 1966 is $45,153 million, of which roughly one-third requires authorization of the type provided by this bill. I do not propose to dwell on the appropriations figure, because this will be before the Senate later when the appropriations bill is here, but I mention the appropriations amount merely to show the relevance of the authorization bill now before the Senate. Incidentally, I should point out that the appropriations figures I gave are exclusive of military construction, family housing, civil defense, and military assistance, all of which are Department of Defense programs that are funded in other appropriations bills. When these programs are added to the amount in the Department of Defense appropriations bill, the grand total of new obligational authority sought by the Department of Defense becomes $48,565 million.

This total does not include certain items that come through the Atomic Energy Commission for the military program. This is a considerable amount of money in itself.

The Secretary of Defense testified that the military departments and other defense agencies had requested new obligational authority in the amount of $56.5 billion and that he had reduced these requests by almost $8 billion. When one remembers that there are certain built-in inflationary factors in defense costs, such as rising prices for material and labor and military pay increases, it is a significant achievement for the defense budget request to be lower than the one for the current fiscal year, especially if our military strength is being maintained and even increased, which I believe to be true.

Before the committee considered the requests of the Department of Defense for the authorization contained in this bill, the committee had the benefit of a presentation by the Director of Central Intelligence on the threat posed to our national security by the military forces and power possessed by our potential enemies. The chairman of the Joint Chiefs of Staff, General Wheeler, also presented to the committee information about the capability of nations that have been antagonistic to our Nation and its Government. As an understanding of the strength and capabilities and potential enemies is a major determinant of the size and kind of military strength we need, these intelligence estimates were extremely helpful to the committee. Obviously, the information given in these briefings cannot be fully discussed in public, but I assure the Senate that these estimates have entered largely into the committee's deliberations.

The committee report contains at least a brief description of each type of aircraft, missile, and ship that would be procured by the Armed Forces with appropriations based on the authorization this bill provides. Similarly, the research and development authorization in this bill is described for each military department in the committee report. Consequently, in my remarks at this time I do not propose to mention each weapon or weapons system covered by this authorization bill. Instead, I should like to summarize the forces we will have in 1966 and the major changes to these forces that this bill portends. In making this summary I shall follow the functional breakdown initiated in 1961 under which the forces are grouped not by military department, but by the kind of function they are intended to discharge, such as, first, strategic offensive and defensive forces, second, general purpose forces, third, airlift and sealift, and fourth, research and development.

I shall not try to cover the elaborate analysis and rationale by which the programed forces were determined in the Department of Defense. This discussion is available in the committee hearings. Instead, I shall only summarize the decisions that resulted from such an analysis.

Mr. President, I ask unanimous consent that the committee amendments to the bill be agreed to en bloc, and that the bill, as amended, be considered as original text for purposes of further amendment.

The PRESIDING OFFICER. Is there objection? The chair hears none, and it is so ordered.

The amendments agreed to en bloc, are as follows:

On page 2, line 5, after the words "Marine Corps", to strike out "$1,915,800,000" and insert "$1,816,000,000"; in line 12, after the word "Navy", to strike out "$1,501,100,000" and insert "$1,549,500,000, of which amount $133,600,000 is authorized only for construction of two nuclear-powered submarines"; in line 21, after the word "Army", to strike out "$1,438,000,000" and insert "$1,429,500,000"; at the beginning of line 23, to strike out "$1,472,600,000" and insert "$1,462,600,000"; in line 24, after the words "Air Force", to strike out "$3,147,800,000" and insert "$3,221,300,000, of which amount $82,000,000 is authorized only for the development of an advanced manned strategic aircraft"; and on page 3, line 4, after the word "agencies", to strike out "$500,400,000" and insert "$483,400,000"; 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,

"TITLE I—PROCUREMENT

"SEC. 101. Funds are hereby authorized to be appropriated during fiscal year 1966 for the use of the Armed Forces of the United States for procurement of aircraft, missiles, and naval vessels, as authorized by law, in amounts as follows:

"Aircraft

"For aircraft: For the Army, $344,500,000; for the Navy and the Marine Corps, $1,816,000,000; for the Air Force, $3,550,200,000.

"Missiles

"For missiles: For the Army, $253,700,000; for the Navy, $364,000,000; for the Marine Corps, $13,000,000; for the Air Force, $796,100,000.

"Naval Vessels

"For naval vessels: For the Navy, $1,549,500,000, of which amount $133,600,000 is authorized only for construction of two nuclear-powered submarines.

"TITLE II—RESEARCH, DEVELOPMENT, TEST, AND EVALUATIONS

"SEC. 201. Funds are hereby authorized to be appropriated during fiscal year 1966 for the use of the Armed Forces of the United States for research, development, test, and evaluation, as authorized by law, in amounts as follows:

"For the Army, $1,429,500,000;

"For the Navy (including the Marine Corps), $1,462,600,000;

"For the Air Force, $3,221,300,000, of which amount $82,000,000 is authorized only for the development of an advanced manned strategic aircraft;

"For Defense agencies, $483,400,000."

Mr. STENNIS. Mr. President, I continue with my prepared statement.

STRATEGIC OFFENSIVE AND DEFENSIVE FORCES

First. The force of Minuteman II missiles which had previously been scheduled to increase by 100 a year in both 1966 and 1967 to a total of 1,200 will be kept at 1,000.

Second. Under the plans of the Department of Defense, work on a new manned bomber will be limited to developmental effort on a new design, advanced avionics, and an advanced propulsion system, expenditures for which will total $39 million in fiscal year 1966. In addition, development work on a new short-range attack missile that could be used on such an aircraft will be begun. The committee has provided an additional $82 million in an attempt to encourage entrance upon the project definition phase of this development in fiscal year 1966, as unanimously recommended by the Joint Chiefs of Staff.

Third. There is no decision to produce and deploy a new and improved manned interceptor, although developmental work on the YF-12A will be continued.

Fourth. A decision on the question of producing and deploying the Nike X ballistic missile defense system has been deferred until 1967, but approximately $400 million is included in the bill for continued development of the components of this system.

Fifth. The Department of Defense believes that if additional money were to be obligated for continental defense, first priority for the application of such additional money should be given to civil defense.

As the emphasis in the foregoing summary could be considered as being on the negative nature of key choices for improving our security, I should quickly point out that the forces planned and funded have a striking power that should be dreadful for an enemy to contemplate. By June 30 of this year, we will have 800 Minuteman missiles and 464 Polaris missiles in our operational forces.

Added to this strategic offensive power is that provided by 600 B-52's and 80 B-58's. The estimate is that our authorized missile forces, after absorbing a first strike, could cause 100 million fatalities and destroy 80 percent of the industrial capacity of the Soviet Union.

Mr. President, after hearing all the evidence on the bill, as well as further reviewing our military situation, independently, I believe there is no doubt that we are powerfully armed, that we have the forces and the power on the ground, in the air, on the sea, and under the sea, that are far superior to anything known in history, and that are far superior to anything that a potential enemy or any allied enemies could possibly throw against us.

We have a balanced force, as I have said, on the sea, under the sea, in the air, and on the ground. We have it in the way of a conventional force and we have it in the form of a nuclear force which, if necessary—and God forbid that it will ever be necessary to use it—could be devastating to even a greater extent than I have already indicated in my prepared statement.

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

Mr. STENNIS. I am glad to yield.

Mr. SALTONSTALL. I should like to supplement what the Senator has said. It is my feeling what we have at the present time is a very fine inventory of materiel. What we have done in drawing the bill is to add to the present inventory of materiel a better quality of weapons and a sufficient number of weapons, together with the development of new weapons, to continue to make our force the biggest, best, and most destructive force, if we must use it, that any nation has.

Mr. STENNIS. I thank the Senator. His estimate of the situation is very valuable. He has rendered extremely valuable service in the Armed Services Committee for many years. He is certainly not inclined to make extravagant statements.

Mr. President, if we are to avoid a larger war or an extended war in Vietnam, it will be because of our unquestioned military superiority.

This fact looms large in the background of all this trouble. I believe it is likely to be the deciding factor if we avoid a large-scale extension or expansion of the war.

GENERAL PURPOSE FORCES

The general purpose forces include most of the Army's combat and combat-support units, almost all Navy units, all Marine Corps units, and the tactical units of the Air Force. These are the forces that are planned for use in limited war and in counterinsurgency operations.

That is the general, old-style war that we are talking about.

The Army general purpose forces proposed for the next fiscal year are substantially the same as those that exist this year, with continued improvement in weapons and equipment. An exception is that the temporary authorization of 15,000 men added to the Army's strength for the testing of the new air mobility and assault concepts will be eliminated, as the tests for which these men were provided have been completed and the results are being evaluated.

That reduction is really not a lowering of the fighting strength of the Army in any way. The additional men were brought in as a temporary need to test out certain Army air mobility concepts. It was a temporary testing program, and that program is completed. Therefore, the additional authorization will not be needed longer.

Additional Pershing missiles and launchers are being provided to increase the quick reaction capability of this weapon. Because of disappointments in the development of the Mauler systems, the Army is pursuing an interim program for providing forward area air defense. This interim program involves the use of Sidewinder missiles mounted on vehicles, 20-millimeter guns mounted on self-propelled vehicles, and a self-propelled version of the Hawk missiles.

The Shillelagh missile is being procured for use on the General Sherman armored reconnaissance-assault vehicle, and the Redeye missile will be procured to provide protection for frontline troops against low-flying aircraft.

The rate of Army aircraft procurement is being decreased, pending evaluation of the air mobility tests and the evaluation of some research and development projects that could substantially affect the future nature of Army aviation. The 1966 program involves procurement of Iroquois, Chinook, and light observation helicopters, but at a rate somewhat below that predicted last year.

A formidable problem for the Navy's general purpose forces is air defense for the fleet. To correct this deficiency the Navy has been vigorously pursuing an improvement program for the Tartar, Terrier, and Talos ship-to-air missile systems, it is developing a new standardized missile to replace Tartar and Terrier, and it is studying a completely new ship-to-air missile system for the 1970s. The number of attack carriers in the force will remain 15, but while the *Midway* is undergoing modernization, an older Essex-class carrier, the *Hancock*, will be retained in the force. The Navy will continue to procure F–4 fighter aircraft for carriers and it will begin the procurement of the F–111B, better known as Navy version of the TFX. The A–6A which is used for low-level bombing at night and in bad weather, and the A–7A, the general purpose attack aircraft, will be procured to provide additional punch for the carriers.

The planned construction of 16 destroyer escorts for the antisubmarine forces has been cut back to 10 new ships of this type. Although the program presented to the committee last year contemplated the construction of six nuclear-powered attack submarines this year and for several years into the future, the authorization request was for only four submarines of this type. The Joint Chiefs of Staff had unanimously recommended that this construction be at the rate of six. The committee agreed with this view and added the necessary $133.6 million to permit the construction of two more nuclear-powered attack submarines.

To modernize the antisubmarine warfare aircraft forces and to offset partially the reduction in the construction of destroyer escorts, the planned procurement of the P–3A Orion will be increased.

The Navy will have 263 ships that have a dual capability for antisubmarine warfare and fleet air defense. Many of these are equipped with guided missiles.

Fifteen new amphibious assault ships are planned for construction in 1966 to increase the Navy's ability to transport the amphibious forces of the Marine Corps.

Five logistical and operational support ships will be procured to add to the 160 of these types that are now in the force.

The Marine Corps will continue to maintain 3 combat divisions and 3 aircraft wings and its active duty personnel strength will be increased by 3,000. The Marine air wings will reserve new F–4, A–6A, and A–7A aircraft. The vertical envelopment capability of the Marine Corps will be enhanced by further procurement of medium helicopters and all-weather cargo and troop transport helicopters. The Marine Corps is also procuring the Redeye missile for use by its field forces against low-flying aircraft.

The procurement authorizations for the general purpose forces of the Air Force would be used to buy additional quantities of the F–4 tactical fighter and the first production quantity of the F–111. The program objective for Air Force tactical fighters remains at 24 wings, but the rate of modernization will be somewhat slower than was planned last year.

AIRLIFT AND SEALIFT FORCES

There are two new developments that will affect our capabilities to transport combat forces by air and sea.

Developmental work has started on a new, very large capacity airlift aircraft to be designated the C–5A. This aircraft will be in the 725,000-pound class with rapid loading and unloading features and the ability to operate from low-strength airfields. As a result of the decision to develop and to procure the C–5A the planned procurement of the C–141 jet transport will be reduced by about one-third. In the force that will combine these two types, the C–141 would carry cargo of great density, thereby using its heavy payload potential, and the C–5A would transport bulky, less dense cargo.

The second new start in this area is the planned procurement of fast deployment logistics ships. These ships would be designed for the efficient transport of wheeled and tracked vehicles at high speed. The committee was informed that the plan is to use these ships as forward mobile depots stationed close to potential trouble areas and not for carrying peacetime cargo.

The committee has reduced the authorization request for this class of ship from four to two. We now have three of those ships; the committee decided to authorize at this time only two more of the new ones that were requested.

The design characteristics have not yet been fully developed and the ultimate requirement has not been estimated. There is also some doubt whether ships specifically designed with roll-on, roll-off features for the efficient

transport of wheeled and tracked vehicles should be limited to the pre-position role.

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

Mr. STENNIS. I am glad to yield.

Mr. SALTONSTALL. We cut the building of roll-on, roll-off ships from four to two, because, as the Senator has said, there are three in existence. We believe that the two additional ships would be helpful this year. But the design and the purpose of the deployment of these ships were changing. The question as to whether they should be used to carry passengers, freight, and materiel, or whether they should be used for other purposes and stationed in far-off places on the sea, was not fully determined. Therefore, we wish to go more slowly than what the original program called for.

Mr. STENNIS. I thank the Senator for his comments. He correctly outlined the thinking of the committee on that question.

I should like to add another point with which I am sure the Senator agrees. The idea of building a ship for use possibly only once—loading it and carrying it out into the Pacific somewhere and keeping it there until something might happen so that the materiel onboard would be necessary or it would become so old that it would have to be replaced—is one which requires careful consideration. A great deal of money would be spent for a ship for that purpose. We did not want to go too fast on that course.

The Senator from Mississippi would much more favor the use of such ships if there were a more definite indication that such use would permit the return to this country of some of our military personnel and their dependents. The use of such ships and airlift is better than keeping large numbers of our personnel in foreign countries at an added expense.

Mr. SALTONSTALL. Mr. President, will the Senator yield further?

Mr. STENNIS. I yield.

Mr. SALTONSTALL. Until fairly recently—within a year or so—there was a considerable difference of opinion between commercial interests and the Navy people as to the theory on which these ships are built and the best design for them. Am I correct in that statement?

Mr. STENNIS. The Senator is correct. Until that is worked out, we have withheld approval of those two, anyway.

RESEARCH AND DEVELOPMENT

The number of dollars allocated to research and development is leveling off after some substantial increases in the last 10 years. Many expensive developments relating to missile systems have been completed and, as I indicated at the outset, the emphasis now seems to be on qualitative improvements, efforts to make our weapons invulnerable, and to improve their accuracy and effectiveness.

It is difficult to summarize the research and development effort because of the number and complexity of the various projects, and the extensive nature of the work. The research and development program can be classified by first, requirements—the needs of the user; second, the so-called DOD categories that represent an evolutionary sequencing of progress from ideas to hardware; or, third, by budget activities—which are arranged in accordance with the subject of the military end product or weapon.

The committee report contains a summary of the amounts planned for application to research and development by budget activity. I shall confine my floor remarks to a few general observations.

An examination of the obligation for research, development, test, and evaluation over the last 4 years shows that the proportion of the amounts applied for research in the military sciences to the total research and development program has increased. A large part of the work in military sciences is very basic research, or study, or analysis. The committee has made its research reductions in the military science activity because of an opinion that the practice of contracting for study and analysis by nongovernmental agencies is perhaps being overdone, and also because of a doubt whether much of the work in this activity really produces results beneficial to the national security. There is no failure to recognize that much of the basic research is nonproductive by its very nature, or that it is difficult to judge performance or success in this kind of work. The reductions applied by the committee are relatively modest—5 percent—and there is confidence that these reductions will not be harmful. This confidence is reenforced by the knowledge that the Secretary of Defense can apply funds appropriated for emergencies, or that he can transfer funds from other accounts to research, if there is a demonstrable need to do so.

Some of the larger research and development efforts that would be funded by this authorization are the work on nuclear test detection, counterinsurgency warfare, ballistic missile defense—including both Project Defender and the Army's work on Nike-X—Minuteman II, Polaris, and the new Poseidon, Sram, and Phoenix missile systems, the F-111—TFX—aircraft, design of new ships, shipboard equipment and weapons for antisubmarine warfare, and new tanks and antitank weapons.

In the space field $150 million is budgeted for the manned orbital laboratory—MOL. The Department is continuing to study, in cooperation with the Space Agency, the best way to proceed with this program. The $150 million is intended for continuing design work through the project definition phase and for beginning full-scale development after choice of a single contractor. The committee was informed that these funds will not be obligated until the Department is sure that a sound approach is being made and that the results that can be expected from the program are worth the cost.

Another space project of substantial size is the Titan III space booster, a standardized launch vehicle that may be used for a variety of manned and unmanned missions, including the MOL, and the military communications satellite. The Titan III program has been stretched out from June of 1966 to June of 1967 because the user programs for this booster will not require it until 1967.

The committee added $82 million to the Air Force research and development authorization in the aircraft and related equipment activity. This additional $82 million is intended to fund the project definition phase of work on an advanced manned strategic aircraft in fiscal year 1966. The Joint Chiefs of Staff unanimously recommended that work on this aircraft should proceed to the project definition phase in 1966, and the committee agreed. This committee action is consistent with its frequently expressed opinion that it is important to expedite work on a new manned bomber to replace the aging B-52's.

There is a difference of opinion on how long the older models of the B-52's will last for effective use. The committee is inclined to believe that the estimates of the Department of Defense are too optimistic on this point and that it is a matter of urgency to hasten the development of a new manned aircraft meeting the optimum performance characteristics that the Air Force requires today.

Earlier in my remarks I referred to the Department of Defense cost reduction program.

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

Mr. STENNIS. I am glad to yield to the Senator from Massachusetts.

Mr. SALTONSTALL. I am sure the Senator from Mississippi had in mind, when he spoke about research, that we reduced the amount for research for the military sciences by about 5 percent. We included the full recommendation of the Department of Defense for the rest of the research. We did not include in the cut any of the money that would go into research concerning the nuclear test ban treaty. So actually the 5-percent cut did not apply to the nuclear test ban treaty program but it did apply to all the rest, which I believe was about $340 million.

Mr. STENNIS. The Senator's figures are correct. There is a substantial program underway for checking upon and keeping up with the nuclear test ban treaty—keeping alert with respect to it—and also being ready, should anything occur that would cause us to desire to resume testing ourselves.

The program is complete and fairly definitely established now as to cost. So we left all those funds intact. The only reduction we made in research, as the Senator said, was a modest 5-percent reduction in the other part of military sciences.

Mr. MILLER. Mr. President, will the Senator from Mississippi yield?

Mr. STENNIS. I am glad to yield to the Senator from Iowa, who is a valued member of our committee.

Mr. MILLER. I thank the Senator from Mississippi. I believe it would be well to point out, in connection with what the Senator from Mississippi has just said about research and development, and in connection, further, with the committee's action in increasing the amount of funds for research and development by $82 million, that one of the points which troubled the committee

considerably related to the follow-on bomber. We went into that subject at great depth in analyzing not only the status of the B–52, but also the need for a follow-on bomber and the time phase in connection therewith.

We received assurance from the knowledgeable people in the Department of the Air Force that if the money were made available, they would be prepared within a few weeks or a few months to go forward with the program definition phase for the follow-on bomber. I think it well to point out that this is not a simple problem. It sometimes takes years to define military requirements and come to a conclusion which will permit a program definition phase to be executed. We have assurance that in the near future the Department will be ready to do this if it has the money. If money were authorized and appropriated, but the Department was not ready to proceed, our action would be a gesture in futility. But the Department gave us assurance that it is ready, so I believe the action of restoring the money is well taken.

Mr. STENNIS. I thank the Senator from Iowa for his remarks. I agree wholeheartedly with what he has said with reference to proceeding, when at all possible, with the new concept of a bomber. As I recall, the testimony was that the Department would be ready this year—that would mean this fiscal year—if money were appropriated. So we have made an amount available, so far as authorization is concerned.

Mr. MILLER. It was my understanding that within a matter of weeks or a few months after the beginning of the fiscal year to which the bill applies the Department would be ready.

Mr. STENNIS. That is correct.

Mr. MILLER. It was not a case of being ready at the end of the fiscal year; it was a case of being ready early in the fiscal year. I believe that if the money is made available, it will be spent promptly and wisely.

Mr. STENNIS. I believe the Senator is correct. As I recall, the proposal would be ready soon after the middle of this calendar year.

Mr. MILLER. Yes.

Mr. CANNON. Mr. President, will the Senator from Mississippi yield?

Mr. STENNIS. I am glad to yield to the Senator from Nevada, who has made a valuable contribution to the bill, and who is a valued member of our committee.

Mr. CANNON. Mr. President, Senators will note that the Committee on Armed Services has amended S. 800 on page 2, line 24, by increasing the authorization for research, development, test, and evaluation in the Air Force to $3,221,300,000 and specifying that $82 million of that amount is authorized only for the development of an advanced manned strategic aircraft.

Mr. President, my colleagues and I on the Armed Services Committee have long been concerned with the delay in reaching a decision to develop a manned bomber system to replace our aging B–52 fleet. Since 1961, this matter has been under review and this body has seen fit to authorize additional funds to proceed with the development of such a bomber, but the matter has been constantly put off by the Department of Defense. As of this moment, it is no longer possible to produce such an aircraft in time to replace our oldest B–52's. The Chief of Staff or the Air Force testified before the Armed Services Committee and the Appropriations Committee that these older B–52's will have to be retired by the end of fiscal year 1966. I need not remind Senators that the authorization bill we are now discussing is for that same year, fiscal year 1966.

There is a school of thought on this matter which holds that we should wait to develop an advanced manned strategic aircraft until the scientists have had more time to perfect the propulsion and avionics systems for such an aircraft. It is argued that this would reduce the overall cost of the program. That may be so, but what are we to do in the meantime if we delay a decision for that period of time?

The defense of this country is far too important to allow a bomber gap to occur for the sake of a few million dollars. The simple fact is that the older B–52's will be taken out of service next year because of old age and we will not have any suitable operational aircraft to replace them. The longer we wait, the more B–52's will have to be retired before an acceptable replacement is available.

The Chief of Staff of the Air Force, General McConnell, testified before your committees that the decision to proceed on this matter cannot be put off beyond fiscal year 1967. The Air Force is ready and willing to proceed now.

The report discloses that the original request was in the amount of the additional $82 million that we authorized, and that this amount could be used efficiently in the research and development program. So I urge Senators to approve the additional sum recommended by the committee to enable the Air Force to begin work on this project immediately and bring about the production of advanced manned strategic aircraft a full year sooner than would be possible if we waited until fiscal year 1967 to authorize the funds for it.

I fully support the distinguished acting chairman of the committee in that position, and I urge the passage of S. 800 as reported by the committee on Armed Services and as amended.

Mr. STENNIS. I thank the Senator from Nevada for his fine remarks. He is unusually well qualified to speak on this particular subject. He has made a distinct contribution over the years.

Mr. President, for years the legislative branch of our Government has been pushing, pressing, and urging the more rapid development of a new bomber.

A subcommittee of the Armed Services Committee went to see the late President Kennedy and Secretary McNamara about that. We urged this procedure again last year. We urged it this year. The Joint Chiefs of Staff all agree on the need for pushing it forward.

I have no doubt, great as our missile system is, that we should continue to have a mixed force of bombers and missiles. We may not have it indefinitely in the future, unless we push this new advanced development forward.

I thank the Senators for their fine contributions to the discussion of this subject.

Mr. President, earlier I referred to the Department of Defense cost production program.

A brief statement of the objective of this program is that it attempts to save money by, first, buying only what is needed, through refining of requirements, using excess stocks, and eliminating unnecessary frills in weapons and equipment; second, buying at the lowest sound price through more competitive procurement, and by changing from contract types under which the contractor has no incentive to keep costs low; and third, reducing operating costs through terminating unnecessary operations, consolidation and standardization, and by increasing the efficiency of operations.

The Secretary of Defense estimates that if the objectives of this program had not been pursued so successfully, the cost of defense in 1966 would have been over $4 billion more.

Secretary McNamara generously credited the entire Defense Establishment with accomplishing significant savings. We should recognize, though, Mr. President, that the initiative for this efficiency came from Mr. McNamara and that he deserves the highest praise for what he has accomplished. One does not have to be an auditor or an accountant, and one does not have to accept every dollar of the estimate of these savings to perceive that tangible improvements have been made in the management of the Department of Defense.

The rewards of public service in the Department of Defense may often seem disproportionate to the criticism, frustrations, and misunderstandings to which officials there are subjected. I hope there is some satisfaction to Secretary McNamara and the talented military and civilian assistants he has selected to realize that their contributions are recognized and appreciated. Competence of the type he and they have applied is inspiring to all of us.

I say that of my own volition. I know these gentlemen, one might say, only officially. We are not associated socially to any great extent.

But I have been here long enough to compare their activities in holding down the cost of the new and modern weapons, research and development, and all the related subjects with similar efforts in the past and they deserve much credit.

Mr. President, I wish to make a few brief remarks on something that has come up lately with reference to the inroads that can be made into our regular military program, which further increases the cost of the military support of activities in Vietnam.

Over and above the provisions of this bill, there is a matter of great importance in connection with Department of the Army procurement and funding which demands and is receiving special study and consideration. The requirements for our operations and activities

in Vietnam are not separately or specifically programed for and funded. The result is that our requirements there must be met by the withdrawal of funds, equipment, personnel, and other assets from the Regular Army inventory.

These requirements are considerable. As Secretary McNamara has said:

> Our people in Vietnam have first claim on every dollar and every man in the entire establishment. They have an absolute blank check to draw against and they exercise this power freely and fully without any restrictions whatever.

The impact which this has had and will have upon the Army as a whole is of major concern. For this reason, the staff of the Preparedness Investigating Subcommittee is currently engaged in making a thorough and complete study of the combat and materiel readiness posture of the Army combat divisions. An important part of this study is the impact which the demands and requirements of the Vietnam operations have had and will have upon other Army units and activities. As soon as this study has been completed an appropriate report will be made to the Senate.

That does not suggest anything wrong. It merely means that there is a constantly increasing withdrawal of items that are needed over there from the Regular Forces of the Army. Something special must be done at this session of Congress, even if the situation does not become worse over there. Something must be done to be certain that the withdrawals will not deplete the supplies of ammunition, equipment, and everything that is needed for the rest of the Army.

We must get something definite concerning that into law, perhaps, through the appropriation bills. We need further facts to guide us.

Mr President, the comments that follow are not a part of my remarks on this bill. However, I cannot see any basis whatsoever for the talk—certainly there is no evidence for it now—to the effect that the draft can be discontinued, or that Congress should fail to extend or continue the present Selective Service Act.

Speculation about what could be done or whether it will be continued is harmful to our ability to secure the proper flow of manpower into the services. It encourages postponement. Moreover, it creates uncertainty in the minds of the people, the young men, and their families, in making their plans for the future, and planning their education.

Even though the present law has 2 additional years to run, I think we ought to be emphatic about it now to eliminate uncertainty and get more stability as a basis for planning by persons who have a military obligation to discharge.

Mr. President, this is the bill that is ordinarily managed by that esteemed and beloved Member of the Senate, the Senator from Georgia [Mr. RUSSELL], who is chairman of the Armed Services Committee. The Senator from Georgia had already scheduled these hearings. They were carried out by following his pattern as much as we could.

I commend and thank each member of the Senate Armed Services Committee and each member of the Appropriations Subcommittee on Defense. The Senator from Georgia [Mr. RUSSELL] is chairman of both. I thank them for their very fine cooperation and the careful attention they gave these hearings. The committees sat jointly. There was a splendid spirit of cooperation. A great many of the members of the committee substantially contributed to the hearings and the writing of the bill and examination of the witnesses.

The subcommittee of the Appropriations Committee and the Armed Services Committee came away with a very fine impression of our program and great confidence in it. We, of course, missed the chairman greatly. We are glad to know that he continues steadily to improve and is regaining his full strength and in time will be back to his usual active place here in the Senate. He tells me that he is feeling good now, and that he will be back in full harness when he returns. I am sure every Member of the Senate rejoices in that news.

Mr. President, the pending bill is an important one that I think will contribute substantially to a further strengthening of our ability to defend ourselves and our interests if hostilities should be forced on us. Characteristically, it does not contain everything that every person with responsibility for defense would like, but it does provide the foundation for an enhanced national defense.

I urge approval of the bill as presented by the committee.

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

Mr. STENNIS. I am glad to yield to the Senator from Massachusetts, who, as I have already said, contributed to the consideration of the bill in the hearings so greatly.

Mr. SALTONSTALL. I appreciate what the Senator has said. I, with him, deplore the absence of our chairman who, for a good many years, always took care of this bill in the Appropriations Subcommittee and the Armed Forces Committee. I hope he will be with us shortly. We shall rejoice when that day comes. But may I say to the Senator from Mississippi that he has ably supplanted temporarily the regular chairman, and I am sure the Senator from Georgia will approve of the work of the Senator from Mississippi.

Mr. STENNIS. I thank the Senator, but I am but a mild substitute.

Mr. SALTONSTALL. Mr. President, I support what the acting chairman has said. I support him in full. The committee has submitted the request for new spending authority by the Department of Defense for the fiscal year 1966. As submitted to the Congress, S. 800 requested $8.7 billion for procurement and $6.6 billion for research, development, test, and evaluation. The committee reduced the amount requested for procurement by $51.4 million and added a net amount of $38 million for research, development, test, and evaluation, for an overall net reduction in the bill of $13.4 million.

I supported the acting chairman in the addition of $82 million for further development of the manned bomber. I also supported the addition of two nuclear attack submarines, raising the total from four to six. We added these two amounts to the bill because they were supported by the unanimous opinion of the Joint Chiefs of Staff.

Where there is a difference of opinion between the top civilians and the unanimous vote of the Joint Chiefs of Staff, and where there is doubt in the committee as to who is right, it is my opinion that we should add the additional amount. The Department of Defense need not spend that money under the authority of the President, unless it wishes to do so. But it is our duty to appropriate what is needed. This money may be needed and may be used, so we added $82 million for the manned bomber development, and increased the number of submarines authorized from four to six. I believe this was wise. As the Senator pointed out in the colloquy, we also reduced some research funds for military science, but not for the nuclear test ban treaty.

I have a very brief statement I wish to add to the statement of the Senator from Mississippi. I believe that this bill is a good one and has been carefully developed with a great effort by members of the committee, who have been extremely conscientious in their attendance at the hearings, as the Senator from Mississippi has well said. It covers the procurement of material and provides funds for research and development. The committee was most careful to make cuts where it felt that the program could be stretched out and the delay would have no marked effect on our defense effort.

I refer particularly to the elimination of funds for the procurement of 10 E-2A Hawkeye aircraft. As is stated in the committee report, at the bottom of page 5, the committee understands that the procurement will keep the production line in operation through the early part of calendar year 1967. The committee felt that procurement of this type of aircraft before there was evidence that it could fully perform its mission was unwise. Therefore, it decided to delay further procurement until such time as the technical defects were remedied.

I invite the attention of Senators to what the Senator from Mississippi and I know, namely, that there is a considable amount of reprograming. About 20 percent of the procurement of the Armed Forces is reprogramed.

In addition, there is an emergency funds of $150 million than can be used for additional research and development.

Also, there is $150 million that the Secretary of Defense has authority to transfer from any or all military functions appropriations available to the Department of Defense, but no one source can be reduced by more than 70 percent.

In addition to the $300 million I have just mentioned, there is $200 million for research and development available to the Department of Defense in the same manner and with the same limitations as contained in the "emergency fund."

Therefore, if it becomes absolutely necessary, there is $500 million the Sec-

retary of Defense can use in research and development or for additional procurement, if the Hawkeye or any other materiel becomes important.

I agree with the committee that the Department of Defense should reduce from four to two the request for fast deployment logistic ships, and that it should reduce the request from 10 to 5 for motor gunboats.

I supported what the committee has done with respect to the request for research and development.

I shall not repeat what I said about research under the nuclear test ban treaty. I urge the Senate to approve the bill as reported by the committee. If there are any differences between the House and Senate in connection with any materiel procurements, that can be straightened out in conference.

I support the Senator from Mississippi. I hope the Senate will pass the bill.

Mr. STENNIS. I thank the Senator again.

The only thing I have to add at this time is to read into the RECORD at this point the committee action with reference to a particular procurement program for aircraft for the Navy:

The committee deleted an item of $99.8 million for the procurement of 10 E-2A Hawkeye aircraft.

The E-2A Hawkeye is a carrier-based early warning aircraft that is important to fleet air defense. This program was initiated in 1957 and a substantial number of this type aircraft has been funded. Because of technical deficiencies, the 1965 procurement was canceled by the Department of Defense and the procurement authorized in earlier years was stretched over a longer period. The committee understands that the stretched procurement will keep the production line in operation through the early part of calendar year 1967.

The procurement of a significant number of this type aircraft before there was evidence that it would perform as intended appears to be an instance of a commitment to production before this action was warranted.

The committee appreciates the importance of the E-2A aircraft to fleet air defense.

The Senator from Massachusetts [Mr. SALTONSTALL] might well be interested in this:

If the technical problems can be solved, the committee will be sympathetic toward authorizing additional procurement, but the committee desires to review the progress made on solving these problems before approving additional procurement at this time. If the deficiencies are overcome before another authorization request is considered, additional funds could be applied to this program after approval by the Congress of a reprograming action.

I point out that the production line will not be stopped because we took out these airplanes. Continuing production can be forthcoming well over into the early part of the calendar year 1967 and, by then, the program can have been back before us and we can consider whether to authorize the application of additional funds to this procurement, by reprograming or otherwise.

Mr. SALTONSTALL. Mr. President, will the Senator from Mississippi yield?

Mr. STENNIS. I am glad to yield to the Senator from Massachusetts.

Mr. SALTONSTALL. I agree with what the Senator has said. We were careful to point out in our report that when the "bugs" were removed, or on their way to being removed, we were interested in the aircraft.

This year's request was for 10 more. So all we have done is to cut out the additional 10 planes until we can be convinced, through proper evidence, that the "bugs" have been taken out.

Mr. STENNIS. I thank the Senator from Massachusetts for his comments.

Mr. President, unless there are more questions, I yield the floor.

The PRESIDING OFFICER (Mr. INOUYE in the chair). The bill is open to further amendment.

Mr. CANNON. 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. CANNON. 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. CANNON. Mr. President, I send to the desk an amendment to the pending legislation and ask that it be read.

The PRESIDING OFFICER. The amendment will be stated for the information of the Senate.

The LEGISLATIVE CLERK. On page 3, line 5, it is proposed to insert the following:

SEC. 202. (a) Section 271 of title 10, United States Code, is amended by inserting "(a)" immediately in front of "Under" and adding at the end of such section a new subsection as follows:

"(b) Notwithstanding any other provision of this title, a member of the Ready Reserve may be transferred to the Standby Reserve, Retired Reserve, or to an inactive status only at his request to be so transferred, or—

"(1) if he fails to comply with the standards and qualifications prescribed pursuant to this title for all members of the Ready Reserve of the service of which he is a member; or

"(2) pursuant to the provisions of chapter 363, 571, or 863."

(b) The amendment made by subsection (a) of this section shall be effective in the case of any member of the Ready Reserve on or after December 1, 1964; and any person who, on or after such date and prior to the date of enactment of this Act, was a member of the Ready Reserve and was transferred to the Standby Reserve, Retired Reserve, or to an inactive status without his consent shall be restored to his prior status in the Ready Reserve within thirty days after the date of enactment of this Act unless he requests in writing to remain in his current status.

Mr. CANNON. Mr. President, the Department of Defense on January 16, 1965, issued directive 1200.7 ordering all Members of the legislative branch and the judicial branch of the Federal Government, as well as key employees of the executive branch, out of the Active Reserve and into either the Standby Reserve of the Retired Reserve, depending upon their length of service.

Although the detailed procedures were not spelled out in the directive, recent amplifications have indicated that the Department will consider all executive department employees of grade 15 or above to be key employees and to be thus subject to the screening process from the Ready Reserve absent special circumstances.

I have very recently been informed that some Departments of the executive branch have considered personnel of the grade of GS-4 and above to be key employees under that provision.

The propriety and legality of the actions of the Defense Department in this regard are highly questionable for several reasons. First among them is the fact that participants in the Ready Reserve program are required to sign a Ready Reserve agreement, a contract which binds them to a term of service in the Active Reserve from 1 to 5 years. The individual is clearly bound by such contracts in a legal sense and the right of the Department of Defense to unilaterally abrogate such agreements is in doubt. The issuance of this directive marks the first such attempt in the more than 50 years of the Reserve system as we know it.

With reference to Members of the legislative branch who also may be members or former members of the Ready Reserve, their requirements for military service should be the subject of a Presidential determination, as they were in World War II. The premise underlying the Defense Department order is in error; namely, that a Member of the Senate or the House of Representatives, or the other persons to whom I have referred, is unfit not only to serve in the Ready Reserve, but also to decide for himself whether he can best serve his country at a time of national crisis as a legislator or as a member of the Armed Forces on active duty. President Johnson himself went on active duty in the Navy during World War II and served for 7 months until recalled by President Roosevelt. Twenty other Members of Congress, including Senators now present on the floor, did the same thing before the President determined by Executive order that they should be recalled. Subsequent to the recall order, 12 of that 20 later resigned or did not seek reelection in order to remain on duty in the Armed Forces, many for the duration of the war. This leads to another aspect of the DOD directive; its penal nature.

If a Member of Congress or of the executive branch should decide to resign his position in order to serve in the armed services during a national emergency, he will have been denied the opportunity to prepare himself for such duty as a member of a Reserve branch of the armed services for as long as he has held that position. Additionally, the directive harshly discriminates among Reserve officers who have less than 18 years of service and more than 20 years of service. This is so because those who have more than 18 years' service, but less than 20, will be permitted to remain in the Ready Reserve for the purpose of accumulating 20 years for retirement purposes. Thus, those with less than 18 years of service are summarily prevented from further participation in the Reserve program in order to qualify for retirement, and those with over 20 years are forced to retire prematurely or enter the limbo of the Inactive Reserve where they

are unable to accumulate credit for retirement or promotion or to maintain a readiness for service in the event of an emergency.

Further, the failure of incumbent Members of Congress to win reelection is not an unknown phenomenon. In the 1964 elections, 10 Members of Congress who are also ready reservists were defeated, leaving 70 remaining Members as active reservists. If those 10 had not been eligible to participate in the Ready Reserve during their congressional service, and thus qualify for promotion and retirement points, their reentry now into the Ready Reserve would leave them behind their contemporaries in promotion and current readiness—a severe penalty for serving in the Congress. It is unfair to deny the right to accumulate promotion and retirement credit to a reservist simply because he is also serving his country in an elective or appointive office.

Mr. President, my amendment to the military authorization bill provides that any person transferred to the Standby Reserve or the Retired Reserve as a result of DOD Directive 1200.7 shall be restored to his prior status in the Ready Reserve within 30 days. The amendment makes clear that the Secretary of Defense lacks authority to make such blanket determinations in the future. It does not interfere in any way with the existing regulations for the management of the Reserve. In my view, this amendment is necessary because of the present disposition of the Department of Defense to take upon itself authority to issue orders contrary to the spirit, if not the letter, of congressional policy as set down in the statutes of the United States.

No order such as this has ever before been issued in the history of this Republic. In the 59 years since the passage of the Dick Act, there has been no precedent for this action. It represents an attempt on the part of the Department of Defense to create legal authority where none has previously existed. The very attempt illustrates the urgency for statutory clarification of the situation so that the intent of Congress, the country's only constitutional lawmaking branch of Government, may be made crystal clear.

The question of the legality of Members of Congress holding Reserve commissions has been the subject of discussion on the Senate floor several times. However, the colloquy between the distinguished senior Senator from Florida [Mr. HOLLAND] and former Senator Goldwater on June 4, 1963, made clear beyond doubt that there was no constitutional violation when a Member of Congress also serves in a branch of the Reserve. A provision of the United States Code describes the status of a Reserve officer not on active duty. Title 5, section 30r(d), United States Code says:

> When he is not on active duty, or when he is on active duty for training, a Reserve is not considered to be an officer or employee of the United States or a person holding an office of trust or profit or discharging any official function under, or in connection with, the United States because of his appointment, oath, or status, or any duties or functions performed or pay or allowances received in that capacity.

Mr. President, for all the foregoing reasons I feel my amendment must be adopted. I urge my distinguished colleagues to consider the importance of this matter with great care and to vote in favor of my amendment.

Mr. President, the question has been posed whether my amendment would apply to the so-called congressional Reserve units which were in existence some time ago. I wish to state for the RECORD that my amendment would have no effect on the status of the congressional Reserve units, all of which were disestablished by the service Secretaries. The conduct of such units is clearly a matter within the discretion of the military departments. My amendment goes only to the eligibility of individuals to participate in the Ready Reserve; it does not purport to direct the reestablishment of defunct Reserve units or otherwise affect the management of the Reserve program.

I yield the floor.

Mr. STENNIS. Mr. President, I ask unanimous consent that I may suggest the absence of a quorum without my losing the floor.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. STENNIS. Mr. President, I do not desire to delay—and I am sure no other Senator wishes to do so—consideration of the bill. But for the first time there has now been proposed an amendment to the bill which was not presented to the committee. No hearings have been held on the amendment. I do not believe any Senator can state exactly what the impact of the amendment would be on our highly important Reserve system. Under those conditions, as well as for other reasons, I would feel compelled to continue consideration of the amendment until an opportunity has been afforded to inform Senators as to what it means and what it would do.

The amendment would in effect overrule to a large extent the order of the Secretary of Defense as delegated by the President of the United States. Although in some respects it is a different order from several preceding orders, nevertheless it was issued in the process of carrying out what has been the policy for several years under a law that was enacted for the purpose of trying to build up the Reserves.

As I said, there is no report on the amendment. There is no way for Senators to be informed, except through debate on the amendment. There is no way to get all the facts before the Senate. As active chairman of the committee, I feel compelled to take that position.

I should like briefly to point out the history of this subject. In 1955 the Congress enacted a law which was intended to be used really to strengthen the Army Reserve forces by authorizing a statutory screening process. I believe that until 1955 there was no statutory authority for screening the Reserves and as long as a member of the Reserves carried out his orders and met the minimum requirements, there was no way to screen out the Reserves.

Under that law, President Eisenhower issued an Executive order transferring that authority, as he was authorized to do, to the Secretary of Defense. In turn, the late President Kennedy exercised the power through Executive order, turning it over to the Secretary of Defense. In turn, President Johnson issued a continuation of the Executive order turning that power over to the Secretary of Defense.

Under that law and the power thereby delegated by the President last January, the Secretary of Defense, Mr. McNamara, issued amended regulations for screening the Ready Reserves.

It contains some new disposition that I understand from the Senator from Nevada is the main basis of his complaint. It contains new items which I shall read in a moment. The amendment offered by the Senator from Nevada would amend the entire law that Congress enacted in the 1950's and would withdraw from the President the certain power to issue regulations for screening personnel in the Ready Reserve, thereby keeping it up to date as a going, quick, ready, hard-hitting organization, composed of men who are ready to go and are not needed more for other uses. The amendment would reduce the authority of that law.

The main discussion has been with reference to the part of the Department of Defense directive that provides as follows:

> The following members of the Ready Reserve who have fulfilled their Ready Reserve obligations will be transferred to the Standby Reserve.

That provision transfers them from the Ready Reserve—"ready to go" better describes them than any other words—to the Standby Reserve.

The Vice President of the United States, the members of the Cabinet, and other Presidential appointees requiring Senate confirmation were transferred under this order. Then:

> (B) Members of the legislative branch of the United States.
>
> (C) Members of the judicial branch of the United States.

In other words, those of Cabinet rank are included, and there are others. But generally the others follow what has been the order of screening heretofore.

This amendment does not pertain only to the three groups I have read, beginning with the Vice President and continuing through the legislative branch and judicial branch. It would amend the law that permits the President to screen the Ready Reserve, and would again make it the law of the land, even though we are trying to emphasize Reserves more, that the President would have reduced power to screen these men. Those of them who have a mind to do so would not have to

do anything except to fulfill the minimum requirements, and could "sit it out." That would not include others, of course. But the Cannon amendment would revert to the old rule that does not give the emphasis to the screening that Reserve system deserves, in saying that so long as a man meets the minimum statutory requirements of the Reserve, he will continue to draw his pay and be in the Ready Reserve; and I suppose all the promotions would come in due course.

In other words, the order merely draws the hand back and says, in effect, "These men are not touchable."

I submit that regardless of the individuals involved or regardless of hardship that might accrue to individual Members of Congress, we should not enact general legislation that would put all the members of the Ready Reserve beyond the reach of even the Commander in Chief. That would not be consistent with the needs of national security.

I have been urging for years the appropriation of more money for more equipment, more supplies, more readiness, more pay, more functions, more buildings, more guns, and more of everything else for the Reserves, both the Army Reserves and the National Guard, which is a part of the Reserves. So this is not a new question to me. With all deference to everyone concerned, this proposal would definitely be a step backward in the Ready Reserve program. The principal differences between this Department of Defense order and the others that have been issued are those that I have mentioned.

In the first place, we are considering purely a hardware bill. The bill has to do with ships and aircraft of all kinds, materiel, research, and development. It concerns the actual hardware for all of our vast worldwide military program. The amendment offered by the Senator from Nevada has no business being tied to this bill, whatever the merits of the amendment. I am in sympathy with the motives of the individuals who have talked with me about the subject, but the amendment does not belong in the bill. It would literally cut the insides out of one of the major operations of our Reserve system.

Let us consider this subject only after there has been a hearing on a bill to amend the present law; after we have had an opportunity to get facts and to hear both sides; and after we have had an opportunity to evaluate the proposal and get the recommendations of the committee. Then let such a bill be placed on the calendar, and I shall help to move it along so that it can be debated on its merits and we can decide whether we wish to change the policy or not.

By all means, let us approach the subject under the conditions we are faced with now in a systematic, orderly, and logical way. The amendment is a shotgun proposal to amend a major law at the last moment. The committee has had no opportunity to study the proposal.

I speak with great deference to the Senator from Nevada. He is a valued Reserve officer and has an outstanding record. I do not detract from him or his excellent record. But I am compelled to tell Senators that, to a degree, these are matters of personnel. If the problem can be settled in a logical, systematic way, I shall be up front, fighting to do justice to the men concerned.

I have never had a more pleasant conversation and have never been more impressed with a man than I was with the distinguished Senator from Iowa [Mr. MILLER] who spoke with me about this subject. He has had many years of fine service in the Reserve and is a man who is willing to serve. I would not, of course, do anything that would hurt him. But we are not dealing with individuals in this matter. We are dealing for keeps in the matter of preparedness, especially in view of the reliance and dependence that we have come to place on our great Reserve system. I use the word "great" advisedly, because I know something about the contribution that many of the Reserve units and many of the National Guard units have made. I am up front in wanting to support them.

The Senator from Nevada mentioned this subject to me the latter part of last week, after the committee had passed on the bill; but when I received a copy of his amendment, I turned it over to a member of the staff of the committee who knows more about personnel than anyone else. I asked him to get some figures concerning the number of men the amendment would affect. In one short sentence, his memorandum states:

> Unfortunately, the Department of Defense does not have the statistics which indicate the reasons for the transfers from the Ready to the Standby Reserve.

In other words, 520,000 men, during fiscal 1964, were screened out of the Ready Reserve for all reasons. There were about 60,000 officers and 460,000 enlisted men.

A larger number of those transfers were due to transfers of those who completed obligated service. That is not this kind of screening before us now.

So I asked: "How many men can I tell the Senate this proposal would directly affect?" We cannot get those figures. But it will be in the thousands—not merely the small number we have been discussing. We do not know and therefore cannot tell the Senate what the impact of the amendment would be.

I have hurriedly prepared some remarks that are partly a repetition of what I have said; but I plead with Senators under their responsibilities as Members of this body, to go slow before they vote for the amendment. If it were to become law, it would literally cut the heart and soul out of the method of making our Reserve system effective and keeping it screened, so as to keep in it men who are ready to go and trained to go. These men are not screened out now because of any deficiencies of their own. I wish to emphasize that. They are removed, under this order, because they are already serving the Government in capacities that are deemed to be more important than would be their services as members of the Ready Reserve. As a part of making our Ready Reserve more and more ready, a number of persons were screened out because it was felt that they were more important in the positions they now hold. Of course, I had nothing to do with that. I knew nothing about it.

We have now in the Preparedness and Investigating Subcommittee a matter that I did not want to handle. However, the Senator from Georgia said, "Your subcommittee will handle it." I refer to hearings on the realinement program of the National Guard and Reserve. The amendment does not go to the abolition of the Army Reserve. That is another matter. The amendment relates to it in some way. However, if we want to preserve the Army Reserve, we cannot do it by voting for this amendment. This amendment goes to the assessing of the personnel and the screening of this Ready Reserve, which ought to be done every 12 months.

We are conducting hearings at the present time. We have not finished the hearings by any means. Certainly a special study should be included in those hearings.

The effect and the substance of this amendment is to reduce the ability of the President to screen the Ready Reserve of our Armed Forces.

As we know, the entire purpose of the screening is to insure that our Ready Reserves will be at their peak of readiness whenever they are mobilized, giving recognition at the same time to the needs of our civilian Government and economy.

The provisions of the proposed amendment, in effect, would provide that if a member of the Ready Reserve meets the prescribed qualifications and is not past the legal limit pertaining to age and length of service, he may not be relieved or removed from the Ready Reserve without his consent.

The amendment would have a retroactive date of December 1, 1964. That does not mean the members of our group in the Senate or House, or judges who were affected, or a few members of the President's Cabinet, or others under the confirmation process.

That means that no one in the Ready Reserve could be screened out so long as he was within the age and service limits and met the other requirements.

This proposal would give freedom of choice to the individuals on this question, rather than leaving this matter to the President, or to the Department of Defense, to whom this authority is delegated.

I would look with some favor on an amendment that pertained to a group, or provided that a Member of Congress should not be screened out. That would be wholly different, though. This proposal would prohibit the President of the United States from screening anybody out of the Ready Reserves, if he meets these minimum requirements.

I submit that if we are to have effective management of our Ready Reserves and meet the needs of national security, there must be a limitation on the freedom of choice on the part of the individual. In other words, there must be a single authority, as the existing law provides, with respect to making decisions on the screening of our Reserves.

The law now contained in section 271, of title 10, United States Code, provides the President with very broad authority for screening the Ready Reserves in order to accomplish five stated objectives.

The first objective is to prevent the attrition of units and members during mobilization, thereby insuring their availability when the proper time arrives.

We are talking about an effort to have a Reserve force that is ready to go. We are trying to get Reserves that are composed of men who are trained and ready to go. Under the proposed amendment, we would stay the hand of the man to whom we have heretofore given the responsibility of the screening out process.

The other objectives aimed at are as follows:

The second objective is a retention of a proper balance of military skills;

The third objective is to insure that critical civilian skills are not retained beyond the needs of the Reserves, thereby giving recognition to the needs of the civilian economy during the war effort;

The fourth objective is recognition of previous combatant action with respect to retention in the Ready Reserves; and

The fifth objective is to insure that extreme personal or community hardship will not occur as a result of retention in the Ready Reserves.

One could say, "The President could decide that after war was declared." I do not think that we shall declare war any more before we get in it. We did not do it in the case of Korea. The idea is to have men at the key place, trained and ready to go. Others are already screened out, so that when the order comes for them to move, they move forward as a unit, without anyone stopping and having to decide whether he was more valuable in that slot or in Congress.

We want the system as it is now, in which system it is provided that some responsible person has already said where he would be the most valuable.

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

Mr. STENNIS. I yield.

Mr. SALTONSTALL. The Senator has read the five provisions. The important thing, in my opinion, in section 271 is that under the regulations to be prescribed by the President, each armed force shall provide a system of continuous screening of units and members of the Ready Reserve. Those are regulations prescribed by the President. It gives the authority subject to the order of the Commander in Chief, the President of the United States. It says, "shall." It does not say, "may," or any other equivocation. It says, "shall provide." This amendment would take away the regulation that the President is authorized to exercise under this statute.

Mr. STENNIS. The Senator is correct. That is the law that was enacted in 1955. I would dislike to lose a single one of these men. The law was passed to authorize the Reserves. The law was used by President Eisenhower, President Kennedy, and now President Johnson.

We would weaken the Reserves by agreeing to this amendment. It is not necessary. It would be a step backward. It would weaken our whole system. If we were to repeal that section, we might as well stop talking about trying to build up the Reserves, put more money in it, or anything of that kind. In view of the fact that the proposed amendment would require an individual's consent for his removal from the Ready Reserves, I submit that the present authority would be diluted. No recognition could be given to the proper balance of skills if the individual might choose to remain in the Ready Reserves. No recognition could be given to the need for critical skills in the civilian economy. No recognition could be given to community hardship situations where the individual might be otherwise qualified and choose to remain in the Ready Reserves. In effect, the amendment would not permit a freedom of choice by all individuals.

When we are dealing with our Armed Forces, if we are to have an effective screening process, there must be a central authority with a single set of ground rules. That is what we did when we enacted the law.

Prior to 1955, there was no specific statutory provision for screening the Ready Reserves. The Korean experience, due to the many inequities and mixups during mobilization, magnified the need for a statutory system in order to attempt to achieve equity among the individuals involved and at the same time provide a continuous system of screening to make certain, so far as possible, that units and individuals would be trained, ready, and available when called.

Friends have called me and said that Members of the Senate, fine as they are, have a right to continue this service. Personally, I wish they could. But matters cannot be decided on a personal basis or on the basis of what is ordinarily an individual's right, when we are dealing with this subject matter.

The Presidential authority under section 271 for a number of years has been delegated to the Secretary of Defense and certain Department of Defense directives have been in effect for a substantial period of time. It is evident, however, that in the opinion of the Department of Defense, the screening process by the military departments has left something to be desired. As an example, the military departments were advised by the Assistant Secretary of Defense on November 1, 1962, that "the previous callup of the Ready Reserves in late 1961—the Berlin callup—reveals certain problem areas resulting from incomplete or inadequate screening of ready reservists."

That is what we said based on our Berlin callup experience. Even with this law, nevertheless, in practice, there are certain problems that result from incomplete or inadequate screening. The purpose of the amendment is to repeal the law for all screening. It does not make sense. Since the recent directive by the Department of Defense on January 16, the screening process has been intensified. It requires removal from the Ready Reserve of Members of Congress and Presidential appointees, members of the judiciary, and all key employees of all three branches of the Government. It is not directed exclusively against Members of this body. It is directed to key employees of all three branches of Government.

This action has been taken to insure what the Secretary of Defense considers the best uses of these individuals during periods of mobilization. In effect, it has been determined that, for the officials involved, their talents are more vital to the effective functioning of the Government during an emergency in their civilian capacities than in uniform.

Here again, in certain cases, these decisions may be debatable as to certain individuals, but we do not want to repeal a law and withdraw those persons from certain agencies in which President Eisenhower, and Presidents following him, have screened the Ready Reserves, so that they are ready to go and can move.

I have already urged on the Senate in every way I know the reasons why the amendment should be rejected.

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

Mr. STENNIS. I yield.

Mr. MANSFIELD. Would the distinguished Senator from Mississippi, acting chairman of the committee, consider the possibility of holding hearings in his committee on this subject so that it can be considered on its basis, and not in relation to the present procurement measure now before the Senate?

Mr. STENNIS. Out of a sense of duty, I would do so if requested; and, as an individual, I think it is humane that we do so.

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

Mr. STENNIS. I yield.

Mr. SALTONSTALL. I would say to the Senator from Montana that, at the request of the chairman of the committee, the Senator from Georgia [Mr. RUSSELL], who is absent, the Subcommittee on Preparedness, headed by the distinguished Senator from Mississippi [Mr. STENNIS] is already holding hearings on this subject.

Under the rules of the committee, we shall have to make a report to the full committee when the hearings have been completed. When that report comes before the full committee, we shall have an opportunity to hold whatever other hearings are necessary, or submit a resolution to take care of the subject. That should be done, rather than tie the amendment to this particular bill, which is a procurement bill. We want to get the authorization through, so the materiel of our Armed Forces can be built up. I say that as a member of the Armed Services Committee and a member of the subcommittee on which the Senator from Mississippi serves.

Mr. STENNIS. I thank the Senator, and add this statement to his with respect to what he said about holding the hearings. There is an exception. We have not gone into the particular phase covered by the amendment, but it is related, and the subcommittee could go into that phase, or another subcommittee could be appointed to go into it.

The question ought to be looked into. It involves many fine people. I have never been more impressed with a case than that presented by the Senator from Iowa. But I will object from now until the sun goes down and insist that this amendment should not be added to this bill, for the reason that we do not know anything about it——

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

Mr. STENNIS. I yield.

Mr. SALTONSTALL. I will say to the Senator from Montana [Mr. MANSFIELD] that there are other ways in which we can do it. There were no resolutions on the matter until we saw the amendment on the subject. There are two ways to accomplish the desired objective. The subcommittee has to make a report. We can draw up a resolution. Or, if the Senator from Nevada, the Senator from Iowa, or other Senators who are interested or are members of the committee, can bring up a resolution, it can be placed before the full committee, and then there can be a hearing on the resolution. Thus we can bring into focus the Department of Defense to make recommendations on that resolution, and we shall have the question before us.

Mr. STENNIS. The question of realinement is so conflicting, involving the Reserves and the National Guard, that I would not want to promise, on such quick notice, to blend all those hearings into one. This question involves Members of the Senate, who are fine and honorable men. The subject should be considered impartially. I think it should be considered whether or not another group or committee should consider the question. But I promise to hold a hearing and try to work on it.

Mr. SALTONSTALL. What I had in mind was not a resolution on the part of our subcommittee, but a resolution being presented to the subcommittee, and having the subcommittee act on it.

Mr. MANSFIELD. Mr. President, will the Senator from Mississippi yield to me so I may direct a query to the Senator from Nevada?

Mr. STENNIS. I yield.

Mr. MANSFIELD. In view of the statements made by the acting chairman of the full committee and the ranking minority member of the committee, will the Senator from Nevada consider acceding to their suggestions with respect to this amendment?

Mr. CANNON. Am I to understand that I am being given assurance that if the amendment is not pressed at this time, the Preparedness Subcommittee or an appropriate committee will proceed to hold hearings and proceed to report it expeditiously?

Mr. STENNIS. Yes.

Mr. SALTONSTALL. I join the Senator.

Mr. CANNON. I am satisfied with that statement. I would like to make one statement to correct a statement made that the amendment would repeal the authority of the President or the Secretary of Defense to screen the Ready Reserves. Such is not the case. I did not want the RECORD to stand uncorrected. This language comes at the end of section 271 as an additional subsection, and does not prohibit the right of the President or Secretary of Defense—and particularly the Secretary—to screen on military matters. I did not want that misunderstanding in the RECORD.

With the assurance I have been given, I am willing to withdraw the amendment.

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

Mr. CANNON. I do not have the floor.

Mr. STENNIS. I shall be glad to yield. May I first say one word, in view of what the Senator from Nevada has said. I read a part of his amendment:

> Notwithstanding any other provision of this title, a member of the Ready Reserve may be transferred to the Standby Reserve, Retired Reserve, or to an inactive status only at his request to be so transferred * * *

So if he does not consent to it, that power is cut off, provided he meets the minimum requirements.

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

Mr. STENNIS. I yield.

Mr. MILLER. I wish to reaffirm what the Senator from Nevada had to say, and request the Senator to continue reading, because there is a provision thereafter which in effect would leave the screening provision intact.

I would not have even considered supporting the amendment of the Senator from Nevada if its language had stopped at the end of the words the Senator from Mississippi just quoted; but with the additional words which are in the amendment, I thought it was a thorough amendment.

If the Senator from Nevada will permit, I should like to ask for an understanding on this point, because as I understand from his asking that hearings be held on this matter, he then said something about reporting it to the Senate for consideration. Have I understood the Senator from Nevada correctly on that point?

Mr. CANNON. I said that it would be reported expeditiously.

Mr. MILLER. The Senator means reported to the Senate as a bill?

Mr. CANNON. If the subcommittee holds hearings on it, it will make an expeditious report to the full committee, and then the full committee may decide against reporting it.

Mr. MANSFIELD. But at least there would be a hearing.

Mr. CANNON. But I am talking about an expeditious report after the hearing.

Mr. STENNIS. Mr. President, I am not going to stand here and try to pledge any subcommittee or committee as to what it will do or not do when it reports, or anything else, if it involves something we have not had an opportunity to study.

Mr. SALTONSTALL. Mr. President, will the Senator from Mississippi yield?

Mr. STENNIS. I yield.

Mr. SALTONSTALL. I should like to ask the Senator from Nevada a question, so that there will be no misunderstanding.

My question is: Under our general rules, I understand that the subcommittee has to make a report to the full committee. The full committee then has the opportunity to discuss the entire subject. If it votes favorably, of course the measure will be reported to the Senate, but if it votes negatively at that time, it will not be reported to the Senate.

Mr. CANNON. I understand that.

Mr. President, I withdraw my amendment.

Mr. STENNIS. Mr. President, before I yield the floor——

The PRESIDING OFFICER. The amendment of the Senator from Nevada is withdrawn.

Mr. STENNIS. Mr. President, I have not yet yielded the floor.

The PRESIDING OFFICER. The Senator from Mississippi still has the floor.

Mr. STENNIS. Mr. President, I wish to add the rest of the amendment at that point, which I did not have an opportunity to see until debate started today. The remainder of the amendment reads:

> If he fails to comply with the standards and qualifications prescribed pursuant to this title for all members of the Ready Reserve of the service of which he is a member—

And so forth.

I have said all the time that if he did not meet the minimum requirements, he could be screened out, of course. That goes without saying; but if the interpretation I have placed on the amendment is not substantially what I said, why offer the amendment? If it were not necessary to change present law, the amendment would not be offered.

Mr. MILLER and Mr. BARTLETT addressed the Chair.

The PRESIDING OFFICER. The Senator from Iowa is recognized.

Mr. MILLER. Let me say to the Senator from Mississippi that I appreciate very much his attitude of fairness on this issue.

Mr. STENNIS. I thank the Senator.

Mr. MILLER. I regret that perhaps I did not understand the amendment the same way he did; but I wish to make clear that there was no intention on the part of the drafters of the amendment—and I participated in its drafting—to do anything to pull the hand of either the Secretary of Defense or the President so far as screening is concerned, except on one point: Because we happen to be Members of Congress, or someone happens to be a member of the judiciary, or someone happens to be a member of the executive branch, that mere fact by itself is not sufficient to screen us into the Inactive Reserve. We will take our chances with everyone else, and if we do not measure up to it, very well. I believe that this is the thrust of the amendment. I am sure that will be the basis for its advocacy before the subcommittee during any hearings which will be held.

Mr. STENNIS. I thank the Senator for his comments.

Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Mississippi will state it.

Mr. STENNIS. The Senator from Nevada withdrew his amendment, did he not?

The PRESIDING OFFICER The amendment has been withdrawn.

Mr. STENNIS. I thank the Chair.

Mr. President, I yield the floor.

Mr. JAVITS addressed the Chair.

The PRESIDING OFFICER. The Senator from New York is recognized.

Mr. JAVITS. Mr. President, I should like to have the attention of the distinguished Senator from Mississippi, the Senator in charge of the bill.

Mr. STENNIS. Mr. President, does the Senator from New York have the floor?

The PRESIDING OFFICER. The Senator is correct.

Mr. JAVITS. I do.

Mr. STENNIS. Mr. President, I ask for the yeas and nays on passage of the bill.

The yeas and nays were ordered.

Mr. STENNIS. Mr. President, I thank the Chair and also the Senator from New York.

Mr. JAVITS. Mr. President, I should like to ask the Senator from Mississippi a few questions on this matter of the Hawkeye aircraft which has been deleted from the bill as introduced. I suggested to the Senator's assistant on the floor that I would ask these questions.

We sent a series of questions to the Navy, which has specifically answered them. The information elicited would seem to indicate two aspects of the matter which have a tendency to dictate, perhaps, some change in the committee's action. Knowing that this is an issue which will come before the committee in conference, I pose these questions for the Senator:

In essence, what we glean from the Navy's answers is that if we did what the committee suggests, namely, to stretch out the present procurement in order to see what progress is being made in getting out more of the "bugs" in the Hawkeye aircraft, we would encounter two difficulties. One would be that we could not sustain the approved force levels for this type of aircraft without new procurement, leaving a period of at least 6 months during which force levels would drop or the E–1B interim aircraft would be pushed beyond the period of carrier service recommended for it.

The second point is that there would be a gap in production which would be quite expensive. It would add $8 million to the cost of the program to break production and then restore the production at a later date.

I should deeply appreciate the Senator's commenting on these two difficulties, and also on the fact that an exercise—which followed the testimony of Secretary McNamara on this subject—elicited the comment from the carrier task force commander that the performance of the E–2A Hawkeye aircraft was "outstanding."

Taking all these points together, will the Senator from Mississippi be kind enough to give the Senate his views as to the program, and the disposition of the committee toward it?

Mr. STENNIS. Let me say to the Senator from New York that the main point here is the problem of eliminating the "bugs"—if I may use that word—which are not fatal, but when they are eliminated, we will wish to give a full green light to go ahead, so far as our consideration is concerned. We feel that the facts are such that that will happen. If this difficulty should be cleared up early, new funds could be applied by reprograming. That is one point. The other point is that we understand that the continuity on this matter is not going to be interrupted, that the production line will continue into the early 1967 calendar year, that this subject will be up again before Congress before that time. Therefore, I believe that this problem can be worked out to avoid closing the production line if the technical difficulties are overcome.

Mr. JAVITS. That is why I raised the point. Apparently, if the committee's deletion stood, continuity of the production line, to the extent that it would be undertaken, would still leave the Navy with a period of at least 6 months in which it would either have to drop its force levels—that is, the number of aircraft available—or push the aircraft which it already has beyond what is considered to be the proper period of service.

Moreover, there is the additional cost factor. I should like to ask the Senator to look into this matter before the conference takes place. If the conferees were satisfied that what has happened since this subject was considered justified, some other decision, it is conceivable, is it not, that this could be reflected, in whole or in part, in conference?

Mr. STENNIS. That is always true. The fact that we did not approve it does not mean that we have closed our minds to it. New facts may emerge or new slants may develop on existing facts. This subject will be in conference. Without any intimation of what our conclusion would be, that matter would certainly be considered.

Mr. JAVITS. I thank the Senator. The second point that I should like to ask him about is this: When the report of the Senator spoke of reprograming action, am I correct in saying that such action does not involve any new authorization, but involves only Appropriations Committee action?

Mr. STENNIS. Yes, Appropriations and Armed Services Committees.

Mr. JAVITS. Then both committees are in fact involved in such a reprograming action?

Mr. STENNIS. Yes. No additional legislation would be necessary for reprograming action to occur.

Mr. JAVITS. I thank the Senator for this assurance.

Mr. TOWER. Mr. President, I send two amendments to the desk and ask that they be read.

The PRESIDING OFFICER. The amendments will be stated.

The legislative clerk proceeded to read the amendments.

Mr. TOWER. Mr. President, I ask unanimous consent that further reading of the amendments be dispensed with, and ask that they be printed in the RECORD.

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

The amendments, ordered to be printed in the RECORD, are as follows:

At the end of the bill insert the following:

"TITLE III—MISCELLANEOUS PROVISIONS

"SEC. 301. (a) Section 2201 of the Internal Revenue Code of 1954 (relating to members of the Armed Forces dying during an induction period) is amended by adding at the end thereof the following new sentence: 'For purposes of this section, the area comprising (A) Vietnam, and (B) the waters and land areas adjacent to Vietnam as designated by the President by Executive order for purposes of this section, shall be considered to be a combat zone during the period commencing on January 1, 1961, and ending on the date designated by the President by Executive order as the date of termination of combatant activities in such area.'

"(b) The amendment made by subsection (a) shall apply with respect to estates of decedents dying on or after January 1, 1961.

"SEC. 302. (a) Section 692 of the Internal Revenue Code of 1954 (relating to income taxes of members of the Armed Forces on death) is amended by adding at the end thereof the following new sentence: 'For purposes of this section, the area comprising (A) Vietnam, and (B) the waters and land areas adjacent to Vietnam as designated by the President by Executive order for purposes of this section, shall be considered to be a combat zone during the period commencing on January 1, 1961, and ending on the date designated by the President by Executive order as the date of termination of combatant activities in such area.'

"(b) The amendment made by subsection (a) shall apply with respect to individuals dying on or after January 1, 1961."

At the end of the bill insert the following:

"TITLE III—MISCELLANEOUS PROVISIONS

"SEC. 301. (a) Section 112(c)(2) of the Internal Revenue Code of 1954 (relating to definition of combat zone) is amended by adding at the end thereof the following new sentence: 'The term "combat zone" also means the area comprising (A) Vietnam, and (B) the waters and land areas adjacent to Vietnam as designated by the President by Executive order for purposes of this section.'

(b) Section 112(c)(3) of such Code (relating to service performed in a combat zone) is amended by adding at the end thereof the following new sentence: 'Service is performed in the combat zone of Vietnam if performed on or after January 1, 1961, and on or before the date designated by the President by Executive order as the date of the termination of combatant activities in such zone.'

SEC. 302. The amendments made by section 301 shall apply to taxable year 1961 and all subsequent years, including the full year during which the President proclaims termination of combatant activities as prescribed in section 301(b) of this Act.

Mr. TOWER. Mr. President, I ask unanimous consent that the amendments be considered en bloc.

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

Mr. TOWER. Mr. President, throughout our Nation's modern history the American citizenry has extended special benefits to those servicemen who are called to duty and who face combat conditions. This is a time-honored tradition and one Americans have proudly respected.

It seems to me only right and appropriate that this tradition be extended to encompass the present conflict in Vietnam. There can be little doubt that

Americans in southeast Asia are facing combat conditions.

Members of all the armed services, both officer and enlisted, have told me and written to me that they regard their service in Vietnam to be under combat conditions equal to those of Korea and World War II. In addition, officials of the State Department have informed me that they regard Americans in southeast Asia to be facing combat.

As everyone in this Chamber knows there are some 28,000 U.S. personnel committed to the Vietnam war. More than 300 of these have been killed. We are losing boys and equipment there almost every day in this fight against communism.

I am sorry that there has not been a greater dialog in the Nation about the present legal situation confronting servicemen in the Vietnam war. The situation is this: Current provisions of the Internal Revenue Code provide tax benefits for service in combat zones. All that is required is Presidential designation of an area as a combat zone.

Although the major American buildup in Vietnam dates from 1961, we never have proclaimed that area a combat zone for Internal Revenue Code purposes.

I am aware of the sensitive foreign policy questions raised when the President publicly designates an area a combat zone. Therefore, I propose that the Congress take that action now. Such congressional action need not be interpreted by anyone or by any nation as any sort of warlike action. Rather, congressional action can be interpreted only as a domestic matter concerning clarification of tax laws.

I hasten to add that I, for one, would welcome Presidential declaration of Vietnam as a combat zone. I think no one in the world any longer has any doubt about the situation there.

However, even if the President feels foreign policy requirements forestall his action in this area, it would seem to me that Congress has a fundamental obligation to treat our servicemen in Vietnam with as much fairness as that extended to the men who served our Nation and all freemen in Korea.

I urge this Senate to take the leading step in granting to American soldiers, sailors, and airmen in southeast Asia the recognition, opportunities, and benefits which this Nation has afforded for service in the far-too-frequent combat zones of the past.

The first amendment I propose would designate the southeast Asian area as a combat zone for the purpose of extending income tax relief to the personnel there. It would make operative existing provisions of the law that allow enlisted men total income tax exemption and all officers a $200 monthly tax exemption.

The second amendment is a companion measure designating southeast Asia a combat zone for the purpose of extending estate tax relief to the survivors of men killed there. It also would forgive unpaid income tax owed by those estates. It would benefit the widows and children of Vietnam dead, again utilizing existing provisions of the law.

These two amendments are so written as to be retroactive to January 1, 1961. That date marks the real beginning of the American buildup for the defense of both South Vietnam and of American interests there.

The period 1954 to 1959 was a quiet period in southeast Asia with the United States conducting a low-key military program of some 700 advisers. Communist terror and subversion were at a low level. Then, in 1960 the North Vietnamese Communists initiated a turning point with their decision to take over full direction of efforts to seize South Vietnam.

The American buildup in response to obvious Communist designs began in 1961 when we increased the number of advisers to some 2,000 in the face of Red infiltration. By 1962, we were up to 11,000 men; by 1963—15,500; by 1964—23,000; and today—nearly 28,000.

Americans fighting in southeast Asia today, and those who risked their lives in earlier years, are entitled to be regarded as combat veterans for these income tax purposes.

My amendments are so drawn as to apply not only to the men on the ground in Vietnam, but also—subject to Presidential delimitation of the zone of operations—to men in Laos and to those sailors and naval officers at sea in waters adjacent to the troubled area.

I have asked the Internal Revenue Service to estimate the funds involved in granting these time-honored benefits to servicemen. The Service advised me that estimation is very difficult because of the varying levels of American personnel commitment in the area, and that public discussion of an estimate is somewhat restricted by security considerations.

However, in a very general way, IRS has estimated that servicemen would receive, from these existing parts of the law, tax benefits in the neighborhood of $4 million. That is something like eight one-thousanths of 1 percent of the national defense budget. It is about four-tenths of 1 percent of the antipoverty program. It would buy less than one-half of one B-58 bomber. It is roughly the cost of the two F-105's we lost 2 days ago.

It is a very small price tag to place on a very big obligation owed by all Americans to those who fight for us in Asia. I urge the Senate to extend these tax benefits to our servicemen, by implementing existing law.

Mr. STENNIS. Quite briefly, Mr. President, I should like to reply to the Senator from Texas. I commend the Senator for his fine motives and his objectives in getting consideration of this matter. I do not believe the Senate, at this point, can really pass on the merits of the amendments. Certainly it is clear that they should not be attached to the pending bill.

I understand that the amendments have been presented earlier in the form of bills which are now pending before the Committee on Finance. Furthermore, the very subject matter of the bills themselves, although laudable, is one that is covered by the Constitution. It constitutes a revenue bill, affecting revenue. For that reason I believe a point of order would have to be raised, although the Senator certainly should have his "day in court" at another time in connection with his thoughts on this matter.

If the Senator does not see fit to withdraw his amendments, under these circumstances, and wait for a better day, under the rule I shall have to raise a point of order.

Mr. TOWER. Mr. President, I respect the desire of the distinguished acting chairman of the committee to keep the bill a clean bill, so to speak, since it is a military hardware bill. I am very much inclined to defer to his wishes.

I believe that the constitutional objection is met, in that the bill is not a revenue bill as such. It is not a tax measure. It would merely establish a declaration which would enable present law to be implemented. It would not raise revenue. It would not raise or lower taxes or provide for additional rates. It would merely be a declaration of South Vietnam as a combat zone so that the provisions of existing law could be implemented.

I know that the distinguished Senator from Mississippi has worked long and hard to keep the bill purely a procurement bill, dealing only with military hardware. I am inclined to defer to the judgment and wishes of the Senator.

I ask unanimous consent to have printed in the RECORD certain comments by the distinguished junior Senator from California [Mr. MURPHY] in support of my amendment.

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

STATEMENT BY SENATOR MURPHY

I join my distinguished colleague from Texas in urging the adoption of these amendments designed to give those Americans who daily place their lives on the firing line in Vietnam a tax consideration—a tax break that we have traditionally extended to servicemen in combat areas.

Although there may be policy reasons why the President is reluctant to designate this area of Vietnam a combat zone, fairplay and logic demands that Congress recognize the sacrifices our men are making to preserve our way of life.

Make no mistake about it. The results of that conflict may in no small way determine the shape of tomorrow's world. That conflict, depending upon the outcome, will either discourage or encourage the Communist aim of world domination. If we fail, the appetite of the aggressor will be increased; the Communists will look for other fertile areas into which to sink their ugly aggressive teeth.

With the stakes so high to the free world and with the risks so great to the American soldier, I believe the Congress by passing these amendments will be saying to the GI: "We recognize the sacrifice you are making in preserving freedom and we in a small way are granting you a taxing benefit in appreciation and recognition of your courageous fight against Communist aggression and for the preservation of freedom."

Mr. FANNIN. Mr. President, will the Senator from Texas yield?

Mr. TOWER. I yield to the Senator from Arizona.

Mr. FANNIN. Mr. President, I support these amendments by the distinguished Senator from Texas.

Surely there can be no doubt remaining in any American's mind that we are engaged in a war in Vietnam. To call it anything else is ridiculous.

We have long since passed the point where the death of a few military advisers or helicopter pilots could be shrugged off as unfortunate accidents.

The world knows of our buildup of military strength in Vietnam and the strikes against North Vietnamese targets by our planes. The world also knows that Communist aggression and terror, including the bombing of civilians, is on the increase.

To recognize Vietnam as a combat theater of operations simply amounts to facing the facts. I urge the support of my colleagues for these amendments because they are right and long overdue.

Mr. TOWER. I thank the Senator from Arizona, Mr. President, in deference to the distinguished acting chairman, I withdraw my amendments. I should like to have an opportunity at a later time to offer them to a more appropriate vehicle. It is my fervent hope that the distinguished Senator from Virginia [Mr. BYRD] might consider the amendments in his committee.

The PRESIDING OFFICER. The amendments are withdrawn.

Mr. STENNIS. I thank the Senator from Texas for his very fine attitude and his presentation.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. JAVITS. Mr. President, I have one question on another subject which I should like to address to the Senator from Mississippi. We have a rather burning interest in New York in the New York Naval Shipyard. There are provisions in the House military procurement authorization bill, H.R. 6500, recently ordered reported by the House committee to be found on page 3, lines 4 to 20, inclusive, in two sections which deal with that subject. Section 302 repeats, for practical purposes, the Vinson-Trammell Act of 1934 with respect to allocation of new ship construction. I can understand why the Senate committee felt that the act provided what it did; and that is sufficient. But I notice that section 303 of the House bill would abolish the so-called 65–35 ratio for ship conversion, alteration, and repair. I understand that that is the desire of the Secretary of Defense, Mr. McNamara. The Secretary testified at page 192 of his statement before the committee that removal of the 65–35 formula would raise from 65 to 80 percent the quantity of work in the public yards on conversion, alteration, and repair. Section 303 of the House bill provides—

> The assignment of naval ship conversion, alteration, and repair projects shall be made on the basis of economic and military considerations and shall not be restricted by requirements that certain portions of such naval shipwork be assigned to particular types of shipyards or to particular geographical areas or by similar requirements.

This was a notable point in the House bill and the Senate report does not go into the subject. I suggest that perhaps the Senator would want to give the Senate a word of explanation as to its omission from the Senate bill.

Mr. STENNIS. In the first place, in relation to the legislative situation, the committee considered its own bill. The House bill has not yet passed in the House of Representatives. The Senate has before it the Senate version of the bill. The House committee action was brought to our attention after our hearings had closed, and we did not pass on it one way or the other. So, if the House should pass the House version of the bill with the provision to which the Senator has referred, the item would be in conference and would be given consideration.

Mr. JAVITS. In other words, the subcommittee and the full committee have not made any specific decision on the question. It would be a matter of first impression.

Mr. STENNIS. That is correct. Of course, we have our own background, knowledge, and so forth, but no decision has been made on that point.

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

Mr. JAVITS. I yield.

Mr. SALTONSTALL. I call the attention of the Senator to page 2 of our report and the tabulation which appears in the fifth column. The Senator will notice that in section 412 there is shown the authorization required. The only thing we have to do is to cover the provisions of section 412 for the authorization of missiles, Navy ships, and so on. The question which the Senator from New York has raised did not arise within the province of the bill at all, but it comes within the jurisdiction of appropriations.

Mr. JAVITS. As I understand, if the House passes the House version of the bill—and I hope very much that it will—the committee will then be in a position to deal with it as a question of first impression.

Mr. SALTONSTALL. The Senator is correct.

Mr. JAVITS. So far as the bill and its consideration is concerned.

Mr. SALTONSTALL. I assume that it would be in conference.

Mr. JAVITS. So far as the Senate is concerned, it would be necessary—and I hope very much that this would be borne in mind—at some stage to get the view of the Senate upon that particular provision which has been included in the past three defense appropriation bills. It might easily be one of the provisions which would be in disagreement of such a character that it would call for an expression of view by the Senate.

Mr. SALTONSTALL. I believe that we have had the Senate's view on that subject for the past 3 or 4 years. I am confident that we shall have it again this year.

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

The bill was ordered to be engrossed for a third reading, and was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

Mr. STENNIS. Mr. President, throughout the long hearings during the consideration of the bill and the preparation of the report, even down to the present time, the full Committee on Armed Services and the Subcommittee on Appropriations were very ably assisted by Mr. William H. Darden, Mr. William W. Woodruff, Mr. Francis S. Hewitt, and Mr. Joseph L. Borda. On behalf of all members of the committee I wish to thank the members of the staff of the Armed Services and the Appropriations Committees. In connection with the amendments I wish to thank Mr. Edward Braswell, of the Senate Committee on Armed Services, for giving his usual fine assistance. I wish to thank him, too, for the committee.

Mr. TOWER. Mr. President, as a member of the committee, I should like to commend our acting chairman. He took over under difficult circumstances upon the necessary temporary departure of our good friend the distinguished Senator from Georgia [Mr. RUSSELL]. The Senator from Mississippi conducted the hearings with great fairness to every member of the committee, regardless of his party or political disposition. He deserves the commendation of the Senate for the fine way in which he has handled the bill.

The PRESIDING OFFICER. The question is, Shall the bill 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. LONG of Louisiana. I announce that the Senator from Connecticut [Mr. DODD], the Senator from Alaska [Mr. GRUENING], the Senator from Indiana [Mr. HARTKE], the Senator from Arizona [Mr. HAYDEN], the Senator from South Dakota [Mr. MCGOVERN], the Senator from Oklahoma [Mr. MONRONEY], the Senator from Rhode Island [Mr. PASTORE], and the Senator from Missouri [Mr. SYMINGTON] are absent on official business.

I also announce that the Senator from Tennessee [Mr. BASS], the Senator from South Carolina [Mr. JOHNSTON], the Senator from Wyoming [Mr. MCGEE], the Senator from Georgia [Mr. RUSSELL], the Senator from West Virginia [Mr. RANDOLPH], and the Senator from Alabama [Mr. SPARKMAN] are necessarily absent.

I further announce that, if present and voting, the Senator from Tennessee [Mr. BASS], the Senator from Connecticut [Mr. DODD], the Senator from Oklahoma [Mr. MONRONEY], the Senator from Wyoming [Mr. MCGEE], the Senator from Rhode Island [Mr. PASTORE], the Senator from West Virginia [Mr. RANDOLPH], and the Senator from Missouri [Mr. SYMINGTON] would each vote "yea."

Mr. KUCHEL. I announce that the Senator from Utah [Mr. BENNETT] is necessarily absent and, if present and voting, would vote "yea."

The result was announced—yeas 85, nays 0, as follows:

[No. 44 Leg.]

YEAS—85

Aiken	Bartlett	Boggs
Allott	Bayh	Brewster
Anderson	Bible	Burdick

Byrd, Va.	Inouye	Muskie
Byrd, W. Va.	Jackson	Nelson
Cannon	Javits	Neuberger
Carlson	Jordan, N.C.	Pearson
Case	Jordan, Idaho	Pell
Church	Kennedy, Mass.	Prouty
Clark	Kennedy, N.Y.	Proxmire
Cooper	Kuchel	Ribicoff
Cotton	Lausche	Robertson
Curtis	Long, Mo.	Saltonstall
Dirksen	Long, La.	Scott
Dominick	Magnuson	Simpson
Douglas	Mansfield	Smathers
Eastland	McCarthy	Smith
Ellender	McClellan	Stennis
Ervin	McIntyre	Talmadge
Fannin	McNamara	Thurmond
Fong	Metcalf	Tower
Fulbright	Miller	Tydings
Gore	Mondale	Williams, N.J.
Harris	Montoya	Williams, Del.
Hart	Morse	Yarborough
Hickenlooper	Morton	Young, N. Dak.
Hill	Moss	Young, Ohio
Holland	Mundt	
Hruska	Murphy	

NAYS—0

NOT VOTING—15

Bass	Hayden	Pastore
Bennett	Johnston	Randolph
Dodd	McGee	Russell
Gruening	McGovern	Sparkman
Hartke	Monroney	Symington

So the bill (S. 800) was passed.

Mr. STENNIS. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. JACKSON. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ELEMENTARY AND SECONDARY EDUCATION

Mr. MANSFIELD. Mr. President, I move that the Senate turn to the consideration of H.R. 2362, reported today by the Senator from Oregon [Mr. MORSE], that it be laid down and made the pending business. There will be no action on the bill tonight.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (H.R. 2362) to provide for elementary and secondary education.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

ORDER OF BUSINESS

Mr. MANSFIELD. For the information of the Senate, there will be no further voting tonight.

OCEANOGRAPHIC COUNCIL—RESOLUTION BY STATE OF ALASKA

Mr. MAGNUSON. Mr. President, Hon. Hugh J. Wade, secretary of state for the State of Alaska, has transmitted to me a resolution adopted by the legislature of that State, strongly urging congressional enactment of S. 944, to expand marine research and establish a National Oceanographic Council.

S. 944, cosponsored by Senators of both parties from many States, would provide a legislative base for the national oceanographic program, State program objectives, and create an independent Cabinet-level Council similar to that of the National Security Council, Federal Radiation Council, National Aeronautics and Space Council, and the proposed Federal Water Resources Council. Legislation to establish the latter, as all of us know, has already passed the Senate, and has been reported favorably to the House of Representatives.

Mr. President, I ask unanimous consent that House Joint Resolution 23 of the State of Alaska, calling for enactment of S. 944, and stating reasons therefor, be printed at this point in the RECORD.

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

HOUSE JOINT RESOLUTION 23 OF THE STATE OF ALASKA

Resolution relating to the creation of a National Oceanographic Council

Be it resolved by the Legislature of the State of Alaska:

Whereas the economy of Alaska is in great measure dependent upon the natural resources of the ocean; and

Whereas seafood is an important food source for Alaskans; and

Whereas Alaska commerce is vitally dependent upon maritime transportation; and

Whereas the importance of the oceans to the welfare of all citizens of the United States, as well as of Alaskans, was emphasized by the introduction, by Senator MAGNUSON of Washington, of S. 944 which provides for the coordination of all Federal activities regarding oceanography by a proposed National Oceanographic Council; and

Whereas expanded and efficiently coordinated national programs as envisioned by S. 944 would be of particular benefit to the people of Alaska: Be it

Resolved, That the enactment of S. 944 by the Congress is respectfully urged by the Fourth State Legislature of Alaska; and be it further

Resolved, That copies of this resolution be sent to the Honorable Lyndon B. Johnson, President of the United States; the Honorable CARL HAYDEN, President pro tempore of the Senate; the Honorable JOHN C. MCCORMACK, Speaker of the House of Representatives; the Honorable WARREN G. MAGNUSON, chairman, Senate Commerce Committee; the Honorable HERBERT C. BONNER, chairman, House Merchant Marine and Fisheries Committee; and the Honorable E. L. BARTLETT and the Honorable ERNEST GRUENING, U.S. Senators, and the Honorable RALPH J. RIVERS, U.S. Representative, members of the Alaska delegation in Congress.

Passed by the house February 19, 1965.

NICHE GRAVEL,
Speaker of the House.

Passed by the senate March 12, 1965.

_____,
President of the Senate.

WILLIAM A. EGAN,
Governor of Alaska.

VOICE OF BUSINESS AND U.S. POLICY

Mr. MAGNUSON. Mr. President, the March 13 issue of Business Week, which carries Secretary Connor's picture on its cover, tells of his aims as the Department's top executive in a lead article titled "Voice of Business in U.S. Policy." I have found this article highly interesting and informative and ask unanimous consent that the article from Business Week, titled "Voice for Business in U.S. Policy" be printed in the RECORD.

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

VOICE FOR BUSINESS IN U.S. POLICY—THAT'S WHAT JOHN T. CONNOR AIMS TO BE AS COMMERCE SECRETARY, AND HE'S LIKELY TO MAKE A BIGGER MARK THAN ANY RECENT HOLDER OF THE JOB; BALANCE-OF-PAYMENTS DRIVE IS HIS FIRST TEST

John T. Connor is not only the youngest man to be named Secretary of Commerce in a quarter century, but he promises also to stake out a new role for the holder of this usually lackluster Cabinet post.

Unlike the corporate executive who traditionally accepts a top Government position as the capstone of a career nearing its end, Connor—now 50—is still a "comer." He sees a new career ahead of him, believes this administration gives him new horizons.

President Johnson, he believes, wants advice from businessmen before policies are fixed, not just assent or opposition after they are adopted. So he conceives his role as that of businessman's representative in the Johnson administration.

MUTUAL

One reason he was eager to take on the job, Connor says, was because Johnson understands business and businessmen "better than any President since God knows when."

"I was attracted to this job by the President's frequent statement of his philosophy—which is just what I've been saying," he adds.

Johnson, obviously, was attracted to Connor because of what Connor is and represents: an executive who worked his way to the presidency of Merck & Co., Inc., by the time he was 40, and from this base became one of the authentic members of the U.S. business establishment.

WIDER SWATH

As a firm believer in the importance of business to the Nation's welfare, Connor feels that the management viewpoint should be brought to bear in the early stages of administration policymaking.

As a prime example, he mentions tax policy, and cites the provisions in this year's medicare bill levying half the increased tax (like other social security taxes) on employers. This will cost business a lot of money, but "as far as I know," he notes, the Commerce Department wasn't consulted on it.

One thing is evident in all this: Connor will have more opportunity to cut a wide swath in Washington than any Commerce Secretary since Herbert Hoover. And there are signs that the President is willing to let Connor earn himself a place in the ring of close-in Johnson advisers.

I. JUMPING RIGHT IN

Johnson assigned Connor to two tough problems before the new Secretary really knew his way around the long suite of offices on the fifth floor of the massive, block-size Commerce Building—just a hop-skip-and-jump from the back door to the White House.

He was placed on the President's three-man Panel created to settle the nagging dock strike, alongside Labor Secretary W. Willard Wirtz and Senator WAYNE MORSE, Democrat, of Oregon.

More important, he is in full charge of whipping up compliance of 500 of the country's largest companies with Johnson's unprecedented voluntary program to curb the critical balance-of-payments deficit that has been draining the United States of its gold and complicating our position in the world.

Welcome

Connor welcomed the assignment to the Dock Strike Panel, and thinks Johnson's appointment of him is a significant pointer. Many businessmen have long felt, as he puts

it, that "settlements resulting from Government intervention haven't always reflected management's point of view." But he figures that his experience as an enlightened management man, who has long dealt with labor matters and union officials, indicates he won't deal with labor or strike problems "in a narrow or partisan way."

Both Secretary Wirtz and he, Connor says, see a need for a unified and common approach to problems in the labor-management field. While he doesn't say so, he obviously expects his access to the White House on such matters will be as easy as that of Wirtz, on whom Johnson relies heavily.

Favorable

Labor views Connor favorably. O. A. Knight, president of the Oil, Chemical & Atomic Workers, negotiated one contract directly with Connor. "They were stymied on a new contract at Merck when Connor and I took over, and we got a settlement," Knight recalls. "He's a fair man to deal with but he doesn't give away anything. You can do business with him."

Knight notes it's unusual for a company president to handle negotiations himself—and unusual to find one with whom you can reach an understanding.

A National Maritime Union official, who is usually blasting the Commerce Department for its maritime policy, commends Connor for setting up a tripartite subcommittee to study and report on the state of the maritime industry—"something we wanted for a long time but could never get. This fellow is going at it the right way."

An AFL–CIO maritime expert who sat in on the one tripartite meeting so far says of Connor: "I was very favorably impressed. He seemed to know what it was all about. He does his homework."

No special pleader

Connor doesn't consider himself a special pleader, by any means. He sees himself as representative of a new generation of business leaders whose views diverge widely from those of many older executives now retiring or past retirement age.

II. "I'M A NEW DEALER"

The President is a New Dealer, says Connor, and "so am I." He doesn't share the feeling of those businessmen of the time who couldn't bear even to hear Franklin D. Roosevelt's name. Connor's own generation can't forget the experience of getting an education or a job in the depression, or the experiences of the war and postwar years. "It's part of our fiber," he says.

The Commerce Secretary, whose gray hair, ruddy complexion, and reserved manner give him the air of the trust manager of a large bank, says this with great conviction.

Whatever his New Deal views, he believes the business community occupies a key position in the governmental, social, and economic structure of the country; so it is perfectly natural for Government policies to "encourage and nourish the growth and success of private business."

No stranger

This isn't Connor's first Government experience; his wartime Government career, in fact, provided his springboard to Merck.

A graduate of Syracuse (magna cum laude, 1936) and Harvard Law School (1939), he first served in a New York law firm, then as general counsel of the Office of Scientific Research and Development, whose chief was Dr. Vannevar Bush. After 2 years with the Marine Corps, he became, at war's end, a special assistant to Navy Secretary James Forrestal.

Connor agrees that Dr. Bush was "very instrumental" in sending him to Merck in 1947. He became vice president 3 years later and in another 5 years president.

III. CURING THE DEFICIT

In pushing the balance-of-payments program, Connor brings to bear experience in the inner circle of the top business organizations—the Business Council, Committee for Economic Development, American Management Association, and National Industrial Conference Board. There's no doubt, either, of his own firsthand knowledge of international trade. He led Merck's big expansion drive into markets in 21 countries.

Connor's advisory committee, picked to help put across the voluntary program, is blue chip all the way. Chairman A. L. Nicholson, of Socony Mobil Oil Co., is its chairman; Carter L. Burgess, of American Machine & Foundry, is vice chairman. Members are President Fred J. Borch, of General Electric; Chairman Carl J. Gilbert, of Gillette Co.; Chairman Elisha Gray II, of Whirlpool Corp.; President J. Ward Keener, of B. F. Goodrich; President George S. Moore, of First National City Bank of New York; Chairman Stuart T. Saunders, of the Pennsylvania RR., and Sidney J. Weinberg, general partner, Goldman, Sachs & Co.

Convinced

Connor is convinced the voluntary program will work; and the seven members at the first advisory committee meeting a week ago told newsmen they agreed.

"We think that we will begin to get results in the second quarter of the year," Connor said, "and by the end of the third quarter we should have a pretty good indication of just how successful it is."

The first wave of criticism of the program, Connor thinks, came from businessmen who weren't at the President's White House meeting and didn't understand what it was all about. He implies that once word gets around, the critics will subside.

He is relying on the chief executives of the 500 top companies in the program. They know, he says, the program has to be a success "because the consequences of failure are too dreadful to contemplate." Connor is ramming this home hard: The "or else" is direct exchange controls.

Doubtful, skepticism

Connor admits that "down the line" in many companies there is doubt and skepticism. That's why he is making sure that the top executive of each company is held responsible for its performance. Before his advisory committee convened, he met with the chief financial officers of its members' companies to make sure the top executives were well briefed.

Connor concedes there is resistance to the proposal for formal quarterly reports from each company on its own "balance-of-payments ledger," and says the quarterly proposal "isn't definite." "The idea of divulging this information is new to some companies," he explains.

No company is being asked to turn back its oversea investment program. Connor tells them: "If you keep your direct investment program unimpaired, then help us in other ways. Pick your own weapons."

Two years

What Connor wants mainly is for companies to borrow funds abroad (even though it's more costly), repatriate as much money as possible.

Connor is also relying on these companies to push exports higher. He thinks the big international companies can do a lot in the next year or two to expand exports by shipping more finished products, or more parts and supplies, overseas. Much can be done about some exports, he feels—"coal, for example"—through deals with European countries.

Hotspot

The balance-of-payments program has Connor on the hotspot. Federal Reserve Chairman William McC. Martin, Jr., has only about nine large banks to deal with on his end of the program. Connor has an auditorium full of businessmen to cajole; his 500 companies are much more diverse than the bankers.

A top Government expert, perennially pessimistic on balance-of-payments remedies, now thinks Connor's approach will work. "He knows these industry people and he knows all about the progam," says this expert. "They won't be able to fool him."

IV. DESKFUL OF PROBLEMS

Connor's long association with the chemical industry has earned him the suspicions of those dedicated to lowering tariffs. He told the Senate Commerce Committee he regards himself "neither as a protectionist nor as a free-trader," and shows a tinge of irritation when the subject crops up.

Criticism is usually tied to his dissent from a Committee for Economic Development recommendation for across-the-board tariff cuts. His statement was: "I must disagree with the basic recommendation in the CED statement that in the pending trade negotiations the United States should seek tariff reductions of 50 percent by the industrialized nations of the free world on an across-the-board basis."

Connor says he holds the same view still, and adds that it is consistent with the administration view and the bargaining position of U.S. negotiators at Geneva. He refers to the "exception list" on which the United States won't negotiate tariff cuts, and other products on which cuts will be less than 50 percent.

On East-West trade, Connor takes a show me sort of attitude; he sees no special reason for a company to sell know-how to the Russians that it wouldn't sell to domestic competitors. But he thinks firsthand discussions by U.S. industrialists with the Russians are all to the good.

Wide range

As Commerce Secretary, of course, Connor faces decisions on a wide range of problems—the lagging railroads and Johnson's proposed super-passenger speed service; a supersonic air transport; ship subsidies; highway user taxes; Patent Office automation. He will have a key role in administering the Appalachia program, too, and in any broader regional development program for the rest of the United States.

He is cagey about how he will shake up the Commerce Department, but points out that he is a "student of management" and says: "I'm going to simplify." He is aghast at the number of end runs that are possible; but he prefers to get rid of individuals who block organization channels, rather than change the organization to wire it around them.

DEVELOPMENTS IN COLOR TELEVISION

Mr. MAGNUSON. Mr. President, a great deal has been written concerning the development of color television.

My committee has held extensive hearings on this subject. In recent months the activities with reference to color television have been moving at a rapid pace, therefore, I ask unanimous consent to make part of the RECORD at this point a copy of an article written by Mr. Jack Gould, the radio and television writer of the New York Times.

This article appeared in the March 1965 issue.

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

[From the New York Times, Mar. 10, 1965]

TV: SARNOFF TRIUMPHANT—CBS WILL OFFER COLOR ON TWO MAJOR SHOWS

(By Jack Gould)

Fifteen years ago a grim-lipped Brig. Gen. David Sarnoff stormed down to the laboratories of the Radio Corp. of America in Princeton, N.J., and read the riot act to his scientists.

"Get something going," he demanded. "Get it off the breadboard. I'll be back tomorrow."

The general was talking about color television. He was an industrial tycoon whose pride had been wounded. The Columbia Broadcasting System, with no record of achievement at that time in television set manufacture, had challenged him on his own ground. It had dared to come up with a color TV set. Not only that, but it was a color set with a revolving wheel. To an electronics visionary, that was like replacing the telephone with smoke signals.

General Sarnoff won his battle of Princeton. "The thing the scientists came up with weighed a ton but it proved a principle in a demonstration," he remembers. "There was only one little trouble. The bananas in the picture were green and the monkeys were purple."

The peppery board chairman of RCA, who celebrated his 74th birthday last month, recalled with a laugh yesterday the occasion of his bravura Napoleonic performance on the Jersey meadow. Just minutes earlier he had received word that his old adversary, CBS, had awarded him the final and ultimate fruits of victory in a one-man struggle with few parallels in industry.

Starting next fall, CBS will become the last of the three networks to do regular programing in color. The Danny Kaye and Red Skelton shows will be done in natural hues and the new Thursday night feature movie will be presented in color. Some local CBS programing also will be switched to color.

CBS had been the lone important holdout against regular color and the general received its capitulation with a wry smile as he sat behind a desk that seemed big enough for doubles in table tennis.

"Of course, it might have come a little sooner," he quipped.

The general, nattily attired in a pinstriped suit and with a characteristically yeasty mode of expression that long has been the despair of his contingents of lawyers and publicity men, had reason to savor the quiet afternoon in his office in the RCA Building at 30 Rockefeller Plaza.

Before his company earned a nickel from color TV the general had sunk $130 million into the research and development of a color system that had no flywheels or motors and could be compatibly introduced without disturbing black-and-white TV service.

"I guess this may have been the toughest fight of my life," he said. "We only spent $50 million before getting a return on black-and-white TV."

At one time not a single TV manufacturer supported General Sarnoff's struggle, and both the American Broadcasting Co. and Columbia Broadcasting System initially adopted a philosophy of letting RCA and its subsidiary, the National Broadcasting Co., go it alone.

General Sarnoff yesterday could contemplate a new billion dollar color TV industry, a consumer demand that is exceeding the supply of picture tubes, and steadily lowering costs.

"It's really been remarkable," the general said. "Everybody laughed at our picture tube and some said it would never work. But we've never changed the principle of the thing since we started."

Color sets are now selling for about $380 and up. A few are priced as low as $300 as sales attraction. More than 400 stations are now equipped to transmit color.

The general estimated that 3 million sets were in use and that within a year the figure would rise to 5 million. Color TV is now RCA's leading consumer product in sales volume and the company is reaping the rewards of its pioneering.

The general diplomatically hinted that color might provide a new cycle of excitement that TV programing could always use but he was wary about predicting when the crucial bottleneck in color picture tubes might be broken.

"You never know about the American manufacturer when there is a buck around the corner," he said.

Mr. MAGNUSON. Mr. President, incidentally, a great deal of the development is due to the fact that the Committee on Commerce had long urged that the makers of television sets embark upon this program, and they did embark upon it with great success.

POSTURE'S PLACE IN OUR HEALTH

Mr. MAGNUSON. Mr. President, the President of the United States has done much to make the American people aware of the importance of physical fitness. President Kennedy, before him, created an intense interest in physical fitness in his youth fitness programs. Federal programs of this kind require the understanding and support of all citizens of the Nation to be effective and to produce a healthier, more robust population.

For many years, the chiropractic profession has sponsored National Correct Posture Week, May 1–7. This observance has helped to cite the importance of correct posture in total health. Throughout this Nation this week will be observed by chiropractic associations and community groups. Governors and mayors will focus the public attention on correct posture by proclaiming correct posture week. Public and private schools will be encouraged to promote correct posture, with particular emphasis on spinal health and of a sound body through development of a balanced, healthy spine.

The chiropractic profession's desire to augment the fine purposes of the President's Council on Physical Fitness deserves commendation. I ask permission to have the following statement by Dr. A. M. Schierholz, executive director of the American Chiropractic Association, printed in the RECORD, for the information and benefit of the American people.

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

STATEMENT BY DR. A. M. SCHIERHOLZ

The American Chiropractic Association realizes the responsibility shared by all members of the healing arts for maintenance of the public health. This responsibility may be divided into two primary obligations: First, we must care for the sick and injured. Second, we must create programs and take steps to prevent illness and degeneration of the public health through programs designed to improve the general stamina of our citizens.

National Correct Posture Week, May 1 through 7, is promoted by the chiropractic profession to help achieve this second objective. This week closely ties in with the President's Council on Youth Fitness and we praise the Chief Executive for his wise development of the national youth fitness program.

Correct posture contributes to inner health and attractive appearance. The ambition of every normal youngster is to grow up into a popular, well-coordinated specimen of adulthood. These hopes will never be realized by the child whose posture and spinal health are deficient.

So correct posture assures more than health. It helps to develop that radiance and poise which is so vital to general appearance and a person's sense of well-being.

The chiropractic profession has researched and studied the spine for nearly 70 years. Chiropractors are specialists in knowledge of the spine and its effects on general body health. To improve spinal balance and function, the chiropractic profession has propounded a simple and easily remembered rule of health:

"Stand Tall—Walk Tall—Sit Tall." These are the basic steps to improve one's posture. During National Correct Posture Week we make special emphasis of these ways in which all citizens can improve their posture.

Stand straight, with head held level and balanced over the body's center of gravity. Shoulders should be relaxed and even. The chest should be held high with abdomen flat. The spine from neck to posterior should describe a gentle "S" curve. Knees should be slightly flexed and the weight of the body resting squarely on both feet.

Walking tall describes an attitude of vigor and health. The gait is even, arms swing freely, and the head is held high. Walking in this proud and youthful manner contributes to better breathing and the traditional posture of one who faces the world squarely with the twinkle of health in his eye.

Sitting tall opposes the tendency to slump in one's chair. Proper sitting increases working efficiency and contributes to better, clearer thinking. The American Chiropractic Association reminds executives that as their chairs become comfortable and regal they very likely encourage poor sitting posture. Chairs for the home and office should be selected with posture as a prime consideration.

The American Chiropractic Association appreciates the wholehearted cooperation it received from the American people in the observance of Correct Posture Week. Likewise, our organization has been gratified to have the assistance of governors, mayors, church and school leaders, and civic and community groups in the promotion of National Correct Posture Week.

Working together we can all share the rewards that better posture provides. Posture consciousness and spirited national participation in the President's youth fitness program make a substantial contribution to better public health.

CONSERVATION AND PROTECTION OF PACIFIC SALMON OF NORTH AMERICAN ORIGIN

Mr. MAGNUSON. Mr. President, I introduce, for myself, and the senior Senator from Alaska [Mr. BARTLETT], a bill to conserve and protect Pacific salmon of North American origin. This

legislation would assist the United States in its continuing effort to conserve and protect the salmon resources of the North Pacific by permitting the use of economic sanctions when this becomes necessary to assure that State conservation programs for salmon are not being thwarted by abusive and reckless fishing practices followed by other nations.

This bill follows very closely the precedent that has been established of protecting U.S. fishing interests on the high seas through the use of economic sanctions found both in the Tuna Convention Act of 1950 and the amendment on conservation of fishery resources added to the Trade Expansion Act of 1962.

The Tuna Convention Act of 1950, as amended in October of 1962, places an embargo on the importation into the United States of certain fishery products when the exporting nation is conducting fishing operations in a manner which tends to diminish the effectiveness of the tuna conservation program. The amendment to the Trade Expansion Act of 1962 permits the President to increase the duty on any fish in any form which is the product of a country which fails to meet or negotiate a fishery agreement on the conservation or use of fishery resources.

Both of these measures have been approved by the administration and have, in the case of the tuna convention, been enacted at the suggestion of the Department of State. I, therefore, expect and hope for speedy and prompt action on this legislative proposal which is so vital to the protection of our North Pacific salmon resources.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 1734) to conserve and protect Pacific salmon of North American origin, introduced by Mr. MAGNUSON (for himself and Mr. BARTLETT), was received, read twice by its title, and referred to the Committee on Commerce.

Mr. MAGNUSON. I ask unanimous consent to place in the RECORD at this time a table of imports of fishery products from Japan by commodity description, 1962. It is a long list, which includes the tariff of July 1, 1934, and showing by unit the quantity and value of Japanese fishery imports, and the 1963 tariff.

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

Imports of fishery products from Japan by commodity description, 1962

Item	Unit	Quantity	Value [1]	Tariff July 1, 1934 [2]	1963 tariff
EDIBLE PRODUCTS					
Frog legs, fresh, chilled or frozen		1,322,863	$1,354,647	10 percent ad valorem	5 percent.
Frog legs, prepared or preserved		5,738	7,638	20 percent ad valorem	12 percent.
Fresh water trout, not elsewhere included, fresh and frozen		1,845,919	747,447	1 cent per pound	0.5 cent per pound.
Fresh water n.e.s. and blue pike, fresh or frozen		300	131	do	Do.
Eels, fresh or frozen		800	812	do	Do.
Salmon, fresh or frozen		165,753	113,860	2 cents per pound	Do.
Cod, haddock, hake, pollock, and cusk, fresh or frozen		318,500	51,385	1 cent per pound	Do.
Halibut, fresh or frozen [2]		394,164	107,260	2 cents per pound	Do.
Mackerel, frozen		447,695	73,390	do	0.75 cent per pound.
Sturgeon, fresh or frozen		130,620	47,399	1 cent per pound	0.5 cent per pound.
Swordish, frozen		59,316	21,729	2 cents per pound	0.75 cent per pound.
Shad, fresh or frozen		200	290	1 cent per pound	0.5 cent per pound.
Fish, n.e.s., fresh or frozen		1,761,804	338,476	do	1 cent per pound.
Smelts, fresh or frozen		390,886	74,348	Free	Free.
Albacore, whole, fresh or frozen, not cooked		52,074,117	9,346,616	do	Do.
Albacore, n.e.s., fresh or frozen, not cooked		2,464,777	412,254	do	Do.
Yellowfin, etc., whole, fresh or frozen, not cooked		4,057,936	622,757	do	Do.
Yellowfin, etc., gilled and gutted, fresh or frozen, not cooked		66,863,020	11,392,298	do	Do.
Yellowfin, etc., filleted, fresh or frozen, not cooked		10,732,820	1,897,632	do	Do.
Yellowfin, etc., gilled and gutted, heads, tails removed		10,772,880	1,658,272	do	Do.
Yellowfin, etc., n.e.s., fresh or frozen, not cooked		963,656	101,857	do	Do.
Skipjack tuna, fresh or frozen, not cooked		1,291,618	141,455	do	Do.
Tuna, not elsewhere specified, fresh or frozen, not cooked		1,508,740	211,371	do	Do.
Cod, filleted, fresh or frozen		21,630	4,047	2½ cents per pound	1.875 cents per pound and 2½ cents per pound [1]
Swordfish, filleted, fresh or frozen		18,425,981	6,232,416	do	1.5 cents per pound.[3]
Halibut and salmon, filleted, fresh or frozen		4,335,213	1,722,799	do	Do.
Yellow pike filleted, fresh or frozen		25,000	4,023	do	Do.
Fresh water fish except yellow pike, filleted, fresh or frozen		10,000	3,230	do	Do.
Flounders, filleted, fresh or frozen		23,148	10,338	do	Do.
Wolf fish, filleted, fresh or frozen		8,700	2,697	do	1 cent per pound.
Fish, filleted, boned, etc., fresh or frozen		3,903,804	1,161,359	do	1.5 cents per pound.
Cod, haddock, etc., dried and unsalted		2,045	750	do	0.2 cent per pound.
Shark fins, dried and unsalted		56,611	64,794	1¼ cents per pound	0.53 cent per pound.
Fish, n.e.s., dried and unsalted		115,796	82,970	do	0.3125 cent per pound.
Sardines in oil, not skinned or boned—over 18, not over 23 cents per pound.		487	108	30 percent	20 percent.
Sardines in oil, not skinned or boned—over 23, not over 30 cents per pound.		5,934	2,220	do	15 percent.
Sardines in oil, not skinned or boned—over 30 cents per pound, smoked.		4,960	2,188	do	12.5 percent.
Sardines in oil, not skinned or boned—over 30 cents per pound		3,774	990	do	15 percent.
Sardines in oil, skinned or boned—over 30 cents per pound		2,100	1,300	30 percent	24 percent.
Anchovies in oil, valued over 9 cents per pound		397	163	do	12 percent.
White meat tunafish in oil, canned		206,118	91,113	45 percent	35 percent.
Other tunafish in oil, canned		32,053	13,335	do	Do.
Bonito and yellowtail in oil, valued over 9 cents per pound		36,731	12,522	30 percent	15 percent.
Smoked pollock in oil, valued at over 9 cents per pound		12,039	6,653	do	Do.
Fish in oil, n.e.s., over 9 cents per pound		390,223	181,415	do	25.5 percent.
Salmon, not in oil, in airtight containers		4,422,325	2,237,655	25 percent	15 percent ad valorem.
Canned albacore in brine		26,081,906	12,053,459	do	12.5 percent.[3]
Canned tuna in brine, n.e.s		21,032,909	7,912,761	do	Do.[3]
Fish cakes, balls, and puddings, not in oil, airtight		358,516	125,955	do	3 percent.
Herring, smoked or kippered or in tomato sauce		998,010	180,483	do	6.25 percent.[3]
Bonito in brine, in airtight containers		63,499	24,119	do	12.5 percent.[3]
Fish, n.e.s., in airtight containers		158,708	113,164	do	Do.[3]
Salmon, pickled or salted		3,185	3,014	25 percent ad valorem	8.5 percent.
Cod, haddock, etc., pickled, salted, skinned or boned		7,825	1,594	2 cents per pound	0.75 cent per pound.
Herring, pickled or salted, in containers, not over 10 pounds, net		30	118	1 cent per pound	0.14 cent per pound.[3]
Herring, pickled or salted, in containers, over 10 pounds net		250	213	do	0.1 cent per pound.[3]
Mackerel, pickled or salted, bulk or containers, over 15 pounds		6,500	989	do	0.2 cent per pound.
Fish, pickled, salted, n.s.p.f., bulk or containers, over 15 pounds		118,759	54,547	1¼ cents per pound	1¼ cents per pound.
Fish, pickled, salted, n.s.p.f., in containers, not over 15 pounds		1,500	801	25 percent ad valorem	25 percent.
Salmon, smoked or kippered, n.e.s.		122	420	do	10 percent.
Cod, etc., filleted, smoked or kippered		288	110	3 cents per pound	0.5 cent per pound.
Fish, smoked or kippered, n.s.p.f.		600	200	25 percent ad valorem	6.25 percent.
Fish, n.e.s., in containers, not over 15 pounds		26,596	23,995	do	12.5 percent.[3]
Albacore, loins and disks, prepared, n.e.s., bulk or containers, not over 15 pounds.		1,630,638	669,423	1¼ cents per pound	1 cent per pound.
Tuna, loins and disks, n.e.s., prepared, bulk or containers, not over 15 pounds.		8,566,867	3,117,844	do	Do.
Frozen blocks or slabs, uncooked fish bits, etc		34,800	5,740	do	Do.
Other prepared or preserved fish		277,862	152,272	do	Do.
Fish paste and fish sauce		22,223	14,510	30 percent	8 percent.
Fish roe, n.s.p.f., not boiled		25,517	56,089	20 cents per pound	4 cents per pound.

See footnotes at end of table.

Imports of fishery products from Japan by commodity description, 1962—Continued

Item	Unit	Quantity	Value [1]	Tariff July 1, 1934 [2]	1963 tariff
EDIBLE PRODUCTS—continued					
Fish roe, n.e.s., for food, boiled, in airtight containers		2,883	$4,108	30 percent	5.5 percent.
Crabmeat, etc., fresh or frozen		206,300	188,634	15 percent	15 percent.
Crabmeat, etc., prepared in airtight containers		3,441,854	4,635,347	do	22.5 percent.
Oysters, etc., in airtight containers		2,777,969	916,272	8 cents per pound	6 cents per pound.
Oysters, smoked, in airtight containers		1,402,155	669,265	do	4.5 cents per pound.
Other oysters, etc., in airtight containers		3,109,862	825,326	do	6 cents per pound.
Razor clams, canned		1,428	631	23 percent	7.5 percent.
Clams, n.e.s.		1,354,180	809,241	Free	Free.
Clam chowder and clam juice and combinations		5,441	5,009	35 percent [4]	17.5 percent.[4]
Roch lobster tails		299,647	338,160	Free	Free.
Other fresh or frozen lobsters		47,144	48,939	do	Do.
Lobsters, canned		914	1,562	do	Do.
Turtles		20	330	do	Do.
Clams, quahogs, not in airtight containers		358,083	76,136	do	Do.
Shrimps and prawns		1,468,230	875,366	do	Do.
Headless shrimp, fresh or frozen		91,369	63,938	do	Do.
Peeled and deveined shrimp, frozen		1,281,491	848,229	do	Do.
Shrimp and prawns, n.e.s.		1,080,953	951,313	do	Do.
Scallops, fresh, frozen, and prepared		82,576	96,353	do	Do.
Oysters, fresh or frozen, not in airtight containers		94,228	53,175	do	Do.
Oysters, n.e.s., not in airtight containers		1,542,801	162,477	do	Do.
Abalone		105,313	171,897	do	Do.
Shellfish, n.s.p.f.		2,669,865	695,434	do	Do.
Shellfish pastes and sauces, n.s.p.f.		638	528	do	Do.
Total, edible		270,461,675	77,512,899		
NONEDIBLE PRODUCTS					
Whale oil, sperm, refined or processed	Gallon	5,638	4,605	1.87 cents per pound	0.47 cent per pound.
Cod liver oil	do	355,555	33,049	Free	Free.
Kelp	Pound	131,870	85,356	do	Do.
Coral, marine, uncut and unmanufactured	do	2,385	19,280	do	Do.
Fish scrap except fertilizer	Short ton	15	4,800	do	Do.
Whale, bone, unmanufactured			318	do	5 percent.
Goldfish and other aquarian fish, n.e.s.			17,002	do	Free.
Fish, inedible, n.e.s.			2,843,549	do	Do.
Shells, mother-of-pearl and trocus, unmanufactured	Pound	299,406	164,184	do	Do.
Shells, n.s.p.f., unmanufactured	do	181,618	20,419	do	Do.
Fish solubles	Short ton	338	11,578	do	Do.
Halibut liver oil, advanced	Pound	3,947	5,950	10 percent plus 3 cents per pound.	5 percent.
Fish oils and fish liver oils, n.e.s., advanced	do	232,897	914,193	do	Do.
Agar-Agar	do	140,860	244,944	25 percent	15 percent.
Spermaceti wax	do	29,880	4,747	3.5 cents per pound	2.5 cents per pound.
Pearl essence	do	38,099	241,072	25 percent	9 percent.
Buttons, fresh water, pearl or shell	Gross lines	1,536,723		1.75 cents plus 25 percent	1.75 cents plus 25 percent.
Buttons, ocean pearl shell	do	3,434,053		do	Do.
Natural pearls and parts			363,619	10 percent	3 percent.
Cultured pearls and parts			17,934,159	do	5 percent.
Reptile and sharkskin, leather, n.e.s.			17,781	25 percent	10 percent.
Luggage, leather, fitted with travel sets, etc.			59,960	35 percent	Do.
Luggage, reptile, not fitted			7,685	do	17.5 percent.
Purses, billfolds, etc., leather, reptile			1,522	do	14 percent.
Leather manufactures, n.e.s., reptile			7,154	do	Do.
Shells, etc., cut, engraved, ornamented or otherwise manufactured			25,427	do	17.5 percent.
Manufactures of shell and mother-of-pearl			173,805	do	Do.
Moss, sea grass, etc., dyed, manufactured, n.s.p.f.			228,778	10 percent	22 percent.
Whale oil, sperm, crude	Gallon	5,206,777	3,563,470	0.67 cent per pound	0.065 cent per pound.
Total, nonedible			27,397,771		
Grand total			104,910,670		

[1] The dollar value is defined generally as the market value in the foreign country, excluding U.S. import duties, ocean freight, and marine insurance. Figures not checked by Tariff Commission. The above figures do not include 66,082,000 pounds of tuna received from the Canal Zone, Trinidad, Sierra Leone, Senegal, Ghana, Canary Islands, Ivory Coast, and the Fiji Islands. It is understood that these imports consist entirely or almost entirely of tuna landed in these countries by Japanese fishing vessels for shipment to the United States.

[2] Cuban rate not shown.

[3] In act correspondence with tariff schedule.

[4] On American selling price.

Source: U.S. Department of Commerce, Bureau of the Census.

Prepared by Branch of Statistics, Bureau of Commercial Fisheries, Fish and Wild life Service, U.S. Department of the Interior, Aug. 20, 1963.

Mr. MAGNUSON. I also ask unanimous consent to have placed in the RECORD at this point an excellent editorial from Fishermen's News of March 1965, second issue. The editorial is entitled, "We Have Only Begun To Fight." It deals with the problem of the Bristol Bay salmon fisheries on the high seas. Of course, directly involved are the Japanese.

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

WE HAVE ONLY BEGUN TO FIGHT

There are perhaps some in high places who are paying little attention to the campaign begun last issue in the Fishermen's News to arouse reaction against the Japanese piracy of the 1965 Bristol Bay salmon run. These are the Government officials who will regard this seemingly token effort as nothing more than the complaint of a few fishermen who are unable to recognize the broader relationships between the United States and Japan. These are men who feel that the entire fishing industry is expendable and such a minute issue as the relative ownership of a single river system's salmon run on the high seas is hardly worth passing consideration.

May we say to these leaders and officials of Government, "We have only begun to fight."

If they feel that the present campaign against Japan's taking of this run of salmon born and nurtured in American streams, will end with the mere submitting of petitions of protest, we may advise that they have underestimated the latent feelings of the American citizenry. They are not giving quite enough credit to the basic intelligence of the average citizen of this country, and they are surely underestimating the long-proven American ability to fight for that which they believe is their property.

In this era of big government, which is not in itself bad, there is a growing tendency to regard the citizenry as a great mass of unintelligent statistics, not in possession of the facts of the situation and totally incapable of creating action even if the truth were made known.

May we suggest, however, that the power of our Government still rests with the people, and when Government chooses to ignore the cry of injustice, no matter how small the issue or consequence, the will of the people will make itself known, not only from that tiny affected area, but from the length and breadth of America.

The office of Senator MAGNUSON is at this moment very likely receiving the beginning of the largest single reaction ever put forth in behalf of the fishing industry. Thousands of signatures are now on his desk protesting the 1965 Japanese piracy of the Bristol Bay run, thousands more are en route. We are sending out blanks by request in every mail, and filled petitions are heading for Washing, D.C., just as rapidly. These are not protests at the work of Senator MAGNUSON, for his dedication and interest in the fisheries is well known. There are tools for him to work with. Proof that America does care for its fisheries, concrete evidence that the citizenry is tired of tightening its belt to the point of disaster to insure escapement of salmon to our spawning grounds, only to

supply the greedy export needs of the Japanese.

We said that we had only begun to fight.

If Japan is not told by our Government that we deem the taking of the 1965 run as an "unfriendly act"; if the U.S. Government refuses to stand up for the preservation and conservation of its own resources and in defense of its citizens, then those same citizens will begin a wave of reaction unheard of in the annals of fishery history.

This is not a case for fisheries and fishermen alone. We have spoken at gatherings where not a single fisherman was present, and yet the support to the cause was unanimous. They have been Democrats, Republicans, sportsmen, legislators, all manner of people. They have come from fishing villages, from the coastal cities, and the farms, to the hinterland. And in every case, without a single deviation, there was the question asked, "What can we do to help?"

Thus far we've merely asked them to sign petitions, to write letters merely to advise their feelings so that there can be no misunderstanding as to the value which the people place on the fishery resource. Then the burden for action is placed at the feet of our Government.

And if action doesn't come then? We, as citizens, will speak the only language the Japanese understand. We'll talk economics. Japan doesn't need this salmon to feed their hungry. This fish is for export, to make money, to satisfy a greed for red salmon profits, unavailable in 1965 from Asiatic stocks for the simple reason that Japan has desecrated the Soviet salmon runs by her unrestricted high seas fishing.

We will be forced to a course of action which is distasteful in its very nature. We shall begin to examine those products from Japan which we use in our work and in our homes, and we shall turn to the longshoremen and ask that they treat the imports from Japan even as they treated the Russian cod at Boston the other day.

And we shall examine more carefully those people whom we send to Washington, D.C., to represent our interests. And we shall select only those who place the American resource and the American people above the selfish interests of Japan.

Mr. MAGNUSON. Mr. President, with the breakup of winter imminent, fishermen in the Pacific Northwest are actively engaged in preparing their equipment for a new season. Two very important segments of the industry, the salmon and halibut fisheries, will begin operations in a few short weeks. I wish I could say that the hardy men dependent upon salmon and halibut for a livelihood were eagerly and optimistically looking forward to a profitable season. Unfortunately, they have reason to be pessimistic about the coming season. The reason is the fishery policies of Japan.

Last year, our halibut fishermen believed that they would have a highly successful season. Some of these fishermen traveled from Seattle to the Bering Sea in small boats, nearly 2,000 miles, early in the spring when hazardous weather conditions prevail. These men took great risks in the hope of catching an early load of halibut and thereby giving themselves some assurance of a profitable season. Everyone familiar with the disastrous 1964 halibut fishery in the Bering Sea knows that those industrious men gained nothing but financial indebtedness.

The economic losses suffered by our halibut fleet are directly attributable to the fishery policies of Japan. In 1963, the Japanese refused to accept a reasonable catch quota for halibut in the Bering Sea and, as a result, the resource has been badly overfished. Indeed, this fishery has been eliminated as a factor in the financial stability of the North American halibut fleet.

Mr. President, the halibut resources of the Eastern North Pacific have been brought to high levels of productivity and maintained there by the joint effort of the United States and Canadian Governments and by the sacrifices of United States and Canadian fishermen, beginning in the 1920's. Now, in a few short years, the intemperate acts of Japan have canceled out a substantial part of the results of those efforts and those sacrifices.

Our salmon fishermen and salmon packers have had financial difficulties in recent years, especially those members of the industry trying to earn a living from the salmon resource of Bristol Bay in Alaska.

Fishermen from the Pacific Northwest have a financial interest in the red salmon runs in Bristol Bay. Some fishermen from the State of Washington travel to Bristol Bay to take part in the short fishing season. These men are taking a great financial risk by going to Alaska. For the past 3 years, these men have been unable to earn a living from that fishery.

The great salmon packing companies of the Pacific Northwest are the major investors in processing equipment and plants used in Bristol Bay. These companies have sustained three consecutive years of financial losses from operations in that area, because of small runs. These businessmen cannot afford to continue unprofitable operations in Bristol Bay. If the processors do not open their plants and hire local labor, the entire economy of the area will be disrupted.

The members of the salmon industry in the State of Washington have been looking forward to a highly successful Bristol Bay fishing season because of the prediction, by U.S. scientists, of a red salmon run of approximately 27 million fish. Such a run would bring about profitable fishing and processing operations, and permit the recouping of financial losses incurred during the last 3 years. But these people are hardly filled with optimism, because they have seen the fishing patterns of the Japanese high seas salmon fleets in the past, and they do not know what to expect in 1965. They fear the worst.

During the past 10 years, the Japanese have taken 30 percent of the total catch of Bristol Bay red salmon. The Japanese catches during the past 3 years have had a particularly harsh impact on the U.S. industry because the runs have been very small. Every fish was needed for our fishermen or for escapement to the spawning grounds.

Normally, the Japanese salmon fleets begin fishing in early May. Some of the fleets operate between 175° east longitude and 175° west longitude, the area occupied by Bristol Bay red salmon. In most years, the Bristol Bay salmon leave the Central Pacific and migrate toward their home streams in June. As a result, the Japanese move further west and catch salmon of Asian origin, following those fish all the way to the Asian coast. In 1964, however, the Japanese fleets were unable to obtain their quotas from Asian salmon and they returned to the east where immature Bristol Bay salmon were present. The Japanese caught over a million immature red salmon that would have spawned in Bristol Bay streams in 1965.

While a catch of 1 million salmon from a run of 27 million fish may not seem important, it must be remembered that some 12 million red salmon are needed for escapement. Add to this the million plus that the Japanese have already caught, plus the catch they can make in 1965—probably over 5 million fish—and it is clear that the U.S. fishermen will be fortunate to catch enough salmon in Bristol Bay to tide them over the winter, much less earn enough to pay off debts accumulated in the past 3 years.

The uncertainty of the Japanese salmon fishery actions during the coming season is disrupting the investment plans of the U.S. industry. A foreknowledge of Japanese plans would give our industry an opportunity to gear its operations to the size of the run expected in 1965. Without such knowledge, the risks involved in planning are increased well beyond the normally high risks common to the fishing industry. The segment of the U.S. salmon industry operating in Bristol Bay has never had the benefit of prior knowledge concerning Japanese fishing activities. This lack of information has been costly. The Japanese catches of Bristol Bay salmon have had a serious economic impact on our fishing industry.

The Japanese high seas salmon fishery has disrupted our conservation programs. The Japanese fleets take large numbers of immature salmon, a wasteful procedure, because the fish have not reached the stage in their life cycle where the period of most rapid growth occurs. In addition, our scientists can make reasonable estimates of the number of salmon expected to return to Bristol Bay. Regulations are established in a manner that will insure adequate escapement to the spawning grounds. The unknown effects of the Japanese high seas fishery make it impossible to regulate the U.S. fishery to insure proper levels of escapement.

The treaty establishing the International North Pacific Fisheries Commission prohibited Japanese salmon fishing east of 175° west longitude in the North Pacific Ocean. The negotiators of this treaty clearly understood that the intent of the agreement was to protect from exploitation by the Japanese any salmon of North American origin. Research by the International North Pacific Fisheries Commission has proved beyond doubt—and Japanese scientists do not dispute it—that the Japanese high seas fishery does exploit North American salmon, especially red salmon originating in the Bristol Bay area. The U.S. representatives to the International North Pacific Fisheries Commission have not been successful in changing this situation. As a result, as I have explained, the Japanese have taken nearly one-third of the

catch of Bristol Bay red salmon during the last 10 years.

Obviously, there are defects in the treaty. The United States, Canada, and Japan have been conducting talks during the past year and a half aimed at revising the treaty to make it more acceptable to all. Hopefully, revision will correct the defects which work such hardships on U.S. fishermen. But, from what I can learn, Mr. President, negotiations are not going well for the U.S. fishermen.

Japan is a great fishing nation with fleets operating in all areas of the world and exploiting nearly every species of fish that has any commercial value. Unfortunately, the Japanese have not made any effort to conserve the natural resources of the seas. For example, Japan disregarded the scientific evidence presented at the 1964 annual meeting of the International Whaling Commission and would not agree to a quota based on sound conservation principles. Earlier, I mentioned the Japanese disregard for the conservation of halibut in the Bering Sea, which is another example of her ruthless exploitation of fishery stocks for the purpose of obtaining short-term economic benefits. The Japanese high seas salmon fishery for Bristol Bay red salmon represents the same type of disregard for proved conservation programs.

The Japanese do not need Bristol Bay red salmon to operate their fleets at a profit. Each year their fishery has a quota that is established through negotiations with the Soviet Union. The Japanese know the amount of investment that will be necessary to equip their vessels with sufficient gear to catch the quota. They know the areas where the Asian stocks of salmon are present, and they are capable of catching those stocks. Yet, the Japanese insist upon harvesting salmon of North American origin.

In 1963, a year of economic disaster in the Bristol Bay area, the Japanese mothership fleets caught over 23 million salmon. Included in this catch were 1.3 million Bristol Bay red salmon. If the Japanese had used the time spent fishing for North American salmon in fishing for Asian salmon, they probably would have caught a greater number of fish. Certainly, the 1.3 million Bristol Bay salmon were not necessary for a profitable Japanese fishery, but these same fish could have prevented the Bristol Bay area from becoming a disaster area in 1963.

The Japanese fishing companies do not need a few million Bristol Bay salmon to operate at a profit. These Japanese companies are highly diversified, with fleets operating in many other fisheries and they are obtaining substantial profits. The salmon canners of the State of Washington and residents of Bristol Bay do not have other fisheries from which they can earn enough money to buy the necessities of life. The people of Bristol Bay are dependent upon one source of income: the annual run of red salmon.

This year the problem is especially critical. The recent history of the Japanese high seas salmon fishery indicates that the United States must take positive action to protect legitimate U.S. interests in the salmon fisheries. The future of an important U.S. industry is at stake. The livelihoods of a large number of people in Alaska and the Pacific Northwest are in jeopardy. The course of patient negotiation pursued by the administration seems unlikely to ease the situation. I suggest that the Senate give serious consideration to legislation that will protect our people.

Mr. BARTLETT. Mr. President——

The PRESIDING OFFICER. The Senator from Alaska is recognized.

Mr. BARTLETT. In my judgment, the bill which the Senator from Washington has just introduced on behalf of himself and me is vitally necessary.

It may be construed as a threat against a nation which we now consider friendly. That it is. I hope that soon it will become more than a threat. It hope that it will become an actuality.

I am sure that I speak for the Senator from Washington, as well as myself and all other Senators interested in the fisheries industry, in saying that unless something is done and done speedily, a priceless resource will have been lost to the American people.

Mr. President, a decade ago the United States, Canada, and Japan entered into a voluntary agreement—voluntary in every way on the part of each nation—dealing with certain fisheries resources, including salmon of the North Pacific Ocean.

Some Japanese like to say now that the treaty was imposed upon them as a consequence of their limited powers following the war. The record proves conclusively that this is not the case. There is abundant evidence to support my statement.

A provisional extension of the line was set forth in the treaty at 175° west longitude. It was provided in the treaty that the Japanese would not fish for salmon of North American origin west of that line.

So far as I know the Japanese have never violated that provision of the treaty—the line is shown in the newspaper to which the Senator from Washington referred a few moments ago, the Fishermen's News, in the form of a map which discloses from whence the fish come, and the Japanese methods and places of taking the fish.

In 1953, biologists were as sure as they could be—given the imperfect scientific knowledge of those days—that salmon of North American origin did not migrate in any considerable number, and perhaps not at all, west of 175° west longitude.

In this assumption, the biologists proved to be in total error, because it was subsequently discovered that great stocks of salmon are found west of that line.

These salmon come from the lakes and rivers of the Bristol Bay watershed in Alaska. This is the greatest red salmon fishery in the world. Most of the red salmon canned for human consumption comes from Bristol Bay stocks.

The treaty to which I previously referred contained adequate language so that it should have been simple, indeed, to revise it when it was discovered that migrating fish went west of the line, 175° west longitude. The treaty so provided. But the Japanese have uniformly refused to make any changes whatsoever.

Mr. President, what have been the consequences? They have been many and disastrous for the United States, particularly for Alaska.

One consequence has been that for each of the last 9 years the Japanese have taken an average of 30 percent of all the salmon originating from the Bristol Bay watershed.

Another consequence has been that the Japanese uniformly, without regard to any conservation principles whatsoever, have taken immature as well as mature fish.

Another consequence has been that three times since the treaty came into force—I repeat, three times—Bristol Bay has been declared a disaster area by the President of the United States. The American taxpayers in general, in one degree or another, have been required to furnish help and sustenance to fishermen and their families who—if the Japanese were not taking the salmon—would have received ample income from their labors.

The situation has grown to the point where not only fishermen are denied the living that should be theirs, but also the packing companies—many of them coming from the city of Seattle in the State of Washington—have been losing money year after year because they cannot pack enough fish to break even.

The U.S. Government and the State of Alaska have spent millions of dollars to try to conserve this great resource. The Japanese have not spent a single penny. These millions of dollars, to a large extent, have been wasted because of the depredations of Japanese fishermen, who fish immediately west of the line, as they did last year, with the full consent of their Government.

Mr. President, last year, for the first time, the Japanese came up against that line and took over 2 million red salmon, a good proportion of which, I am informed, were immature—far too small to be economically caught and put up in cans.

I salute the chairman of the Commerce Committee, the Senator from Washington [Mr. MAGNUSON], who has been such a great and effective friend and supporter of the fishermen of the Pacific coast and elsewhere—for having introduced this bill.

Contrary to the opinions of some, we have good, hard, tough negotiators working for us in seeking to bring about satisfactory solutions to this vexing problem.

Only a few weeks ago, these men, representing the State Department and the Interior Department—the Governor of Alaska, Mr. Egan, was a member of the party—went to Tokyo in the hope and belief that an arrangement could be made for this year whereby the Japanese would abstain from taking salmon right up against the line.

The Japanese refused any serious discussion on this subject. They turned us down. Our people had to come home without having won what was a vital point—a vital point not only for the

1965 salmon pack, but also for the future of the red salmon fisheries industry of Bristol Bay and the entire North Pacific, insofar as the United States is concerned.

The Japanese are unwilling to practice conservation methods which are commonly recognized by Americans, by Canadians, and by so many other nations of the world as being desirable and necessary. I for one regret the necessity, as I am sure the Senator from Washington does, of introducing a bill which might seem to some to be punitive. However, we must do it. We must do everything possible to have it enacted into law. As I said, there is a precedent for it. This is not an attempt to do something for the first time. It has been done before with the full knowledge and acquiescence of even the leadership in the executive department of the Government.

The livelihood and the fate of thousands of fishermen in my State and a great commercial enterprise depend to a very considerable extent on the rapidity with which we move and the momentum that we attain and maintain and the vigor of our Government's response to what is really an intolerable situation presented to us by the Japanese in the excessive taking, against all conservation principles, of almost a third of the salmon from Bristol Bay. It is estimated that this year the Japanese may take more than 5 million fish immediately west of the line. We need about 12 million fish to return to the lakes and streams for spawning purposes. If the Japanese "take" is on the order suggested, I doubt very much whether 12 million or any comparable number will return to the streams and lakes so that the future of the fishery may be assured.

This is a very momentous problem—momentous insofar as Alaska is concerned, so far as Washington is concerned, and the entire country is concerned.

Mr. President, on March 27, 1964, the State of Alaska suffered a severe natural disaster that severely disrupted the economy of the State. Extensive financial assistance to the State has been provided by the Federal Government and, to a great extent the economy of Alaska has recovered from the unprecedented calamity of the Good Friday earthquake.

The fishing industry of Alaska sustained severe damage from the earthquake, however, this same industry made a remarkable recovery in 1964 and played a major role in the rehabilitation of the State. The importance of the fishing industry to Alaska has been known for some time, but I feel that the importance was reemphasized during the past year.

Unfortunately, not all of the fishing areas of Alaska are prosperous or, for that matter, even able to maintain a decent standard of living. This is especially true of such communities as Naknek, Dillingham, and others in the Bristol Bay area where, even though unaffected by the earthquake, the fishing industry is in a life or death struggle for survival. This section of Alaska is almost entirely dependent upon the fisheries for its economic well being, and the fisheries of the area are dependent upon one species of fish: the red salmon.

Fishermen have long accepted the risk inherent in their chosen field of endeavor. The size of any fish stock will vary from year to year and the availability of the fish will vary. In the Bristol Bay red salmon fishery, however, an additional element of risk has been added in the form of a Japanese high seas fishery for salmon originating in and returning to the fresh water streams entering Bristol Bay. In the view of United States scientists the high seas fishery is wasteful and contrary to the proper conservation of the resource. For the communities dependent upon the Bristol Bay run of red salmon the Japanese high seas fishery threatens economic strangulation.

For the past 3 years salmon packing companies have suffered substantial losses in their Bristol Bay operations. The fishermen have been unable to accumulate earnings sufficient to meet their debts. Since the initiation of high seas fishing by the Japanese after World War II the Bristol Bay area has been declared a disaster area three times. The basis for these declarations was the failure of the salmon runs. In other years the Federal and State governments have found it necessary to distribute surplus foods to prevent the starvation of residents in the Bristol Bay area. When it is known that the salmon fishery of the area is capable of supporting the economy, providing the fish are available, it does not seem reasonable that extensive Federal and State aid should be necessary at the expense of all taxpayers. A more reasonable and acceptable method of support would be the assurance that the salmon runs will be protected until available to our fishermen.

I repeat, in the past 9 years the Japanese high seas fishery has accounted for 30 percent of the Bristol Bay red salmon catch. Over 27 percent of the Japanese high seas catch of red salmon comes from Bristol Bay stocks. These levels of exploitation have a major effect on the economy of the Bristol Bay area and have been a significant factor in the economic retardation of the area.

The lack of controls on the Japanese high seas salmon fishery has made the management of the Bristol Bay salmon runs an almost impossible task. The indiscriminate catch of salmon on the high seas results in the taking of salmon destined for streams that do not have a sufficient number of spawners as well as fish going to streams where there is a surplus of spawners. In addition, many immature salmon are taken on the high seas before they have reached the period of rapid growth. Such wasteful fishing practices should not be tolerated.

The U.S. scientists are not alone in condemning high seas salmon fishing. Canadian and Soviet scientists agree with our findings. The Japanese take a substantial part of the Asian salmon runs and these runs have been declining in recent years. Soviet scientists have stated that the principal reason for the decline is the Japanese high seas fishery. Certainly all of these scientists cannot be wrong in their assessment of the effects of high seas salmon fishing.

It has been brought to my attention that in 1965, the Bristol Bay red salmon run should consist of about 27 million fish. This will be the largest run since 1960, the year the parent stock spawned. From this run it is hoped that there will be an escapement of over 12 million fish for spawning. This leaves approximately 15 million salmon to be taken by the fishery. Such a catch would assure the packers and fishermen of the United States a profitable year and allow them to repay the debts incurred during the last three seasons.

It is too early, however, to spend the money from this bonanza. It is too early to even plan on having a catch sufficient to assure enough money to get through next winter. The reason? The Japanese high seas fishery.

In 1964, the Japanese salmon fleets made an unprecedented change in the methods of operation and moved into the area between 175° east and 175° west longitude late in July and caught an estimated 1.8 million red salmon of Bristol Bay origin. Most of these salmon were immature, therefore, they were part of the run expected to enter Bristol Bay in 1965. The Japanese exploitation of these immature fish was a calculated effort to catch red salmon of North American origin.

While the taking of over a million immature Bristol Bay salmon by the Japanese does not mean that the fishery is doomed, it is an indication of what could happen. If the Japanese fishery operates as it has in past years—we have no assurance from the Government of Japan that it will not—we can expect to see several salmon motherships concentrated in the area west of 175° west longitude where a substantial portion of the Bristol Bay run will be concentrated. An intensive high seas fishery early in the season could catch perhaps 5 to 7 million fish from the Bristol Bay run, causing an economic catastrophe for many U.S. packers and fishermen.

It is necessary for the salmon packers to purchase equipment and set up the plants before the fishing season opens. They make their expenditures on the basis of the estimated pack. If the run does not materialize this investment is lost. The small catch of red salmon during the past 3 years has left the packers in a precarious financial position and many of them will not survive another season with a low pack.

The year 1965 is crucial for the U.S. salmon industry. The United States must take positive action on this problem. The unrestricted Japanese high seas fishery for Bristol Bay red salmon cannot continue at the expense of the American fishing industry. We cannot sit idle while an important sector to our economy is being destroyed by a wasteful fishery that is contrary to sound conservation practices.

During the years since 1953, the administrations have tried with only partial success to solve this problem in the International North Pacific Fisheries Commission. Similar efforts to solve it

in the current renegotiation of the North Pacific Treaty have met with only limited success. I think this body must look to other methods for dealing with the problem. Serious consideration should be given to this legislation that will have the effect of protecting this segment of the U.S. economy.

Mr. MAGNUSON. Mr. President, the Senator from Alaska and I could take all afternoon, and I believe with some justification, discussing the moral situation that is involved; not only the legal or the practical, but also the moral situation that is involved in this enterprise of the Japanese in regard to the Bristol Bay salmon.

Is it not true that the Japanese said, in the beginning, in negotiating the treaty, that they did not wish to take North American salmon stock?

Mr. BARTLETT. That is ever so true.

Mr. MAGNUSON. Yet, because of a misunderstanding perhaps—though everyone thought it was right to place the line at 175th—we have found in later years that some of our salmon have moved over and have intermingled with Asian stock; and dispite the fact that the Japanese have always said they did not want to take our salmon, they will not cease and desist from taking those fish, even though the salmon belong to the streams of North America.

For the life of me I cannot see why they should take these two opposite, diametrically opposed views.

If the Japanese needed these few million salmon for their fish economy, there might be some discussion about the necessity of their taking the fish. However, they do not need these salmon at all. As a matter of fact, it is a very small, minute number with respect to their whole economy, dollar-wise. If the Japanese needed the salmon to eat, that would be another thing, because the Japanese do have a high protein diet; in fact, 30 percent of their diet is fish. What do they do with these salmon? They put them in cans and sell them, mainly in Europe.

The fishing companies do not need these few million Bristol Bay salmon to operate at a profit, because they are highly diversified. They obtain sufficient profits. For the life of me I cannot understand why they proceed to make an international issue of their taking some salmon that belong to North America, which, they have said all the time, they did not want to take. If they persist, they will deplete a resource which is one of the most important resources in Alaska. It means a great deal to our economy and very little to the Japanese economy. If they persist and continue to refuse to sit down and negotiate on a fair basis over a natural resource, which they know they are deteriorating, we must do something to retaliate.

I wonder what the Japanese would say if we sent a fleet off their shores to start depleting a resource that they have developed; namely, pearls.

Mr. BARTLETT. I believe the point the Senator is making is very appropriate and ought to be considered. Under the bill which he introduced a few minutes ago, would pearls be an article of commerce which would be considered?

Mr. MAGNUSON. Pearls are a natural fishery resource that the Japanese have developed by certain means over the years—through conservation and regulation—just as we have developed our salmon. I believe the duty on natural pearls now is only 5 percent.

Mr. BARTLETT. We buy a good many million dollars' worth of pearls from the Japanese, do we not?

Mr. MAGNUSON. We do. In 1962, about $18 million.

Mr. BARTLETT. Every year?

Mr. MAGNUSON. Yes. Then we could consider textiles and all the other products. I cannot see why the Japanese insist on this small amount of fish, knowing that it is important to our economy and that it will destroy a resource that belongs to us.

Mr. BARTLETT. Is it not true that the duty on pearls back in 1934 was at the rate of 10 percent, and that now it has been lowered to 5 percent? However, under the terms of our proposal it can be moved to 15 percent.

Mr. MAGNUSON. It should be, if we cannot sit down and negotiate on a natural resource, as sensible people should be able to do, and if the Japanese cannot live up to what they said was their moral obligation. I do not know why they insist on doing this. Our representatives went to Tokyo about 30 days ago.

We asked the Japanese to sit down with us to see if we could work out something in respect to the North American salmon. I did not go over there, because I could not go, but I sent some people over there. The State Department sent some people. The State Department probably presented the strongest letter that I have ever read, written by Ambassador Averell Harriman, pointing out the importance of this subject. I understand that the Japanese refused to talk about it.

Mr. BARTLETT. Yes. Ambassador Reischauer met constantly with the delegation. He led our delegation. The Japanese would not talk. Is it not true that at the end of the first 10-year period, under the treaty we made with them, we began to talk about a renewal?

Mr. MAGNUSON. Yes.

Mr. BARTLETT. We have now held three rounds of negotiations, one in Washington, one in Tokyo, and one in Ottawa. Another round will be held soon. It will be the fourth round. We have gotten precisely nowhere because the Japanese are unwilling to talk about conservation.

Mr. MAGNUSON. The Senator from Alaska will recall that the treaty which established the International North Pacific Fishery Commission prohibits Japanese salmon fishing east of the 175th west longitude in the North Pacific Ocean.

The negotiators of the treaty clearly understood that the intent of the agreement was to protect from exploitation by the Japanese any salmon of North American origin. Research by the commission has proved beyond a doubt—and the Japanese scientists do not dispute this statement at all—that the Japanese high seas fisheries do exploit North American salmon, especially red salmon originating in the Bristol Bay area.

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

Mr. MAGNUSON. I should like to finish my statement, and then I shall be glad to yield. The U.S. representatives on the commission have not been successful in changing this situation. As a result, the Japanese have taken nearly one-third of the catch of Bristol Bay red salmon during the last 10 years.

What kind of obligation or responsibility of a great nation like Japan does that sort of performance demonstrate?

The problem has its moral aspects. Our fishermen do not go out and fish these salmon because we desire to conserve those fish. We have rules. We have spent millions of dollars trying to keep the salmon run intact. Then the Japanese go out there and take not only the fish that are ready to come in but the immature ones, even though they have said over and over again, "We do not want to take your salmon."

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

Mr. MAGNUSON. I yield.

Mr. BARTLETT. What the Senator said is very true. An American fisherman does not go out on the high seas with nets and fish for salmon. Neither does a Canadian do so. Why does he not do so? In my judgment, there are two reasons why he does not. First, he would be in disobedience of the law if he were to do so. The practice is not permitted because it is against all conservation practices to fish for salmon on the high seas with nets.

Second, in so far as I know, not one American or Canadian fisherman has ever protested against that law. They desire to have restraints against fishing on the high seas with nets because they know that otherwise the resource would be devastated.

But how do the Japanese fish on the high seas? I will tell the Senate how they fish. They fish with nets which sometimes are several miles long. They catch thousands of fish in those nets at one time. Sometimes the nets get loose. They drift for goodness knows how long about the ocean, all the time catching unnumbered salmon. It is a menace in every way. It ought not be permitted any longer. We have been tolerant too long.

Mr. MAGNUSON. Not only have we been tolerant too long, but the time has come to start to think about our economic and other relations with Japan, when we find her morally violating a treaty which they entered into 13 years ago and persist in doing so. Every bit of evidence justifies taking some drastic action.

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

Mr. MAGNUSON. I yield.

Mr. BARTLETT. The Japanese have whaling fleets. They have been killing whales in the Antarctic for quite some time. I am informed that they have

been killing whales to the point at which, if something drastic is not done within the next year or two, all the whales which once inhabited the South Polar regions in such great numbers will be gone forever. They must be restored. That will be the case because people who have never learned conservation measures and who do not care about them insist upon making a dollar today rather than making $5 every year for the distant future. That would be the case. They would make far more money if they saw to it, in company with us, that these stocks of whales were preserved. This is an endless resource, a resource that is renewable, and that can benefit mankind for all time if we are so willing.

Mr. MAGNUSON. Mr. President, I have in my hand a list of the imports of fishery products from Japan to this country. There must be 500 different fishery items on that list. There are about 100 special items. Some fish comes in fresh, some in brine, and some in cans. Japan does a big business with us on fisheries. We are willing to do that business with them. No salmon is involved because that is usually packed and sent to the United Kingdom. The United Kingdom and West Germany are Japan's largest customers. Japan does not need it at all. Every can that Japan sells means that the U.S. taxpayers have probably spent to conserve that particular fish the cost of the whole can. We continue to do it. We conserve the fish while they pick it up, can it, and take the price.

We are not talking about other fish on the high seas. Such fish belong to all the nations of the world. We are attempting to get some conservation rules with respect to those fish. But we are talking about the North American stock of salmon that we have spent time, energy, and a great deal of money to preserve. The Japanese are picking up even the immature fish.

They are taking those fish, despite the fact that they have always said that they did not want to do so.

There are many items included in this list of Japanese fishery imports. I do not desire to read all of them. They will appear in the RECORD. We allow them to bring in free fresh and frozen tuna, though not canned tuna. They sell quite a number of cultured pearls to us. Compared to the small amount of salmon we are talking about, the value of cultured pearls is large, indeed. But that small amount of salmon means everything to the economy of Bristol Bay and a great deal to the economy of Alaska.

I am sure that if we started to be unfair, as I think they are in the present case, with, let us say, textiles, which are a great part of the Japanese economy, cameras, binoculars, transistor radios, or any other of 100 items which I could name, Japan might have some reason to protest. But, so far as they are concerned in their fishery economy or their national economy, this item is nothing. Yet they still persist in a practice which will ruin the whole natural resource.

It is high time that we took some action. The State Department is becoming fed up with it. When the State Department becomes fed up with that attitude, I believe we are going a long way. I am sure that the administration is also, because here is an item that should have been settled a long time ago so that our general relations with Japan could have been much better.

Japanese officials wish to sit down and talk about airlines. They desire to land Japan Air Lines planes in New York. They wish to sell transistors and other things to us. I think that is fine, because we wish to have good trade relations. But it is pretty hard for the Senator from Washington or the Senate Committee on Commerce to look at this subject in that manner when we find them continually flaunting the salmon situation in our face and destroying a natural resource that we have paid large sums of money to keep alive.

I hope that Senators will read all of the items on the list to which I have referred, which contains fishery products by commodity description.

There appears also on the list tuna in brine, yellow fin tuna, and albacore, all of which products come in free. This is the largest part of their fishing economy. There were 52 million of albacore, 62 million of yellow fin, 10 million of yellow fin fresh, and over 10 million of yellow fin gilled and gutted, heads and tails removed. That adds up to millions in the tuna field alone, which we allowed to come in free. We do not impose any duty at all on those products.

On pearls there is a duty of 5 percent.

I wonder what they would think if we went over to Japan and started to dig around the area in which their pearls are planted. Their pearl industry is a natural resource which they have spent time and money to develop. They have done a fine job on it, as we have done with our salmon.

I am becoming thoroughly fed up with the constant statements of my Japanese friends: "We do not want to take any of your North American salmon." That is the basis of the whole treaty, but they go out and do it any way, ruining the Bristol Bay run. If the present practices continue, there will not be any run left.

Then they threaten us by saying, "Perhaps we shall withdraw from the treaty altogether." They can do so now. They can give a year's notice. There is a sort of legalized blackmail over this situation. I dislike to see the relations between Japan and the United States impaired over a dispute that should be settled, as to which the facts are indisputable, and as to which we can sit down, as reasonable people, and solve the problem before the whole Bristol Bay salmon run is completely destroyed and the economy of Alaska along with it.

Mr. BARTLETT. I thank the Senator from Washington.

Mr. President, I shall conclude by saying that the position of the United States in respect to the North Pacific fisheries was emphatically stated last fall by President Johnson, and before him, in the same general terms, by President Kennedy. I suggest to our friends in Tokyo that the time has come for them to realize that this is no idle matter so far as we are concerned; it is a very serious proposition, indeed.

FIRST NUCLEAR REACTOR IN SPACE

Mr. PASTORE. Mr. President, I am pleased to inform the Senate that the first nuclear reactor in space which the United States launched Saturday, April 3, is continuing to operate successfully and is exceeding its designed power levels. The SNAP-10A nuclear reactor was designed to produce approximately 500 watts of electricity. It has been in orbit now since Saturday, April 3, and data telemetered back to the ground indicates that it is now producing in excess of 600 watts of electricity.

The United States justifiably can be proud of being the first nation to place a nuclear reactor in space and to successfully demonstrate its operation in space. The U.S.S.R. has had a similar project under development—the Romashka 500-watt nuclear reactor—which they unveiled at the Geneva Conference in September 1964 but which they, to date, have not demonstrated in space.

The United States, I am pleased to say, was able to place its SNAP-10A in orbit and to operate it in space first.

My colleagues in the Congress, particularly, should take pride in this U.S. "first" for, had it not been for the Congress, this project would not have been carried out.

Mr. President, you may recall last year when the AEC authorization bill was before the Congress this project was not included. The Air Force, which was responsible for its flight test, had deleted the required funds from its budget. Although the AEC was willing to take on the responsibility of funding its flight demonstration, no money was included in its recommended budget to the Congress. The Joint Committee on Atomic Energy, after reviewing the matter very carefully, recommended that the flight test be undertaken and that sufficient funds be added to the AEC fiscal year 1965 budget for this purpose. Without dissent the Senate and the House adopted the Joint Committee's recommendation and authorized the project.

We, at the time, did not know that the Russians were working on a similar nuclear space project, the Romashka. When the Russians unveiled their project in the fall of 1964 they claimed to be ahead of the United States in conducting ground tests of their reactor. Had it not been for the recommendation of the Joint Committee and the initiative of the Congress, we would, in the near future, have been faced with one more example of being behind the Russians. Fortunately because of the action of the Joint Committee and the Congress, this was not the case.

This first in space is a very important one in our Nation's efforts toward the attainment of leadership in space. The success of any nation in the attainment of leadership in space is dependent on the development and use of nuclear energy in space. The Russians know it as well as we do as indicated by the public announcement of their efforts on the Romashka reactor last September and recent news reports from Moscow on continued efforts to upgrade the Romashka technology.

It is indeed assuring that the United States has thus far led in the first two pioneering steps in the use of nuclear energy in space—the first being the launching of a radioisotope nuclear powered navigation satellite in June of 1961 and the April 3 launch of a nuclear reactor powerplant into orbit.

A lot remains to be done to complete the development and adaptation of nuclear power supplies in space so that we can assure the success of our efforts in space. Our recent pioneering accomplishments give us a good start for our future efforts.

When the Joint Committee reviewed the status of the SNAP-10A project last year, we had the assurance of the technical personnel in charge that, if authorized, the reactor could be successfully flight tested in the spring of 1965. I wish to congratulate both the Government representatives and the representatives of private industry who cooperated in making the project a success—those in the Air Force, the AEC, the Lockheed Corp., and Atomics International.

Mr. ANDERSON. Mr. President, I would like to commend the personnel of Atomics International and the Lockheed Corp., together with those in the Air Force and the Atomic Energy Commission, who were responsible for the development and successful launching and operation of the SNAP-10A nuclear powerplant—the first nuclear reactor in space. I particularly wish to commend my colleague, the senior Senator from Rhode Island, JOHN O. PASTORE, who, last year as chairman of the Joint Committee on Atomic Energy primarily was responsible for getting this project reinstated.

For too many years we in the United States have bemoaned the fact that the U.S.S.R. has taken the lead in some areas of space technology. There are those who give lip service to the administration's announced intentions to be the leader in the exploration of space, yet whose actions do not support these objectives. Mr. President, we remember last year when the Defense Department took the position that there was no immediate requirement for the SNAP-10A project and when the Air Force funds for the flight test were deleted from the Air Force budget.

We recall also how the Bureau of the Budget and the Office of Science and Technology were not willing for the AEC to fund the test flight. We also remember that it was the Congress, on the recommendation of the Joint Committee, that persuaded the executive branch to be more tolerant and insisted that the project not be canceled. At the time we did not know the Russians were also proceeding on a similar project.

In September 1964, at the Conference on the Peaceful Uses of Atomic Energy in Geneva, the U.S.S.R. exhibited for the first time its Romashka nuclear power plant—a ground test of a 500-watt nuclear electrical plant for space application. In its exhibit and accompanying film the Soviet Union asserted its leadership in this field because it had been able to complete preliminary ground tests.

Had it not been for the Joint Committee on Atomic Energy, under the leadership of my good friends and colleagues, Senator JOHN O. PASTORE and Congressman CHET HOLIFIELD, the United States today would not have chalked up this additional accomplishment. Had it not been for their leadership, instead of an American SNAP-10A reactor we, sometime in the not too distant future, would have been confronted with a Romashka-type Soviet nuclear reactor as the first nuclear reactor in space.

As a past chairman and as a member of the Joint Committee for more than 14 years, I have participated with my colleagues in initiating and supporting a number of programs that would not have been carried forward had it not been for our committee. I recall the difficulties we had and the obstacles we had to overcome in forcing the executive branch to move ahead on the hydrogen bomb program and the nuclear submarine program. I recall how a shortsighted decision within the Department of the Army would have terminated the promising development of the food irradiation program of the Quartermasters Corps had it not been for the intervention of the Joint Committee. I also recall that SNAP-3 isotope power source was placed on the shelf for more than 2 years, where it might still be today had not the Joint Committee taken the initiative. Through the efforts of the Joint Committee the United States in 1961 successfully launched the world's first nuclear isotope-powered navigation satellite which, I might add, still is in operation.

These matters show why I congratulate my good friend and colleague on the Joint Committee, the senior Senator from Rhode Island, under whose leadership last year the Joint Committee added to its fine record.

ADJOURNMENT

Mr. MANSFIELD. Mr. President, if there is no further business to come before the Senate, I move that the Senate adjourn until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 4 o'clock and 12 minutes p.m.) the Senate adjourned until tomorrow, Wednesday, April 7, 1965, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES

TUESDAY, APRIL 6, 1965

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D.D., offered the following prayer, using these words from Habakkuk 3: 18: *Yet I will rejoice in the Lord, I will joy in the God of my salvation.*

O Thou God of all grace and mercy, in these days we are acutely aware that there is so much of sorrow and suffering, of torture and terrorism in the world among nations and the members of the human family.

We penitently confess that we cannot understand the meaning and mystery, and the reason for all this brutality and violence.

Grant that we may never be tempted to feel that the spirit of righteousness and good will has completely departed from the heart of humanity and that the future will continue to be tormented by misery and heartaches.

Help us to encourage one another to cultivate the finer virtues and to look upward toward Thee in faith from whom radiates the light and warmth that brings peace and cheer to mankind.

Hear us in Christ's name. Amen.

THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 693. An act to amend the Foreign Agents Registration Act of 1938, as amended.

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

H.R. 5721. An act to amend the Agricultural Adjustment Act of 1938, as amended, to provide for acreage-poundage marketing quotas for tobacco, to amend the tobacco price support provisions of the Agricultural Act of 1949, as amended, and for other purposes.

COMMITTEE ON RULES

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight tonight to file certain reports.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

SUBCOMMITTEE ON HOUSING OF COMMITTEE ON BANKING AND CURRENCY

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the subcommittee on housing of the Committee on Banking and Currency may sit while the House is in session today during general debate.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

PRIVATE CALENDAR

The SPEAKER. This is Private Calendar day. The Clerk will call the first individual bill on the Private Calendar.

T. W. HOLT & CO.

The Clerk called the bill (H.R. 1218) for the relief of T. W. Holt & Co. and/or Holt Import & Export Co.

There being no objection, the Clerk read the bill, as follows:

H.R. 1218

Be it enacted by the Senate and House of Representatives of the United States of

America in Congress assembled, That the Secretary of the Treasury is authorized to pay out of any money in the Treasury not otherwise appropriated to T. W. Holt and Company and/or Holt Import and Export Company, the sum of $8,478.19. The payment of such sum shall be in full satisfaction of the claim of the said T. W. Holt and Company and/or Holt Import and Export Company against the United States for repayment of excessive customs duties erroneously collected by the Bureau of Customs on canned meat imports from Argentina, which were imported by the said T. W. Holt and Company and/or Holt Import and Export Company between December 8, 1948, and July 3, 1950, and on which the customs duties were liquidated between January 9, 1951, and January 6, 1953: *Provided,* That no part of the amount appropriated in this Act in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

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.

CHILDREN OF MRS. ELIZABETH A. DOMBROWSKI

The Clerk called the bill (H.R. 1291) for the relief of the children of Mrs. Elizabeth A. Dombrowski.

Mr. TALCOTT. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

ESTATE OF JOHANNA GRISTEDE, DECEASED

The Clerk called the bill (H.R. 1356) for the relief of the estate of Johanna Gristede, deceased.

Mr. DAVIS of Georgia. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

CWO ELDEN R. COMER

The Clerk called the bill (H.R. 1374) for the relief CWO Elden R. Comer.

Mr. TALCOTT. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

MRS. NATHALIE ILINE

The Clerk called the bill (H.R. 1380) for the relief of Mrs. Nathalie Iline.

Mr. GROSS. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

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

There was no objection.

THEODORE ZISSU

The Clerk called the bill (H.R. 1384) for the relief of Theodore Zissu.

There being no objection, the Clerk read the bill, as follows:

H.R. 1384

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding the provisions of section 33 of the Trading With the Enemy Act, as amended (50 App. U.S.C. 33), with respect to the filing of claims and the institution of suits for the return of property or any interest therein pursuant to section 9 or 32 of such Act (50 App. U.S.C. 9 or 32), Theodore Zissu, a United States citizen, may within six months after the enactment of this Act file a claim for the return of certain property, namely, his interest as owner of 30 per centum of the stock of Industria Romana Mechanica si Chimica S.A., Bucharest, Rumania, the forge plant property and equipment of which latter corporation was vested by the Office of Alien Property under Vesting Order Numbered 46, effective July 6, 1942, and supplement to Vesting Order Numbered 46, effective May 11, 1943, and which forge plant property and equipment was subsequently sold by said Office of Alien Property; and that claim shall be considered on its merits in accordance with the remaining provisions of that Act. If no such return is made within a period of sixty days after the filing of such claim, the said Theodore Zissu shall be entitled, within one year of the expiration of such period, to institute suit pursuant to section 9 of said Act (50 App. U.S.C. 9) for the return of such property.

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.

MRS. HELEN VESELENAK

The Clerk called the bill (H.R. 1475) for the relief of Mrs. Helen Veselenak.

Mr. CONTE. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

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

There was no objection.

MAJ. KENNETH F. COYKENDALL, U.S. ARMY

The Clerk called the bill (H.R. 1487) for the relief of Maj. Kenneth F. Coykendall, U.S. Army.

There being no objection, the Clerk read the bill, as follows:

H.R. 1487

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Major Kenneth F. Coykendall, United States Army, is hereby relieved of all liability for repayment to the United States of the amount of $752.38 representing overpayments of active duty pay as a member of the United States Army in the years 1949 through 1962, which he received as a result of erroneous credit of service for longevity pay purposes.

SEC. 2. The Secretary of the Treasury is authorized and directed to pay out of any money in the Treasury not otherwise appropriated, to the said Major Kenneth F. Coykendall, the sum of any amount received or withheld from him on account of the payments referred to in the first section of this bill.

No part of the amount appropriated in this Act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

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.

MRS. GERTRUDE RESKIN

The Clerk called the bill (H.R. 2155) for the relief of Mrs. Gertrude Reskin.

Mr. TALCOTT. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

ROBERT L. YATES AND OTHERS

The Clerk called the bill (H.R. 2299) for the relief of Robert L. Yates and others.

There being 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 employees or former employees of the Department of Defense in the Messenger Service Branch, Brookley Air Force Base, Alabama, named in this section are respectively relieved of liability to the United States for certain overpayments of salary made to them as a result of administrative error during the period from May 29, 1960, through December 2, 1961. The net amounts of such overpayments (exclusive of payroll deductions for civil service retirement and Government service life insurance) were as follows:

Robert L. Yates, $675.07;
Edmond E. Skidmore, $796.86;
Prester L. Simmons, $676.75;
Sidney Sawyer, $675.07;
Joe Davis, Junior, $764.83;
Eugene C. Fortune, Junior, $677.45;
Ludy Anderson, $678.77;
James F. Copeland, $675.07;
Clarence A. Baker, $659.49; and
Samuel G. Crawford, $271.63.

In the audit and settlement of the accounts of any certifying or disbursing officer of the United States, credit shall be given for any amount for which liability is relieved by this Act.

SEC. 2. The Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to each person named in the first section, an amount equal to the aggregate of the amounts paid by him, or withheld from sums otherwise due him, in complete or partial satisfaction of the claim of the United States for refund of the amount specified in the first section: *Provided,* That no part of the amount appropriated in this Act for the payment of any one claim shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with such claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person

violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

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.

SHIRLEY SHAPIRO

The Clerk called the bill (H.R. 2681) for the relief of Shirley Shapiro.

Mr. TALCOTT. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

OUTLET STORES, INC.

The Clerk called the bill (H.R. 2924) for the relief of Outlet Stores, Inc.

Mr. DAVIS of Georgia. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

BRYCE A. SMITH

The Clerk called the bill (H.R. 3075) for the relief of Bryce A. Smith.

Mr. TALCOTT. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

ESTATE OF BART BRISCOE EDGAR, DECEASED

The Clerk called the bill (H.R. 3076) for the relief of the estate of Bart Briscoe Edgar, deceased.

Mr. TALCOTT. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

CWO EDWARD E. KREISS

The Clerk called the bill (H.R. 3634) for the relief of CWO Edward E. Kreiss.

There being no objection, the Clerk read the bill, as follows:

H.R. 3634

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Chief Warrant Officer Edward E. Kreiss, United States Navy, retired, is relieved of any liability under the Act of July 31, 1894 (5 U.S.C. 62), to pay to the United States all amounts received by him as a civilian employee of the Department of the Army from May 1, 1959, through December 14, 1962. In audit and settlement of the accounts of any certifying or disbursing officer of the United States, credit shall be given for amounts for which liability is relieved by this Act.

With the following committee amendment.

On page 1, following line 11, insert:

"SEC. 2. The Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Chief Warrant Officer Edward E. Kreiss an amount equal to the aggregate of the amounts paid by him, or withheld from sums otherwise due him, in complete or partial satisfaction of the liability to the United States specified in the first section and, notwithstanding the provisions of the Act of July 31, 1894 (5 U.S.C. 62), said amount shall include any compensation due him for the period December 1, 1962, through December 14, 1962, and lump-sum leave payments based upon the period of civilian employment referred to in this Act.

"SEC. 3. No part of the amount appropriated in this Act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendment was agreed to.

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.

ROBERT O. OVERTON, MARJORIE C. OVERTON, AND SALLY EITEL

The Clerk called the bill (H.R. 3638) for the relief of Robert O. Overton, Marjorie C. Overton, and Sally Eitel.

There being no objection, the clerk read the bill, as follows:

H.R. 3638

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, (1) to Robert O. Overton, the sum of $1,500; (2) to Marjorie C. Overton, the sum of $5,000; and (3) to Sally Eitel, the sum of $10,000, in full satisfaction of their claims against the United States arising out of an incident occurring on December 25, 1946, in Indianapolis, Indiana, involving a vehicle of the Army Air Corps for which suit may not be instituted under the tort claims procedure as provided in title 28, United States Code: *Provided,* That no part of the amount appropriated in this Act for the payment of any one claim in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with such claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

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.

RUSSELL D. HARRIS

The Clerk called the bill (H.R. 3685) for the relief of Russell D. Harris.

There being no objection, the Clerk read the bill, as follows:

H.R. 3685

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding laches or any statute of limitations, jurisdiction is hereby conferred upon the United States Court of Claims to hear, determine, and render judgment upon the claim of Russell D. Harris, of Phoenixville, Pennsylvania, for retired pay under the Act of April 3, 1939 (53 Stat. 557; 10 U.S.C. 3687), or any other applicable law, and the said court is further authorized to determine whether the said Russell D. Harris was, at the time he was relieved from active duty in August of 1943, permanently incapacitated for active service and whether any such incapacity was the result of an incident of service as a commissioned officer in the United States Air Force incurred in the line of duty and not due to his own misconduct.

With the following committee amendment:

On page 2, line 3, after "States" insert "Army."

The committee amendment was agreed to.

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.

CHARLES MAROWITZ

The Clerk called the bill (H.R. 1445) for the relief of Charles Marowitz.

Mr. GROSS. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

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

There was no objection.

McKOY-HELGERSON CO.

The Clerk called the bill (H.R. 3137) for the relief of McKoy-Helgerson Co.

Mr. CONTE. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

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

There was no objection.

STAIMAN BROS.-SIMON WRECKING CO.

The Clerk called the bill (H.R. 2166) for the relief of Staiman Bros.-Simon Wrecking Co.

There being no objection, the Clerk read the bill, as follows:

H.R. 2166

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That jurisdiction is hereby conferred on the United States Court of Claims to hear, determine, and render judgment upon the claim of Staiman Brothers-Simon Wrecking Company against the United States for such losses arising out of disposal numbered 2 PRD-313A, dated June 30, 1960, as are determined to be due in law and equity because of the difficulty of adequate inspection prior to bid, and because of negligence and mistake by the Government in providing inadequate and erroneous information with the invitation to bid as to sizes, quantity, and character of the property.

SEC. 2. Suit upon the claim referred to in the first section of this Act may be instituted at any time within six months from the date of the enactment of this Act and all

defenses of the United States based upon provisions in the invitation to bid and contract regarding warranty as to quantity, size, and character of the pipe and barring claims based upon errors or omissions in the description of the property are hereby waived: *Provided*, That nothing in the Act shall be construed as an admission of liability on the part of the United States, and recovery, if any, shall be limited to such actual losses, not including unrealized profit.

With the following committee amendments:

On page 1, line 10, after the word "of" insert "alleged".

On page 1, line 10, after the word "providing" insert "allegedly".

The committee amendments were agreed to.

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.

LT. COL. PORTER F. SHELDON, U.S. AIR FORCE

The Clerk called the bill (H.R. 4026) for the relief of Lt. Col. Porter F. Sheldon, U.S. Air Force.

There being no objection, the Clerk read the bill, as follows:

H.R. 4026

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Lieutenant Colonel Porter F. Sheldon, 9047A, United States Air Force, Langley Air Force Base, Virginia, the sum of $1,727.00 in full satisfaction of his claim against the United States for reimbursement in addition to the amount he received under section 2732 of title 10, United States Code, for household goods and personal effects damaged or destroyed aboard the Waterman Line steamship DeSota, carrier under Government contract, which was involved in an accident in the harbor at Antwerp, Belgium, on January 16, 1963. No part of the amount appropriated in this Act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

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.

ROBERT J. BEAS

The Clerk called the bill (H.R. 4443) for the relief of Robert J. Beas.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. DAVIS of Georgia. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

CONVEY LAND TO HEIRS OF ADAM JONES, CREEK INDIAN

The Clerk called the bill (H.R. 70) to provide for the conveyance of approximately 80 acres of land to the heirs of Adam Jones, Creek Indian not enrolled.

There being no objection, the Clerk read the bill, as follows:

H.R. 70

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 and directed to convey in fee simple all of the right, title, and interest of the United States and of the Creek Tribe of Indians of Oklahoma in and to land described as the south half northwest quarter section 5, township 10 north, range 15 east, Indian meridian, Oklahoma, containing 80 acres, more or less, to the heirs of Adam Jones, Creek Indian not enrolled, in the proportions as determined by the county court of McIntosh County, Oklahoma, case numbered 5375, as follows:

Hattie Jones (wife), an undivided one-third interest; and Bobby R. Jones (son), Tommy Leon Jones (son), Carrie Lee Jones (daughter), Adam Jones, Junior (son), and Marietta Elciea Jones (granddaughter), each an undivided two-fifteenths interest.

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.

The SPEAKER. This concludes the call of the Private Calendar.

CALL OF THE HOUSE

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

The SPEAKER. 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. 65]

Andrews, Glenn	Holland	Roosevelt
Ashley	Jennings	Springer
Berry	Jones, Ala.	Sweeney
Bonner	McCulloch	Teague, Tex.
Buchanan	Mailliard	Thompson, Tex.
Celler	Miller	Toll
Derwinski	Morrison	Tunney
Green, Oreg.	Powell	Wright
	Redlin	

The SPEAKER. On this rollcall, 408 Members have answered to their names, a quorum.

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

SOUTH AMERICAN REGIONAL MEETING AT LIMA, PERU, OF INTERNATIONAL ROAD FEDERATION

Mr. YOUNG. Mr. Speaker, by direction of the Committee on Rules, I call up the resolution, House Resolution 273, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 273

Resolved, That, notwithstanding the provisions of H. Res. 141, Eighty-ninth Congress, the Committee on Public Works is hereby authorized to send five of its members and two staff assistants to Lima, Peru, to attend the South American regional meeting of the International Road Federation from May 14, 1965, to May 24, 1965, inclusive.

Notwithstanding section 1754 of title 22, United States Code, or any other provisions of law, local currencies owned by the United States shall be made available to the committee and employees engaged in carrying out their official duties under section 190(d) of title 2, United States Code: *Provided*, (1) That no member or employee of said committee shall receive or expend local currencies or appropriated funds for subsistence in an amount in excess of the maximum per diem rates approved for oversea travel as set forth in the Standardized Government Travel Regulations, as revised and amended by the Bureau of the Budget; (2) that no member or employee of said committee shall receive or expend an amount for transportation in excess of actual transportation costs; (3) no appropriated funds shall be expended for the purpose of defraying expenses of members of said committee or its employees in any country where counterpart funds are available for this purpose.

That each member or employee of said committee shall make to the chairman of said committee an itemized report showing the number of days visited in each country whose local currencies were spent, the amount of per diem furnished, and the cost of transportation if furnished by public carrier, or if such transportation is furnished by an agency of the United States Government, the identification of the agency. All such individual reports shall be filed by the chairman with the Committee on House Administration and shall be open to public inspection.

The SPEAKER. The Chair recognizes the gentleman from Texas [Mr. YOUNG].

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

Mr. YOUNG. I yield to the gentleman from Iowa.

Mr. GROSS. Does the gentleman know whether there are any counterpart funds in Peru?

Mr. YOUNG. The Member from Texas will yield to the chairman of the Appropriations Committee.

Mr. MAHON. I believe other Members might speak as well, but there are no counterpart funds, as such, in Peru. However, there are funds which can be used for expenses of congressional travel, even though they are not technically counterpart funds.

Mr. GROSS. I was only hoping that this would not be in conflict with the injunction that tourism must stop, in the use of American dollars, until the deficit in the international balance of payments has been corrected. I hope this does not run afoul of that.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

ACREAGE-POUNDAGE MARKETING QUOTAS FOR TOBACCO

Mr. COOLEY. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 5721) to amend the Agricultural Adjustment Act of 1938, as amended, to provide for acreage-poundage marketing quotas for tobacco, to amend the tobacco price sup-

port provisions of the Agricultural Act of 1949 as amended, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina? The Chair hears none and appoints the following conferees: Messers. COOLEY, MCMILLAN, ABBITT, STUBBLEFIELD, DAGUE, and LATTA.

SECOND SUPPLEMENTAL APPROPRIATION BILL, 1965

Mr. MAHON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 7091) making supplemental appropriations for the fiscal year ending June 30, 1965, and for other purposes; and pending that motion, Mr. Speaker, I ask unanimous consent that general debate be limited to 1 hour, the time to be equally divided and controlled by the gentleman from Ohio [Mr. Bow], and myself.

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

There was no objection.

The SPEAKER. The question is on the motion offered by the gentleman from Texas.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 7091, with Mr. HARRIS in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the unanimous-consent agreement, the gentleman from Texas [Mr. MAHON] will be recognized for 30 minutes, and the gentleman from Ohio [Mr. Bow] will be recognized for 30 minutes.

Mr. MAHON. Mr. Chairman, earlier in the session we had a supplemental appropriation bill, which provided $1.6 billion for the Commodity Credit Corporation.

This is a second supplemental appropriation bill for this session, and I trust it will be the last such bill until just prior to the end of the session when there may be a few items which will require attention; at least there usually are.

SUMMARY TOTALS OF THE BILL

The total amount in the bill is $2,125,833,083—a very considerable sum of money. The budget requests totaled $2,226,456,933, which means that we have suggested cuts aggregating $100,623,850.

Under the 5-minute rule we can discuss any items which may be of special interest to individual Members. For that reason we agreed on more limited general debate. Under the 5-minute rule we can entertain any questions and amendments with respect to the bill.

This bill is divided, as Members will note from the bill and from the report, into four titles.

In title I there is about $1,178 million included, which is what we might call, for the sake of a better term, the regular or ordinary supplementals. The precise figures, of course, are set out in the report; I am using approximate amounts.

Title II deals with funds, amounting to some $344 million, to give substance to the Appalachia program which passed Congress fairly recently. Some of us voted for it and some of us voted against it, but the Congress has spoken, and in response the Committee is recommending appropriations of $344 million for the implementation of that program. We made cuts of about $18 million in the budget requests. The authorization bill carried total authorizations of about $1.1 billion; the $344 million is just the first installment.

Title III deals solely with increased salary costs. Last year, we passed salary increase bills for the various branches of the Government, civil and military. The agencies of the Government were importuned to try to absorb these salary increases within the appropriations already made, insofar as possible, and some of the agencies did quite well in that respect. Overall, 42 percent of the military pay cost increase is being absorbed. About 35 percent of the executive branch general civilian pay increase was absorbed. So, generally speaking, I would say a fairly good job has been done in absorbing these additional costs brought about as a result of the actions of Congress in the last session. We have in the bill before us about $580 million to help cover the pay increases, the unabsorbed portions. Pages 54 and 55 of the report elucidate the situation on pay increases.

In title IV, we have what we have in nearly every supplemental bill, namely, the customary claims and judgments fund. In this case we provide about $23 million.

That is the summary situation on the figures.

MAJOR CLASSES OF ITEMS

Another and perhaps more instructive way to see the general makeup and dimensions of the bill is to look at it by major classes of items. About 29 percent of the bill, or some $609.3 million, is for pay raise costs.

In the Appalachia program there is about $344.3 million, or about 16 percent of the bill. For other new legislation, such as the Inter-American Bank Development Bank, there is a total of $338.6 million, or 15 percent of the bill. These three categories—all for new legislation—total $1,292.2 million, or about 60 percent of the total.

In mandatory type payments, such as public assistance grants, which has to be funded, we have about $452.5 million in the bill, or about 21 percent of the total.

Then we have had a series of emergencies and we have in the bill $87 million plus for these emergencies. This all adds up to 85 percent of the money in the bill.

The Small Business Administration came in for $100 million additional loan funds and we recommend that in its entirety.

Considering all of these items, 90 percent of the bill is for purposes such as I have just described.

Category	Approximate amounts in bill (millions)	Percent of bill total
(a) New legislation:		
Pay raise acts	$609.3	29
Appalachia	344.3	16
Other new legislation (including $250,000,000 Inter-American Development Bank	338.6	15
Total	1,292.2	60
(b) Mandatory-type payments (public assistance grants, mostly)	452.5	21
(c) Disaster emergencies	87.6	4
Total, these 3 classes	1,832.3	85
SBA loan funds	100.0	5
Total, above items	1,932.3	90

RESTORATIONS OF REDUCTIONS

It is sometimes said that Congress tries to present a good image to the country on its economy mindedness by making cuts and slashes in the budget during the session and then when the new Congress meets the following year, it proceeds indiscriminately to appropriate the funds which were reduced in the previous year. But that cannot accurately be said of this bill. However, it is accurate to say that we are restoring in this bill cuts previously made amounting to about $300 million, a relatively small sum when you consider the whole $100 billion-plus budget involving countless separate items.

In virtually every session—as far back as I can recall—there are a handful of supplementals representing restoration of reductions made in the previous session. This year is no exception in that connection but the number of instances is infinitesimal—only six, to be exact.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I am glad to yield to my friend from Iowa.

Mr. GROSS. So, once again we come right around the circle and find that some of the cuts last year were just as fictional as they could be. Here we are today with a deficiency appropriation bill to take up the slack of the cuts that were made last year.

Mr. MAHON. My friend is partially correct. Out of the hundreds of cuts that we made, as a Congress, in appropriation bills last year—hundreds of cuts here and there in various items in the appropriation bills—we are providing in this bill to make restorations in only six instances. I think that is not too bad. A couple of the sums are rather large; for example, grants for public assistance, $200 million. Last year we cut public assistance too deeply; we should not have cut it at all as it now appears—from hindsight. But there is not much we can do in the appropriation bill to regulate the obligations under this program. There were reasons behind the cuts, but hindsight says we cut too deeply and we are having to restore; not only a restoration, but additional funds as well in the

case of public assistance. But it is correct that we do suggest some restorations. As I say, there is generally some of this in every session.

Mr. GROSS. I think we are all pretty well aware that last year was an election year.

Mr. MAHON. We are aware that last year was an election year, but we are by no means restoring all of the cuts that we did make. And if we do not try to make cuts, if we do not seek to achieve economy, we will never achieve it. And if we make only six restorations out of the hundreds of cuts that we made, all those that might possibly have been requested, it would seem that we are doing reasonably well. And as I said, this generally happens to a limited extent, election year or not.

INCREASES FOR PAY RAISE COSTS

Mr. GROSS. If the committee operates on this basis there is not very much economy. I am now referring to cutting funds. I would like to ask the gentleman about the increased pay costs. Yesterday it was repeatedly stated that one of the reasons for the size of that bill was that they had to take care of increased pay costs. When are we going to run out of that argument so far as appropriation bills are concerned?

Mr. MAHON. The pending bill applies only to the current fiscal year which ends June 30 insofar as pay act costs are concerned. The bill we had yesterday applied to the next fiscal year which begins on July 1 and goes for another year. So it is true that, other things being equal, the bill for next year will in many cases be higher than the bill for last year because of the pay cost factor.

Mr. GROSS. I suppose by the time this argument could conceivably be ended there will be another pay increase so that the Committee on Appropriations will be in here saying that the size of this bill is due in substantial part to the cost of the pay increase.

Mr. MAHON. Some of us voted for the pay increase; some did not. I did not vote for the pay increase. But the law of the land must be followed, the majority have spoken, and the employees and the military personnel must be paid.

Mr. CRAMER. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I am glad to yield to the gentleman.

Mr. CRAMER. I would like to ask a couple of questions relating to the Appalachian Regional Development Commission appropriation, partially because of the testimony we had before the Public Works Committee relating to what the needs for the balance of this fiscal year would be and the needs for the next fiscal year.

Mr. MAHON. I am going to ask the gentleman from Texas [Mr. THOMAS], the chairman of the subcommittee that handled the item, to respond to the gentleman's inquiry.

Mr. CRAMER. If the gentleman will yield, I understand in the testimony we had before the Public Works Committee relating to Appalachia it was to the effect that substantial funds would not be needed.

Mr. THOMAS. The gentleman is correct.

Mr. CRAMER. Substantial funds would not be needed for the balance of this fiscal year, and that approximately the figure, plus what you cut, around $10 million, was about what they contemplated would be needed mostly for fiscal year 1966, meaning starting July 1 of this year and going to July 1 of next year. But I see that the Committee on Appropriations is proposing including that entire figure in this supplemental appropriation rather than in the 1966 appropriation bill.

I would like to ask the reason, if there is any, for that approach.

Mr. THOMAS. The gentleman is correct in what he says. It is subject to a point of order. It carries funds beyond fiscal year 1965. The total authorization for administrative costs of the Appalachian Regional Commission is $2.4 million and we appropriated about $800,000. They have not spent that. They wanted to let this remain available through 1966 in order to take care of the big Commission—the 11 Governors—and the professional staff.

Mr. CRAMER. I cannot hear the gentleman from Texas.

Mr. THOMAS. This was to take care of the Commission composed of the 11 Governors and the Federal Cochairman. It goes beyond this year and that part of it is subject to a point of order.

Mr. CRAMER. That is, relating to the administrative expenses?

Mr. THOMAS. That is right.

Mr. CRAMER. Would the gentleman discuss the item relating for instance to to the supplemental grants-in-aid under section 214 in that the authorization provided for $90 million for the entire 2-year period?

Mr. THOMAS. May I request the gentleman from New York [Mr. ROONEY] to respond to the gentleman's question?

Mr. MAHON. I yield to the gentleman from New York [Mr. ROONEY].

Mr. ROONEY of New York. Mr. Chairman, would the distinguished gentleman from Florida kindly inform me as to the page to which he is referring?

Mr. CRAMER. Page 45 of the committee report where there is discussed supplemental grants-in-aid, Appalachian Regional Development, title II. Provision is made for the sum of $45 million, and the total sum authorized in the bill for a 2-year period is only $90 million. This is April and we have April, May, and June—3 months—and you are providing 50 percent of the 2-year authorization for a 3-month period.

Mr. ROONEY of New York. I do not know how to answer the distinguished gentleman from Florida other than to say that the administration seems to be moving quite fast on this Appalachian program and they want the people of that area to benefit as promptly as possible. They want to obligate a good part of this money before this coming June 30. This not only applies to the $45 million to which the gentleman from Florida has directed our attention, but also to the $200 million for the Bureau of Public Roads and the $2.5 million recommended in the bill for grants for local development districts and for research and administration.

Mr. CRAMER. I appreciate that, and that was to be my next question. But, is it contemplated, then—let me ask it this way—that relating to the $45 million figure, that is grants-in-aid—that is the little APW, accelerated public works program—the public roads development, the $200 million, is it contemplated that there will be a substantial figure included in the appropriation bill for fiscal year 1966 for those 2 items?

Mr. ROONEY of New York. No.

Mr. CRAMER. That is precisely the point that I wanted to make.

What is being done here, I will ask the gentleman if it is not true, is that you are providing all of the money needed for the 3 months left this fiscal year and all the money for fiscal year 1966 in this supplemental so that it will not appear in the 1966 appropriation bill?

Mr. ROONEY of New York. This is so they can immediately get started. A great deal of the money contained in these items is in connection with construction work and they cannot proceed with that sort of program unless they have the funds in hand.

This would cover a 15-month period beginning with the passage of the bill, in this fiscal year and the entire next fiscal year—in each of these 3 instances in which the Congress overwhelmingly voted authorizations. For instance, in the Bureau of Public Roads the committee recommended the sum of $200 million. There is presently an authorization for expenditures of $840 million over a period of 5 years.

Mr. CRAMER. Over a 5-year period.

Mr. ROONEY of New York. Over a 5-year period, yes. There are some plans but we cannot itemize all of them.

Mr. CRAMER. The testimony we had before our committee was to the effect that for the balance of this fiscal year inconsequential sums would be needed, but in fiscal 1966 they contemplated they would need around $100 million for the highway program. Now we come up with a proposal to finance through this supplemental another $200 million amount rather than including the largest portion of it in the 1966 budget.

Mr. ROONEY of New York. We gave this request the same attention that we give to regular items in the 1966 budget. We held hearings on this supplemental, and the regular 1966 bill at the same time. The only answer I can make to the gentleman is that it is to get started on this Appalachian operation which the Congress so overwhelmingly voted.

Mr. CRAMER. In addition to that, may I ask a question further? I am not criticizing the fact that the program is in effect. The Congress voted it. I am calling attention to the fact instead of putting the money in the 1966 appropriation bill where it belongs, it is being put in the supplemental bill to cover all of 1966.

Mr. ROONEY of New York. It covers a period of a couple of extra months when it can be done in a sensible way, so there will be proper plans and wise expenditure of the funds.

Mr. CRAMER. The obvious reason is that this appropriation bill in 1966 will not properly reflect the expenditures in 1966, if we go back to the supplemental for 1965.

Mr. ROONEY of New York. This is on an obligation basis rather than an expenditure basis.

Mr. CRAMER. The gentleman from Florida does not feel that makes a substantial improvement.

Mr. ROONEY of New York. And it would not mean very much in the President's overall budget.

Mr. CRAMER. The sum of $322 million, which I understood in the presentation to our committee was part of the 1966 request, would be used in 1966.

Mr. ROONEY of New York. We are talking about $200 million plus $45 million, which is a total of $245 million.

Mr. CRAMER. It says that a total of $344 million is recommended for the various agencies involved for obligation to June 30, 1966.

Mr. MAHON. Let me say to the gentleman that the Congress approved the Appalachia program. The administration brought it here in one package covering the balance of this fiscal year, which is limited, and for continuation over to the next fiscal year. If there is anything wrong with this I cannot see it. This makes it crystal clear to Congress and to the country that in this 15-month period we are providing some $344 million. Why break it down, what good would that do? Here it is out on the table. It is a matter of saying "here is a program, and here are the funds." I do not get the gentleman's point at all.

Mr. JONAS. The only point the gentleman from Florida is trying to make, and I think the distinguished Chairman of the Appropriations Committee will agree is that this has been an arbitrary decision on the part of the Director of the Bureau of the Budget, with the concurrence of the President, of course, to put this money back in 1965 so as to reduce the 1966 budget. He said that the Administration has discretionary power over whether to charge it to the 1965 budget or to the 1966 budget.

I submit they exercised that discretion by putting this money back in 1965 and that makes 1966 look better than it would have if part of the funds had been charged to 1966. If we just admit that we will get along.

Mr. MAHON. There is nothing to admit. This is as plain as anything can be, that here is a package for this program of $344 million, some of it to be obligated in 1965 and some in 1966. A decision had to be made to make it one package, to keep better account of it. The appropriation for the fiscal year 1966 will be less. It will be more for the current fiscal year. Everybody knows that. The thing that will affect the spending is not when it is appropriated but the rate of expenditure.

Mr. JONAS. Nothing is under the table. It is all open and aboveboard. But you cannot get around the fact that this is new money and is not expected to be obligated in 1965. The normal thing would be to put it in in 1966.

Mr. MAHON. We did not want to slow it down. It seems more orderly to do it this way. There have been numerous occasions where appropriations have been made to cover slightly in excess of 1 year.

In May of 1954 we did it for longer than a 12-month period. In 1955, we did it again. In 1956 and 1957, we did it again. There is a record of this kind of proceeding. I will include more details in substantiation from a memorandum which I hold in my hand. So there is nothing improper here. Here is the full appropriation, in one package, money. Let us take a look at it. If we are for it, we vote for it. If we are against it, we vote against it. In elaboration, I include a memorandum of precedents for appropriation availability beyond 1 year—14 to 16 months:

MEMORANDUM

We have the so-called continuing appropriations for construction of public works and purchase of materials requiring long leadtime, but I am not referring to that type—I am referring to what might otherwise be an annual item.

It seems sensible and timesaving to provide availability for 14, 15, 16 months in one bill rather than splitting the program into two shorter time periods and thereby necessitating going through the same thing twice within a matter of a very few weeks.

As examples, let me cite a few cases in recent years where this type of appropriation has been made:

The Third Supplemental Appropriation Act of 1954, approved May 11, 1954, contained an appropriation of $15 million to combat wind erosion, in the agricultural conservation program and provided that such amount be made available through December 31, 1955—approximately 20 months. The same bill also contained an appropriation of $55 million for school construction which was to remain available to April 1, 1955—10 months beyond the close of the fiscal year for which the appropriation bill primarily provided.

The Second Supplemental Appropriation Act of 1955, approved April 22, 1955, provided an appropriation of $200,000 for the Washington Regional Mass Transportation Survey and authorized that amount to remain available through June 30, 1956—14 months availability.

The Supplemental Appropriation Act of 1957, approved on June 21, 1957, provided $15 million for emergency conservation work and extending the availability of such amount through June 30, 1958. The same bill also carried funds for the entombment of the unknown American soldiers of World War II and permitted this amount to be available through June 30, 1958.

The Second Supplemental Appropriation Act of 1959, approved May 20, 1959, appropriated $500,000 for the Third Pan American Games and authorized the funds to remain available through June 30, 1960—a little over 13 months from the actual signing of the law.

The Second Supplemental Appropriation Act of 1961, approved September 8, 1960, carried funds for the 18th decennial census and provided that they remain available through December 31, 1962—27 months from the date of enactment.

The Third Supplemental Appropriation Act of 1961, approved on March 31, 1961, appropriated $500 million for the Federal unemployment compensation account and provided that it remain available through September 30, 1962.

The Deficiency Appropriation Act, 1964, approved June 9, 1964, provided funds for Alaska earthquake damage and carried language making them available through June 30, 1965.

The regular annual appropriation bill for Departments of Labor and Health, Education, and Welfare for the fiscal year 1965 was reported by the House Committee on Appropriations on April 10, 1964, and carried funds for the initiation of certain programs in the Manpower Development and Training area and provided that the amount in the bill was to cover a period of approximately 15 months. House Report No. 1316 of the 88th Congress on page 4 says: "The committee has simply attempted to be realistic in assessing the capacity of the program during the next 15 months."

It seems to me that there is ample precedent for this sort of thing and it seems sensible that we follow such precedents in this case at this time.

Mr. ROONEY of New York. Mr. Chairman, will the distinguished gentleman yield?

Mr. MAHON. I yield.

Mr. ROONEY of New York. In connection with what the chairman of the committee says, the bulk of this money is for roadbuilding construction. The weather has a good bit to do with it, too. The better way to do it in this instance is by appropriating $200 million at this time.

Mr. CRAMER. The Bureau of Public Roads testified before our committee that in the first 12 months they could not use over $90 million in order to accomplish the objectives of the bill, but under the proposal you have here, we find for 3 months of this fiscal year $200 million. I am saying this program should be properly appropriated for. I say what the gentleman from North Carolina had to say, that to put money for the 15-month period in a supplemental rather than putting it in 1966 where it belongs is not proper procedure.

May I ask a question? On page 42—

Mr. MAHON. Of the bill or the report?

Mr. CRAMER. Of the report, pertaining to the Appalachian regional development, the next to the last paragraph.

The appropriations recommended for the Soil Conservation Service, Agricultural Stabilization and Conservation Service, and the Farmers Home Administration in the amount of $23,150,000.

The point I am asking about relates to the authorization itself. The bill under section 203 of the Appalachian Commission Act authorizes for land conservation, erosion control, and so forth, a total for the 2-year period of not to exceed $17 million. Will the committee indicate on what basis it included a sum in excess of that authorization in the appropriation request?

Mr. MAHON. In working on this bill, the subcommittees that normally handle the work relating to an agency did the work and the gentleman from Mississippi [Mr. WHITTEN] who conducted the hearings on this item is best informed about it. Perhaps he might discuss this briefly in general debate, but he may wish to do so at greater length when we are under the 5-minute rule.

Mr. WHITTEN. May I say to the gentleman from Florida, only $7 million of the total that you are reading is included in that limitation in the Appalachia bill.

Mr. CRAMER. Would the gentleman indicate what the balance is?

Mr. WHITTEN. The balance has to do with Farmers Home Administration loans, the Soil Conservation Service and the watershed programs that are not subject to the limitation. But as to the limitation that the gentleman mentioned, we scaled that down to $7 million.

Mr. CRAMER. I thank the gentleman.

Mr. MAHON. Mr. Chairman, I reserve the balance of my time.

The CHAIRMAN. The gentleman from Texas has consumed 27 minutes.

The Chair recognizes the gentleman from Ohio [Mr. BOW].

Mr. BOW. Mr. Chairman, I yield myself 5 minutes and now yield to the gentleman from Pennsylvania [Mr. SAYLOR] for the purpose of asking a question.

Mr. SAYLOR. I would like to ask a direct question, Mr. Chairman, of the gentleman from Texas [Mr. THOMAS] regarding the language that appears on page 8 regarding the veterans' reopened insurance fund. It is very evident from the language that you are announcing here that there is such a thing as as veterans' special term insurance. This is completely contrary to the act that was passed last year because in establishing the record, we made sure that there is no such thing as term insurance under the reopened veterans' insurance. I would like to know why we are going to transfer amounts from a fund which does not exist.

Mr. THOMAS. Would the gentleman from Pennsylvania be kind enough to read the language he refers to.

Mr. SAYLOR. On page 8, line 19, there is this language:

> That such amounts of the "Veterans special term insurance fund" as may hereafter be determined by the Administrator of Veterans' Affairs to be in excess of the actuarial liabilities of that fund, including contingency reserves, shall be available for transfer to the "Veterans reopened insurance fund".

Mr. THOMAS. All that that language does, I say to my distinguished friend, the gentleman from Pennsylvania, is to allow those funds—and you are not appropriating new funds by that language—but as I say this is to transfer excess funds to carry out the purpose of the new veterans' insurance act. It is the language of the Bureau of the Budget. There is no new money added here. It is a sincere and bona fide attempt to carry out exactly the purpose and intent of the language approved and passed by the Congress.

Mr. SAYLOR. But it is legislation on an appropriation bill; is it not?

Mr. THOMAS. I think you are right. It is a transfer of funds.

Mr. BOW. Mr. Chairman, this is a large bill. It involves a great deal of money. I am not completely satisfied that it represents any compromise. I think further cuts could have been made and should have been made. I join with some of my colleagues on this side of the aisle and in looking at the large amounts that should have been in the 1966 budget—since we are appropriating here for 15 months—I do not think this is really in the spirit of a deficiency or a supplemental appropriation. But it has been done and we are going along with it.

Mr. Chairman, I think as we take this up item by item, Members who are more familiar with the bill will discuss them. I may want to say something further as to certain items under the 5-minute rule, but do not intend at this time to take any further time in debate on this bill.

Mr. Chairman, I yield 5 minutes to the gentlewoman from Washington [Mrs. MAY].

Mrs. MAY. Mr. Chairman, I wish to congratulate my colleagues on the Committee on Appropriations for their recognition of the responsibility of the Federal Government in their attention to the need for additional funds for various Federal agencies to assist the people of the Pacific Northwest in recovering from the disastrous floods of last December and January.

I have closely examined the committee recommendations as contained in H.R. 7091, the second supplemental appropriations bill before us today, and I feel that generally speaking the Committee has given the problem of the flood damage in Washington, Oregon, and California its most sympathetic attention so that the Federal agencies will have funds adequate to carry on their responsibilities.

Sections of my State of Washington were severely damaged as a result of the winter floods this year and I am sure the people of the State of Washington, as a result of passage of today's appropriations bill will be highly appreciative of this action. While it may not be possible for the Pacific Northwest to fully recover from the floods for some time to come, the assistance being made available through Federal, State, and local governments should be of immeasurable benefit in speeding this recovery.

Additionally I wish to compliment the committee on recommending the appropriation of $600,000 to permit an immediate start on construction of the lower Granite project on the Snake River in the State of Washington. An immediate start on lower Granite lock and dam should enable completion of the dam and powerplant by 1971 to prevent a potential power shortage in the Pacific Northwest and help meet the Bonneville Power Administration requirements at that time.

Mr. BOW. Mr. Chairman, I yield 5 minutes to the gentleman from Wisconsin [Mr. LAIRD].

LAIRD AMENDMENT ON MILK

Mr. LAIRD. Mr. Chairman, I take this time to explain the purpose of the milk amendment which was placed in the bill in the full committee meeting.

Mr. Chairman, the purpose of this amendment is to extend for 5 months—through fiscal year 1965—the authority of the Secretary of Agriculture to make indemnity payments to eligible dairy farmers whose milk has been condemned for containing pesticide residues.

The enabling legislation for this program expired on January 31, 1965. The appropriation for fiscal year 1965, however, contained $8.8 million to finance the program. By January 31, 1965, only 250 payments totaling $300,000 had been made.

Therefore a number of eligible dairy farmers are the victims of an unusual situation where funds have been authorized for a program that has expired.

A number of bills, by Representatives QUIE, HORTON, WHALLEY, MATHIAS, SICKLES, and ABBITT, are pending in the House Education and Labor Committee. These bills would extend the authorized time for the program through June 30, 1967.

However, the delay in consideration of these bills will work an undue hardship on dairy farmers now facing sever economic loss.

In brief, a remedy is only a remedy if it is prompt.

This amendment would extend the legislative authority for the programs through fiscal 1965 and thereby make available the balance of the $8.8 million which has already been appropriated to correct this situation.

My amendment further carries out the amendment which I offered last year. It would appropriate no new money, but would take the funds from the poverty appropriation, which was made to the poverty administration. It seems to me that this is a far better use of the poverty funds than some of the uses that have been made of the funds. This is a poverty-prevention program.

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

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

Mr. JONAS. How far would the amendment of the gentleman from Wisconsin extend the time limit?

Mr. LAIRD. It would extend the time limit from January 31 to July 1, 1965. This is a supplemental appropriation bill, and it did not seem to me proper to extend the time beyond June 30 or the start of the next fiscal year.

Mr. WHITTEN. Mr. Chairman, will the gentleman yield?

Mr. LAIRD. I yield to the gentleman from Mississippi, the chairman of the Appropriations Subcommittee dealing with agriculture.

Mr. WHITTEN. Those of us who work with this subject matter are in accord with the gentleman from Wisconsin. He has properly described the situation. I believe it is a good proposal.

Mr. LAIRD. I thank the gentleman from Mississippi.

Mr. BOW. Mr. Chairman, I yield such time as he may consume to the gentleman from California [Mr. DON H. CLAUSEN.]

Mr. DON H. CLAUSEN. Mr. Chairman, I take this time to commend and to thank the Appropriations Committee for all the consideration given to the flood problems of my particular congressional district. I know the committee receives many requests. I just wanted the committee to know that I am most apprecative of the time the individual members have given to me, personally, as we brought the many problems of the flood stricken area to their attention. We are still in the recovery and rehabilitation process and will be for some time to come. In closing, I

sincerely hope a similar disaster never strikes your own congressional districts.

Mr. BOW. Mr. Chairman, I yield 5 minutes to the gentleman from Iowa [Mr. GROSS].

Mr. GROSS. Mr. Chairman, I would like to inquire about the $1,858,000 to be made available to the Peace Corps.

From reading the hearings I got the impression, according to the statement of the gentleman from Louisiana [Mr. PASSMAN], who quoted a statement by the Director of the Peace Corps, Mr. Shriver, that there were going to be stringent controls placed upon the administration of the organization. I am unable to understand why they are here for nearly $2 million in this bill.

I wonder if someone could help me out on how the administrative funds in the Peace Corps have been expended.

Mr. PASSMAN. It is not an easy job to defend this item. I should like to call the attention of the gentleman to the fact that the increased cost of the Pay Act of 1964 represents $658,000 of the funds Mr. Shriver is requesting that we transfer from other unobligated funds to the administrative expense of the Peace Corps.

Mr. GROSS. But did they not spend at an exceptional rate in the first few months of the fiscal year?

Mr. PASSMAN. It is true that almost from the beginning of this fiscal year the Peace Corps started spending out of the administrative expense fund at a rate that would prevent them from living within the limitation imposed by the Congress in the regular bill. Nevertheless, Mr. Shriver claims that these additional funds for administrative expense are necessary.

Mr. GROSS. Your subcommittee was assured, was it not, they would cut back on travel expense for one thing, and is it not a fact that a substantial amount of this money is to take care of increased travel expenses?

Mr. PASSMAN. May I say to the gentleman that it is most difficult to defend this item especially against the testimony given by these people last year. My feeble attempt to justify this would have to be limited to stating that there is a request to change the language so as to authorize the transfer of $1,858,000 within the 1965 Peace Corps appropriation to finance increased administrative and programs-support costs. Honesty is always in order. Certainly they assured us they would cut back on travel and other expenses, but evidently they did not make good on that promise.

Mr. GROSS. We had the issue of transferring funds before the House yesterday. I am talking about the attempt to write into the appropriation bill yesterday a provision for the transferability of funds. I said yesterday and I repeat today that I think the agencies and departments of the Government ought to live within the funds that they request for specific purposes unless some emergency develops.

Mr. PASSMAN. Will the gentleman yield further?

Mr. GROSS. Yes. I yield to the gentleman.

Mr. PASSMAN. May I say to the gentleman there is some defense for a request for the transfer of $658,000 to meet the mandatory salary increases called for by the Pay Act of last year. Although I certainly agree that this agency should live within the limitation placed at its own suggestion last year because the committee gave them every dime they asked for for administrative expenses.

Mr. GROSS. Now I want to get at something else.

Mr. PASSMAN. Of course, it is indeed difficult to defend Mr. Shriver's request. I hope the gentleman will not press me too far because if he should, then I would have to say that the Peace Corps is not my creature. But, if we are going to have these children or Peace Corps men scattered all over the world, doubtless some of them will become ill, and doctors will be needed to treat them.

Mr. GROSS. I want to ask another question. Can anyone tell me whether there are funds in this bill to man the automatic elevators in the New House Office Building? Has that money already been made available? I would like to know whether the House is now going to put elevator operators on fully automatic elevators where all you have to do is stick your finger on a button to get where you want to go.

Is it now proposed to compound the felony of extravagance in that building by putting elevator operators on fully automatic elevators?

Mr. MAHON. Mr. Chairman, the gentleman made reference to a transfer of funds a moment ago.

Mr. GROSS. Yes.

Mr. MAHON. There was a limitation in the Peace Corps providing so much for administrative funds. We provide here that that limitation shall be lifted to the extent indicated on those administrative funds. That is not like transferring from one appropriation to another.

Now with respect to the elevator operators, I share the gentleman's hope that we will not have individual elevator operators on these new elevators in the Rayburn Office Building and here in the Capitol except perhaps for a few weeks until they get better adjusted. The elevators are not yet too well adjusted. New elevators always require some degree of adjustment. I understand that there is no plan made for elevator operators, although I cannot speak for the leadership of the House on that.

Mr. GROSS. I fail to find anything wrong with the adjustment of the elevators now.

Mr. MAHON. They are just about in shape, I think, but they do not operate with complete perfection, as I believe the gentleman knows.

Mr. GROSS. No, I do not agree with that.

Mr. MAHON. These people have been used temporarily in order to help get over this transition period.

Mr. GROSS. I understand they have operators on the other side of the House Chamber on those elevators. I am talking now about the 30 or 40 elevators over in the new building.

Mr. MAHON. Where we have no elevator operators at this time?

Mr. GROSS. And where we ought not to have elevator operators at any time.

Mr. MAHON. I agree with the gentleman. I do not think we ought to have operators over there except for a very brief period to see that the elevators are working well.

Mr. GROSS. If there were any such brief period, that brief period has passed.

Mr. MAHON. Yes.

Mr. GROSS. I am glad the gentleman agrees that operators are not needed on fully automatic elevators. I hope that if money has already been appropriated for this purpose that the Appropriations Committee will do what it can to see that it is not expended.

Mr. BOW. Mr. Chairman, I yield such time as he may require to the gentleman from New York [Mr. ROBISON].

Mr. ROBISON. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. ROBISON. Mr. Chairman, I intend to support this bill although I am still not convinced that the bill should include moneys, on a 15-month basis, to permit the Corps of Engineers to charge any acceleration of their current program in the so-called Appalachia region to fiscal 1965.

As will appear from the hearings—page 58 of part 2—the only specific authorization for Corps of Engineers activity contained in the recently enacted Appalachian Act, was for it to conduct a comprehensive water resources study for Appalachia at a cost of not to exceed $5 million.

I have no objection to the allowance of the requested $1.7 million—which is contained in H.R. 7901—to permit the corps to commence that study, even though this sum is to cover a 15-month period. It is important to Appalachia for this study to be commenced as soon as possible, and there is no need for our Public Works Subcommittee to give further study to this specifically authorized project.

However, H.R. 7091 also contains almost $15.8 million to permit the corps, also on a 15-month basis, to accelerate certain existing projects of civil works in Appalachia, and to commence work on certain others in the same region. Aside from the question of whether or not this is sound appropriation policy, despite the precedents for so doing, it seems to me the corps request here should have been treated in the same manner as was the request for air pollution and water supply and water pollution control money that was disallowed by another subcommittee, as will appear from page 48 of the report, in order to consider such needs in connection with the regular requests by the Departments of Labor and of Health, Education, and Labor for fiscal 1966 itself.

A similar delay here would not have been detrimental to Appalachia in view of the fact that our subcommittee is already at work on the corps regular 1966 budget requests. We could also have assured ourselves, as I am not yet assured, that the corps can in this fashion, accelerate its regular programs and specific projects in Appalachia without delay or

detriment to its programs and projects in other areas of the Nation.

Mr. BOW. Mr. Chairman, I yield 3 minutes to the gentleman from Wisconsin [Mr. DAVIS].

Mr. DAVIS of Wisconsin. Mr. Chairman, I just want to take a moment of this time, if I may, to direct these remarks to the very able and fair-minded chairman of the Subcommittee on Appropriations for the District of Columbia. I did mention in the full committee, the gentleman will recall, that I felt concerned about the money included in this bill for some additional square feet of space for the site of the Central Library of the District of Columbia. I have not felt any softening of my attitude in that regard. So I wanted to take this moment to serve notice on the gentleman from Kentucky that I do propose at the proper time to offer an amendment to strike that amount from the bill.

Mr. BOW. Mr. Chairman, I yield 3 minutes to the gentleman from Illinois [Mr. MICHEL].

Mr. MICHEL. Mr. Chairman, I want to call attention to this one big item of $407.9 million for grants to the States for public assistance. I think it is very appropriate to point up this item since we are about to take up the medicare bill later this week. May I refer you to the hearings on this item before our Health, Education, and Welfare Subcommittee and the specific remarks of our distinguished chairman, the gentleman from Rhode Lsland [Mr. FOGARTY]. He expressed some concern when he said—and this is Mr. FOGARTY speaking:

> Because of the 1962 amendments that were supposed to reduce dependency, and because of the expansion of the vocational rehabilitation program, the manpower development and training program, the antipoverty program, and all of these other programs, we are appropriating large sums for, that are supposed to get people off of public assistance, we thought this program should start costing a little less. Last year Congress cut the request $200 million.

Dr. Winston, in testifying before the subcommittee, stated:

> Of the $407.9 million, $155.9 million represents an underestimate on the part of the Department.

He went on to say that this was due to an underestimation of the action of the States in the field of medical assistance for the aged. The Department also underestimated the amount for the program of Aid to Dependent Children—ADC.

So, here, Mr. Chairman, we have an item in the supplemental bill of over $400 million for additional grants-in-aid to the States for public assistance. This added to the $2.78 billion previously appropriated for this fiscal year brings the total figure to $3.187 billion. And still the figure continues to rise.

Mr. CONTE. Mr. Chairman, will the gentleman yield?

Mr. MICHEL. I am glad to yield to the gentleman from Massachusetts.

Mr. CONTE. The Secretary of Agriculture proposed to close the research center located in Philadelphia which has been concentrating its efforts on the study of maple sirup. This research center, which does not cost very much money, $2,000, has been very helpful to the farmers in my district in helping them to produce the finest maple sirup in the country, something to sweeten up the country a little bit.

I wonder what the bill carries for that center?

Mr. MICHEL. The gentleman's good work and representations to the committee are well known. We appreciate the testimony which he has given to us.

I am happy to advise the gentleman that there is enough money previously appropriated to take care of and to continue these research activities. As a matter of fact, in the report the committee recommends utilization research, of benefit to the maple sirup industry which returns about $10 million annually to some 10,000 producers, should be continued by some competent research agency, Federal, State, or private.

I assure the gentleman again that there are sufficient funds already appropriated to carry on that vital research.

Mr. CONTE. I thank the gentleman and I take this opportunity to commend the chairman of the committee and the distinguished ranking minority member on this side for this fine work.

Mr. BOW. Mr. Chairman, I yield myself 1 minute in order to raise a question with the gentleman from Massachusetts [Mr. CONTE].

The gentleman from Massachusetts made some statement here that I do not think he can back up. I feel that it should be corrected. He said that Massachusetts makes the best maple sirup in the United States. I question that and challenge him at any time to a contest. We will bring some maple sirup down from Ohio and I believe we can prove to the gentleman from Massachusetts that they do need a little research in Massachusetts in order to improve their maple sirup to bring it up to the standard of Ohio maple sirup.

Mr. CONTE. Mr. Chairman, will the gentleman yield?

Mr. BOW. I yield to the gentleman from Massachusetts. I will have to yield to the gentleman since I have referred to him unkindly.

Mr. CONTE. Mr. Chairman, I do not want this colloquy to get all gummed up, but we certainly accept the challenge.

Mr. LAIRD. Mr. Chairman, will the gentleman from Ohio yield to me?

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

Mr. LAIRD. I would like to state that we already have Wisconsin maple sirup right here in the Capitol.

Mr. BOW. I have been wondering what has been the matter with that maple sirup, and I would also suggest—some change be made to the excellent product of Ohio.

Mr. LAIRD. If the gentleman will yield further, it is about time that they brought some from Ohio and Massachusetts. I have been furnishing it too long.

Mr. WHITTEN. Mr. Chairman, will the gentleman yield?

Mr. BOW. I yield to the gentleman from Mississippi.

Mr. WHITTEN. May I say I am glad that this controversy has arisen and in case you gentlemen need some judges, there are some real fine ones on this side of the aisle.

Mr. BOW. I thank the gentleman from Mississippi.

I yield 5 minutes to the gentleman from Georgia [Mr. CALLAWAY].

Mr. CALLAWAY. Mr. Chairman, I ask unanimous consent to speak out of order.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. CALLAWAY. Mr. Chairman, I am pleased to announce to the House an act of the Georgia State Senate in tribute to Joe Bartlett.

Upon becoming a Member of Congress, one of the first men I meet was Joe Bartlett, reading clerk of the House of Representatives. I was immediately impressed with Mr. Bartlett's courtesy and willingness to help. Especially impressive is his knowledge of the House of Representatives and the Capitol, and his readiness to share this knowledge with me, with my family, and with visitors.

For a number of years Joe Bartlett has had a particular interest in American junior chambers of commerce, giving his time and efforts to many Jaycee groups. Each year Jaycees from all the Georgia clubs come to Washington for an intensive 2 days of briefings and instruction in Federal affairs, and each year Joe Bartlett has participated in their program.

Following their Washington seminar last spring, President James B. Haralson, of the Glenwood Jaycees, invited Joe to come to Georgia to be a judge in the 1964 Miss Atlanta Pageant.

This past February over 100 young Georgians came to Washington to attend the annual seminar. At their final meeting in the House Ways and Means Committee room, State President T. Malone Sharpe, presented to Joe Bartlett, and to his helpmate, "Jinny," the Jaycee President's Award for Outstanding Service.

Now, Mr. Chairman, I am happy to say that Joe Bartlett has been further honored by a resolution of the Georgia State Senate.

The author of this resolution, Senator James P. Wesberry, Jr., served as a page in the U.S. House of Representatives some 15 years ago. His father, Dr. James P. Wesberry, Sr., a prominent Atlanta clergyman, has offered the opening prayer for the Congress on several occasions. They are both very enthusiastic admirers of Joe Bartlett.

This resolution is as follows:

S. RES. 72

> A resolution of the Georgia State Senate commending Joe Bartlett; and for other purposes
>
> Whereas Joe Bartlett is presently senior reading cleark of the U.S. House of Representatives; and
>
> Whereas this outstanding and distinguished young man has for many years been active in civic, political, and military affairs of this Nation; and
>
> Whereas Mr. Bartlett became in 1953 the youngest person ever to hold the position of reading clerk of the U.S. House of Representatives, and has the unique privilege of

regularly being heard in both Chambers of Congress; and

Whereas Mr. Bartlett has been of particularly outstanding service to the members of the Georgia Junior Chamber of Commerce, having appeared for the past 4 years on the program of the annual seminar on Federal affairs conducted by the Georgia Jaycees, giving his own time and talent during nonworking hours to assist the young men of Georgia in becoming more familiar with the history and operations of the Congress of the United States: Now, therefore, be it

Resolved by the Senate of the State of Georgia, That the Honorable Joe Bartlett, Reading Clerk, U.S. House of Representatives, is hereby commended and recognized for his many outstanding contributions to members of the Georgia Junior Chamber of Commerce: Be it further

Resolved, That the secretary of the senate is hereby authorized and instructed to furnish an appropriate copy of this resolution to the senator from the 37th Senatorial District to be presented to the Honorable Joe Bartlett.

PETER ZACH GEER,
President of the Senate.
GEORGE D. STEWART,
Secretary of the Senate.

It is fitting that the Georgia State Senate has honored Joe Bartlett in this manner, and I am happy to add my own personal commendations to this great American.

Mr. CALLAWAY. Mr. Chairman, I ask unanimous consent that the gentleman from Michigan [Mr. GERALD R. FORD] may extend his remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. GERALD R. FORD. Mr. Chairman, it was my privilege to present to Joe Bartlett the certified copy of the resolution adopted by the Senate of the State of Georgia commending our reading clerk for his special service to the young men in the Georgia Junior Chamber of Commerce. This well deserved recognition came as a complete surprise to Joe who has always been willing to give of his time and talents in the promotion of a better understanding of the operation of our Government.

Joe's superb performance as a reading clerk in the House of Representatives is known to us all. All of us are also pleased to know that among his extracurricular activities he shares his knowledge and experience with others in an effort to develop a constructive interest in politics and government.

The special commendation which he received from the senate of the State of Georgia was a gracious tribute to Joe Bartlett and to the House of Representatives which he serves. All of us are proud of the work that Joe does within this Chamber and without. We commend him for extending his influence for good not only in Georgia but wherever he goes.

Mr. CALLAWAY. Mr. Chairman, I ask unanimous consent that the gentleman from Massachusetts [Mr. MARTIN] may extend his remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. MARTIN of Massachusetts. Mr. Chairman, I am happy to join with my colleague from Georgia in paying deserved tribute to my friend, Joe Bartlett, our reading clerk.

I have known Joe for a long time—in fact, since he came here 24 years ago as a House page, at the tender age of 14. That was in the months just before Pearl Harbor.

Joe graduated from our page school, and joined the Marine Corps in World War II. When he returned from service in 1945, there was a vacancy in the position of chief page. Many thought Joe was too young for the job—only 19—but I appointed him anyway.

When the Korean war came along, Joe served again in the Marine Corps. And again he returned, there was a vacancy for which he was qualified—this time as reading clerk.

There were some 20 applicants for the job, and Joe was among them. I named a committee of three to interview the applicants, and to make a recommendation. The committee favored Joe, but they were afraid he was too young for the job.

But that was the only criticism I heard, so I appointed him to the job. He has been doing a fine job as our reading clerk ever since.

Now at the age of 38, I understand he is too old to be a member of the junior chamber of commerce, the organization which has honored him, but he is still a youngster to those of us who know him and appreciate him here on Capitol Hill.

I know that our friend, Joe Bartlett, has many more years of useful public service ahead of him. I want to join with my colleague from Georgia in congratulating Joe on this deserved new honor, and to wish him well for the future.

Mr. CALLAWAY. Mr. Chairman, I ask unanimous consent that the gentleman from Ohio [Mr. BROWN] may extend his remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. BROWN of Ohio. Mr. Chairman, those of us from Ohio are all pleased with the report just given us by our colleague, Representative CALLAWAY, of Georgia, in which he calls attention to a resolution adopted by unanimous vote of the Georgia State Senate on March 2, 1965, praising our senior reading clerk of the House of Representatives, Joe Bartlett, and commending him for his services to the Georgia Junior Chamber of Commerce and other civic organizations.

It has been my pleasure to know Joe since he was a good-looking, but shy, young boy who came out of the mountains of West Virginia to serve as a page in the Republican cloakroom of the House. I have watched Joe develop throughout the years. We were proud of him when he left the House to serve his country in World War II, and again during the Korean war.

In 1953, Joe was chosen as reading clerk of the House, the youngest man to ever serve in that position. Both in 1960 and in 1964 it was my pleasure to move his unanimous selection to the position of chief reading clerk of the Republican National Conventions of those years. As a result of his outstanding platform service in those conventions, he became known nationally.

But even before I knew Joe, I knew his father-in-law, the late former Congressman and U.S. Senator from Ohio, George Bender, and Mrs. Bender, and I have known his pretty little wife, Jinny, from the time of her birth. I have helped her eat many doughnuts made by her mother, the best doughnut baker to be found anywhere outside of the Seventh Ohio Congressional District.

So I join in congratulating Joe, his wife, and their wonderful little family upon the honor that has come to him from the great State of Georgia.

Mr. CALLAWAY. Mr. Chairman, I ask unanimous consent that the gentleman from West Virginia [Mr. MOORE] may extend his remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. MOORE. Mr. Chairman, the people of Clarksburg, Harrison County, W. Va., are going to be mighty proud and pleased about this long-overdue recognition of the good works of Joe Bartlett.

Joe is a native son of West Virginia. He was born in Clarksburg, W. Va., and attended grammar school there. While attending Morgan Elementary School, he was selected to represent West Virginia at a school safety patrol convention in Washington. While in the Nation's Capital, he was singled out as "America's Typical Schoolboy Patrolman."

While he did not realize it at the time, this honor indirectly led to West Virginia's losing a good citizen and this House of Representatives gaining an extremely able officer.

As the result of his selection at the schoolboy patrol convention, Joe was given a 30-day appointment as a page, which evolved into a 24-year career of service to the U.S. House of Representatives

Joe's parents, Mr. and Mrs. F. Dorsey Bartlett, live on a farm south of Clarksburg. Recently they celebrated their golden wedding anniversary, and now they have time to sit back and contemplate with justifiable pride the many achievements of their five daughters and four sons. It will be a great satisfaction to them, I know, to learn of this fine tribute to their sixth born. And no one could be prouder at this most memorable occasion than Joe's lovely wife, "Jinny," daughter of the late George Bender, former U.S. Senator from the State of Ohio.

First and foremost, I congratulate Mr. and Mrs. Bartlett. I certainly congratulate Joe. But in so doing, do we not honor ourselves for his distinguished service to this House?

Mr. CALLAWAY. Mr. Chairman, I ask unanimous consent that the gentleman from Pennsylvania [Mr. DAGUE]

may extend his remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. DAGUE. Mr. Chairman, it is a distinct privilege to associate myself with my distinguished colleague from Georgia in bringing to the attention of this House the signal honor that has been conferred upon our senior reading clerk, Joe Bartlett, by the Georgia State Senate.

Joe Bartlett is an unusual person who combines tact and courtesty with the fulfillment of the unusually exacting duties of his important office. In addition to being exceedingly knowledgeable in regard to pending legislation and House procedures, he has also become an authority on the history and traditions associated with the Capitol, and has developed a veritable storehouse of anecdotes associated with this House.

The resolution adopted by the Georgia Senate explores his extensive contributions in the field of civic and Federal affairs and serves to reveal the many-faceted personality of this dedicated public servant. The military side of his life, however, is what brought me into closer association with Joe since I have the same pride that he is always willing to display; namely, in our service in the U.S. Marine Corps.

Former marines around the Capitol know Joe as the founder and guiding light of the Congressional Marine's Club, an organization composed of people on the Hill who have worn the Marine uniform and who are joined together in holding high the torch of their devotion to the corps.

A private, first class, at the close of World War II, Joe was later commissioned from the ranks of the Reserve, and recalled to active duty in 1951. He presently holds the rank of major and continues his deep concern in matters having to do with our national security. His official records as a Marine reservist include the personal commendations of each of the past five Commandants of the Marine Corps—a unique distinction not enjoyed by many members of the corps, regardless of rank or grade.

All I have listed have been a few of the visible accomplishments of this versatile American. What I must not try to explore, because of the limitation of time, are those personal attributes that have endeared Joe to all who know him. A real gentleman, a courteous official, but withal a warm-hearted counselor, he remains one whom it is a great privilege to claim as a friend. Verily, in honoring Joe Bartlett, our Georgia compatriots have honored this House and each one of us in turn.

Mr. MINSHALL. Mr. Chairman, I heartily concur in the statement made by the distinguished gentleman from Georgia in bringing this well-earned tribute from the senate of his State to the attention of the House.

As you know, Joe Bartlett, our reading clerk, is both my constituent and my longtime friend. He and his lovely wife, "Jinny," make their home in Chagrin Falls, Ohio, in the 23d District which I serve. Announcement of this tribute will bring much joy to Chagrin.

"Jinny" is the daughter of the late Senator George H. Bender and Mrs. Edna Bender, of Chagrin Falls. She was the Ohio princess in the 1951 Cherry Blossom Festival, and Joe, recalled to active duty with the Marine Corps, was assigned to be her escort. Love also blossomed and they were married. They now have two pretty little princesses, Linda Lou and Laura Lee.

Joe and his family always have been active in civic and community affairs. But service to the Members of the House of Representatives has been Joe's paramount devotion for nearly 24 years.

All of us, and many more, have been the grateful recipients of his help, his courtesy, his tireless efforts to serve this House and his Nation.

I am pleased to have this opportunity to express my admiration for our friend, Joe Bartlett.

Mr. BOW. Mr. Chairman, I yield such time as he may desire to the gentleman from Pennsylvania [Mr. McDADE].

Mr. McDADE. Mr. Chairman, I wish to express my gratitude at this time to the chairman of the subcommittee, the gentleman from Indiana, and to the members of the subcommittee, for agreeing to leave in this supplemental appropriation bill the full total of $11,800,000 to fight the problems of mine subsidence, mine caving, and underground mine fires. I particularly appreciate the action of the committee in not cutting this figure by $4,400,000. As I indicated to my colleagues, this $11,800,000 is essential to the welfare of a large number of Americans.

This present effort to solve the problems created by mine subsidences, mine caves, and mine fires is vital, not only to the people in my congressional district, but also to all those Americans who live in that part of our Nation where there has been a substantial coal industry.

As I have indicated in the record, the full thrust of this program can save millions of dollars for the countless Americans in these regions who are presently threatened with the loss of their homes. I stated to the subcommittee, as you may note in the hearings on this appropriation, there are perhaps no problems in the country more critical in nature, more deadly in result, and perhaps least understood than the problems which result from mine subsidences and underground mine fires beneath built-up areas in certain sections of Pennsylvania.

Of the amount requested in this appropriation bill an estimated $3,900,000 will be used to seal and fill voids in abandoned mine workings. These projects will include Wilkes-Barre No. 1 and No. 2 projects in Luzerne County; Scranton City No. 1 and No. 2 as well as the Pine Brook project in Lackawanna County and the Coaldale project in Schuylkill County.

Projects to control underground mine fires estimating $3,500,000 will be undertaken at Laurel Run in Luzerne County; Centralia in Columbia County; Shenandoah in Schuylkill County; Hickory Swamp in Northumberland County; Fairhaven Road and Buena Vista in Allegheny County; and Rostraver Township in Westmoreland County.

I believe that my colleagues on the committee exercised wisdom in deciding against cutting the appropriation by $4,400,000, and I wish them to know that they have the thanks of all the people who live not just in the 10th congressional district but those who live in other areas of Pennsylvania where these problems are critical.

Mr. BOW. Mr. Chairman, I yield such time as she may desire to the gentlewoman from Ohio [Mrs. BOLTON].

Mrs. BOLTON. Mr. Chairman, I should like to associate myself with the remarks that have been made about our very popular reading clerk, Joe Bartlett. Joe's work with the junior chamber has been outstanding. He is earnest, honest, able—a fine young American.

Mr. MAHON. Mr. Chairman, I yield the remaining time on this side to the gentleman from Connecticut [Mr. GIAIMO].

Mr. GIAIMO. Mr. Chairman, I rise in support of this legislation, and at the same time would like to express my concern at the action which we are taking here in not appropriating $942,000 for the Civil Aeronautics Board for the continuation of the subsidy on helicopters. If this money is not appropriated, and it will not be under this bill, it means that the funds which we are not appropriating in the budget of last year will terminate probably in the month of April. It means that for the remainder of this fiscal year there will be no subsidy payments to three companies which are presently operating, the New York Airways, Chicago Airways, and Los Angeles Airways.

We are reaching the peak of the operation of helicopters and approaching the point where they will be on a self-paying basis. I am informed that by 1970 this will happen.

There is also a serious question of law involved as to whether or not there is an obligation on the part of the Government to make these subsidy payments as long as the present law is in existence. There is a question as to whether or not these companies, in the absence of payments, can come into the Court of Claims and demand payment from the United States.

I think we should concern ourselves with this problem, and study it carefully. Whatever action may be taken in the other body, insofar as these supplemental appropriations are concerned, at that time I would hope that the House in its wisdom will see fit to go along in restoring these funds.

The CHAIRMAN. The Clerk will read the bill for amendment.

The Clerk read as follows:

CAPITAL OUTLAY

For an additional amount for "Capital outlay," $971,000, to remain available until expended.

AMENDMENT OFFERED BY MR. DAVIS OF WISCONSIN

Mr. DAVIS of Wisconsin. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DAVIS of Wisconsin: On page 3, strike out lines 19, 20, and 21.

Mr. DAVIS of Wisconsin. Mr. Chairman, the purpose of this amendment is to delete from the bill an item of $971,000, the purpose of which is to purchase 22,000 square feet of additional land at the corner of 9th and G Streets in the District of Columbia for additional land for the site of the new central library.

The appropriation for the new fiscal year will include $800,000 for the planning of this building. The site was originally chosen based upon some recommendations of Booz, Allen, & Hamilton, who set out the criteria for this library site. They recommended that the site be 50,000 square feet. The actual complete site would have 76,000 square feet, and including that which is included in this appropriation, based upon the appropriation which the Congress made last year of about $2.5 million, the District authorities did proceed and procured 54,000 square feet. Then they ran out of money. But you will note that the District already has procured more land than the original consultants, Booz, Allen, & Hamilton had recommended as being necessary for the site of the central library. So what we are talking about here today is approximately $1 million to provide 70 additional parking sites in a very expensive area of downtown Washington.

First of all, we are not only spending this additional money to provide for the parking sites but we are taking some land of high assessments off the tax roll of the District of Columbia.

It probably will be said that actually we are not providing this money, that this money is all going to come from money already in the hands of the District of Columbia. I submit that this is fallacious reasoning because, as we are all painfully aware, we are called upon to use the funds provided by the taxpayers of this country, and the entire country, each year to supplement the funds that are raised within the District of Columbia, in order to keep the site of our National Government operating.

So I submit, Mr. Chairman, that we ought not, either through a false sense of ease or through the feeling that we ought to have additional parking spaces, appropriate almost $1 million to provide this number of additional parking spaces.

The building itself with the funds that will be normally required will include, or can easily include from 80 to 85 parking sites without spending an additional million dollars for that purpose. In fact, I think it is fair to say that the District officials had reconciled themselves to the smaller site that met the original criteria that had been set forth, and there was no request before this committee up until the time of our subcommittee hearings for any additional money for this purpose at all. It was something that came in as a kind of afterthought when the climate appeared to be such as to make it appear that the Appropriations Committee would look with favor upon this additional amount of money.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Wisconsin. I yield to the gentleman from Iowa.

Mr. GROSS. I read with interest in the hearings the questioning by the gentleman from Wisconsin who is presently addressing the House. The gentleman tried to ascertain how this parking lot would be available to those who used the library rather than becoming a public parking lot. I submit, in reading the hearings, there is no answer to the gentleman's question of how it could be held for use by those who patronize this new library.

I support the gentleman's amendment.

Mr. DAVIS of Wisconsin. At the time the original interrogation took place on that point, I would say to the gentleman from Iowa, it was obvious that there had not been any real thinking done on this problem at all—and it is a real problem because it is right in the downtown shopping area of the Nation's Capital and I do not think we have any obligation and I do not think we have any right to be spending public funds in order to provide a more convenient parking area for those who will be in the downtown shopping centers.

The CHAIRMAN. The time of the gentleman has expired.

Mr. NATCHER. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the present library in the District of Columbia is located at Eighth and K Streets NW. This library is obsolete and has been obsolete for about 20 years. For the last few years, the Subcommittee on Appropriations for the District of Columbia has carefully studied the request made each year by the librarian and by the Commissioners for funds for a new public library. The present library was constructed in the year 1903 with Carnegie funds.

The District needs a new central library.

For the fiscal year 1965, a request was made again for funds for a site for a new central library. Our subcommittee and the Congress approved the amount of $2,351,000 to buy land at Ninth and G Streets for a new public library for the District of Columbia. The amount contained in this supplemental bill of $971,000 is District of Columbia funds, and is the amount necessary to buy the balance of the land to be used for the library. Every dime of this money is to be funded by the District of Columbia and no part of same is Federal money. The amount that was approved for the entire site in the 1965 budget was not sufficient to buy the necessary land for this building.

Here in the District of Columbia we have, I think, one of the best library systems and one of the best librarians in the United States. This is their money, and the people want to build a new library to take the place of a library that was built 62 years ago. As much as I dislike finding myself in disagreement with my able friend, the gentleman from Wisconsin [Mr. DAVIS], a member of the subcommittee, I say to you frankly that he is wrong, and this amendment should be defeated.

In addition to the $971,000 involved in this amendment, all of the balance of the funds contained in this supplemental bill for the District of Columbia will be funded by the District out of District funds. This site was carefully selected by a library board composed of outstanding citizens in our Capital City. This additional land is necessary for parking facilities and will then place the city in a position where an adequate building may be constructed.

The amount we appropriated in the fiscal year 1965, $2,351,000, was not ample to buy all the land necessary, and the $971,000 should now be approved.

I say frankly that it would be a mistake, and serious mistake, to build a building on a site with less land than is necessary. We will not build a central library every year in the District. Why not proceed correctly and do this job right? This library will have to last for a great many years.

It is true that during the hearings my good friend from Wisconsin inquired of some of the witnesses concerning parking facilities. That was the only question raised. There was no question of the money or the amount involved, but there was a question about furnishing parking facilities to some people who might be down at one of the stores making a purchase.

This is what was said to the witness:

Mr. DAVIS. I think the only basic question I have, Mr. Peterson, is how we can assure that we are providing a necessary parking facility for library users or library staff, and aren't just providing a convenient parking place for the downtown shoppers in the Washington area.

During the hearings the distinguished gentleman from Wisconsin was very much concerned about parking facilities. At no time did he mention the fact that the District of Columbia was spending its own money to build its own library.

If a person, who goes to a store, through mistake parks on this parking lot for a few minutes, it still will not hurt anything and should not stop this library. We can furnish guards if necessary.

I believe the people in the District of Columbia are entitled to this new library. For a period of several years this request was carefully studied and now is the time to act. We carefully considered it, and we thought it just and proper to approve it. We stand by our recommendation.

Mr. Chairman, this amendment should be defeated.

Mr. BOW. Mr. Chairman, I move to strike the requisite number of words.

Mr. DAVIS of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. BOW. I yield to my friend from Wisconsin.

Mr. DAVIS of Wisconsin. I appreciate this opportunity to make a few additional comments.

I am quite certain that when the distinguished subcommittee chairman made the statement I was wrong, he was referring to my judgment and not with respect to any of the facts which were submitted, because I believe the record will bear out that the statements I made are buttressed by the facts.

I do not want my colleagues to become confused that the issue here is

whether we are going to have a new library for the District of Columbia, because that is not the issue at all. It is conceded that we are going to have this new library. It is conceded we are going to have it at a site at Ninth and G. It is conceded we already have acquired the land for the new library—in fact, more land than the Booz, Allen and Hamilton people designated as being necessary for the site of this library.

What we have gotten down to is whether we should spend nearly $1 million for 70 outside parking spaces and take valuable land off the tax rolls of the District of Columbia.

We may argue here, in semantics, that this is money which belongs to the District of Columbia because we are not increasing the Federal contribution, but the fact remains that we do subsidize the operation of the District of Columbia through funds taken out of the general treasury. We have done so not only last year or this year but every year. So it is not quite right to say that this is all money of the District of Columbia.

They have the money because we, last year, provided about $37.5 million to add to the money raised within the District of Columbia.

I submit, rather than taking this valuable land off the tax rolls, that the plans for which there are $800,000 appropriated in the 1966 appropriation bill may very well be used to provide, if this is necessary, for additional in-building parking spaces which will perform the same function without taking 22,000 square feet of valuable land off the tax rolls. I think that is basically what is involved here. So it is our money that is being talked about. It is not a question of depriving the citizens of the District of Columbia of any single library facility whatsoever. I think it is a question of judgment as to whether we ought to take this land off the tax rolls forever and deprive the District of Columbia of future sources of revenue it obviously so badly needs because of the requests that come to this Congress every year.

Thank you for giving me this time.

Mr. BOW. Mr. Chairman, it seems to me if this is a matter of 70 parking spaces, this money could be better used in other areas, such as in the schools or other parts of the District of Columbia. I support the amendment of the gentleman from Wisconsin [Mr. DAVIS].

Mr. WHITTEN. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I would like to ask the gentleman from Kentucky, the chairman of the subcommittee, as to how a library might be located in this area of Washington if you did not have parking spaces. It has been my observation around here that most anything of value is tied to the availability it has to people who want to use it. I would be very happy to yield to the gentleman from Kentucky to explain as to what is involved as far as making the library usable.

Mr. NATCHER. Mr. Chairman, if the gentleman will yield, I would like to say to my distinguished friend from Mississippi it would be a serious mistake to build a new central library with inadequate parking facilities. It would simply mean that those who go to use the library would have to park their cars at the curb. This additional space of 22,000 square feet, which will cost $971,000, will guarantee that those who use the new library will have a place to park their vehicles and go in and use their library in the manner in which it should be used. I say to you it would be a serious mistake to build a library building and not have a place to park cars.

Mr. Chairman, I know all down through the years here in the District of Columbia we have had parking lot controversies going on throughout the city. Why let this stop our central library? This is property owned by the taxpayers of the city of Washington, and this is their money. Our Capital City and the taxpayers here are entitled to this new central library.

Mr. GROSS. Mr. Chairman, I move to strike out the necessary number of words.

Mr. Chairman, the gentleman says that the parking lot is necessary because otherwise patrons of the library would be forced to park at the curb and use parking meters. How is it expected to control the parking lot? It is within reasonable proximity of the department stores. The gentleman from Kentucky asked: What if a few shoppers do park their cars there for a few minutes? Well, a few shoppers could park for a few minutes, then employees of the department stores could park their cars by the hour. Those promoting this project had no solution for the problem when they appeared before the committee. How is it proposed to handle this parking lot to serve library patrons?

Mr. NATCHER. Will the gentleman yield to me?

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

Mr. NATCHER. I will say to my distinguished friend that if it becomes necessary, we will have a guard posted to see that those who drive in on the lot are going to use the library. Then you say we will have one more employee, and I say if this becomes necessary, I for one, will vote for a guard or guards. If one car owned by someone going to a store parks on this lot, once a week, then why stop the library project just because one violator drives on this lot.

Mr. GROSS. The point is simply this: if 70 cars are to be parked in this area costing $1 million, and the library operates from 9 or 10 o'clock in the morning until 9 or 10 o'clock at night, then it will require shifts of guards and run up the costs.

Mr. NATCHER. I would like to say to the gentleman, if it requires one guard or two guards, I for one would be in favor of building a new central library, and employing the guards.

Mr. JOELSON. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, if ever I have been convinced of the need for home rule in the District of Columbia it is this afternoon. Here we are, Members of the House of Representatives of the United States, arguing about where somebody who is going to a library is going to park his car, whether he is going to put a nickel or a dime in a meter, or whether or not we are going to have to have an extra guard to see that somebody does not get into a parking lot. I think the Congress of the United States of America has more important work to do. I think this is a prime example of the folly of denying home rule to the District of Columbia.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin [Mr. DAVIS].

The question was taken; and on a division (demanded by Mr. DAVIS of Wisconsin) there were—ayes 33, noes 73.

So the amendment was rejected.

The Clerk read as follows:

Page 4, line 16:

"PEACE CORPS

"During the current fiscal year an additional amount of $1,858,000 shall be available within the appropriation for 'Peace Corps' for administrative and program support costs."

Mr. GROSS. Mr. Chairman, I make the point of order against the language on page 4, beginning in line 16 through line 20, that it is legislation on an appropriation bill and not within the legislative scope of this bill.

Mr. PASSMAN. Mr. Chairman, if the gentleman insists on his point of order, I concede the point of order.

The CHAIRMAN. The gentleman concedes the point of order; the Chair sustains the point of order.

The Clerk read as follows:

FUNDS APPROPRIATED TO THE PRESIDENT

DISASTER RELIEF

For an additional amount for "Disaster relief", $25,000,000, to remain available until expended: *Provided*, That not to exceed 3 per centum of the foregoing amount shall be available for administrative expenses.

Mr. RIVERS of Alaska. Mr. Chairman, I move to strike out the last word.

Mr. Chairman and members of the committee, I have sought this time to call attention to an issue vital to all of us, vital because it concerns the full faith and integrity of this great legislative body. To adequately present this matter it is necessary to give you a brief account of the background.

Just a little over 1 year ago—on March 27, 1964—Alaska suffered the worst earthquake to ever strike the North American continent. The intensity of the shock measured 8.7 on the Richter scale. Over 30,000 square miles of south-central Alaska was in the direct shock area. This area has over 60 percent of the State's total population and produces over 55 percent of the State's total gross product and revenues. Never before has such a high proportion of a State's area of economic activity been so severely damaged by a natural disaster.

The Congress, with unprecedented speed, approved in one day an appropriation of $50 million to permit the Office of Emergency Planning to assist during the emergency period to minimize loss of life and property and subsequently to assist in the repair of public facilities.

President Johnson, immediately following this disaster, established the Federal Reconstruction and Development Planning Commission for Alaska and appointed a distinguished Member of the U.S. Senate, the Honorable CLINTON P. ANDERSON, as its chairman, to plan and coordinate the Federal effort in reconstruction of Alaska. The Governor of Alaska, William A. Egan, simultaneously established the Alaska Reconstruction Commission to plan and coordinate the State's efforts with the Federal Commission. These actions, both Federal and State, proved to be sound foundation measures underlying Alaska's recovery, which is still in progress. Studies in depth were made, and estimated losses of over one-fourth of a billion dollars were identified. This situation was rather staggering when weighed in the light of the fact that Alaska's population of only 250,000 was still in the transitional stage of assuming the many functions which the Federal Government performed prior to statehood in 1959. Thus it was decided that unprecedented legislation and other actions would be required by both the Federal and State Governments. First was Federal legislation authorizing grants to the State of not more than $23.5 million to enable the State and local governments to carry on their normal functions by covering revenue shortfalls and extraordinary operating expenses caused by the earthquake and resultant seismic waves. The first act of the Alaska Legislature was to authorize issuance of up to $50 million in State disaster bonds.

Then after several months of intensive investigation and study by the Federal and State reconstruction commissions, and congressional hearings, Public Law 88–451, cited as the "1964 Amendments to the Alaska Omnibus Act," was approved on August 19, 1964. These amendments, in recognition of the magnitude of the disaster, were designed to assist the recovery of Alaska, and restore damaged Alaskans to the role of taxpayers instead of only tax users. Many of the provisions of this act were unprecedented and recognized as such at the time of passage of Public Law 88–451.

One of the unprecedented items in this legislation was the amendment to section 57 of the Alaska Omnibus Act which provides for allocation of $5½ million of Federal funds for the retirement or adjustment of mortgages on homes which suffered earthquake damage above 60 percent to total destruction, except that the mortgagor must absorb at least $1,000 of the mortgage balance, and receive no indemnification of his aggregate payments, or equity, in the damaged or destroyed property; he, the mortgagor, to absorb that part of the loss. Other restrictions are to the effect that this procedure shall apply only on one to four family homes, no payment as to a single property to exceed $30,000. This legislation further requires 50–50 matching by the State of Alaska to carry out this mortgage retirement program, and provides that the State is to administer same in accordance with a plan to be submitted by the State and approved by the President.

These are the terms of the offer made by this Congress to the State of Alaska, and these are the conditions precedent to the binding of the Federal Government to the bargain. Now let me say that all of the conditions have been met. On call of Governor Egan, the Alaska Legislature convened in special session on August 31, 1964, and proceeded to authorize State participation in this mortgage retirement and adjustment program and appropriated $5.5 million in general obligation bond proceeds for the State to carry out its part of the program. Following this special session much study and work was spent by State officials in devising an appropriate and workable plan which would be adequate to meet with the approval of the President for carrying out the program. The last Congress adjourned before the plan was completed and approved, but early this year the plan was completed and approved, but early this year the plan was submitted, and was approved, and the President did get this needed item of $5.5 million into the budget, so the Federal Government may carry out its part of the bargain.

Now, apparently, a very regrettable misunderstanding has arisen. The Subcommittee on Appropriations for Independent Offices, under the chairmanship of our beloved colleague, the gentleman from Texas [Mr. THOMAS], has found that there is no precedent for such relief to individuals, and that therefore "the committee has disallowed this item even though it is sympathetic to the plight of the individuals involved." My dear colleagues, this must be a misunderstanding, because last August the Congress made the policy decision involved when it adopted Public Law 88–451 at which time it fully knew it was blazing a new trail in regard to disasters and human values. In deleting this item for $5.5 million, the subcommittee must have overlooked the fact that the State had moved ahead during a period of months to meet the conditions precedent prescribed by this Congress, and that the State had met those conditions in reliance upon the offer made by this Congress, and that the 370 homeowners affected had relied upon the integrity of this Congress with many of them proceeding to finance and arrange for rebuilding this spring after the State had complied with all the conditions prescribed by this Congress and thereby sealed the bargain. The disallowance of this item must have been based upon a lack of knowledge of the facts and surrounding circumstances as I have narrated them, because I just do not believe that the committee would willfully advocate a breach of promise or embrace a standard of action and morality below that required under law of our citizens in the course of the pursuit of their contractual relationships. I am sure that the Members of this Congress including the members of the subcommittee want the citizens of this great democracy of ours to be able to believe in and have full faith and confidence in the integrity of this Congress and our Federal Government. I believe that even those in this great legislative body who think that the Congress made a bad bargain in adopting the Alaska mortgage retirement program last August, would, upon careful consideration, decide to back up the full faith and credit and honor of this Congress and the United States of America.

Mr. Chairman and Members, I submit this statement, without mincing words and from the bottom of my heart, I do this at this time without offering the appropriate amendment, in order to allow time for adequate consideration of this matter on the part of all of us, and with the hope and prayer that when this bill has gone through the other body and comes back to this House for final passage the referenced $5.5 million will have been restored, and the public reliance upon our good faith and integrity emphatically sustained.

Mr. PUCINSKI. Mr. Chairman, I move to strike the last word.

Mr. Chairman, it is a source of great disappointment to many people in Chicago that the committee denied an additional $942,000 which had been requested by the Civil Aeronautics Board to assist in the orderly development of helicopter service in Chicago, New York, Los Angeles, and in other parts of the country. It is our hope that the other body will restore this money.

The other body has held extensive hearings on this subject and while I do not intend to offer an amendment at this time in deference to the committee, it is our hope that the additional amount will be added by the other body and that our conferees, if this bill goes to conference, will not insist on withdrawing this additional amount from the bill.

The orderly development of helicopter service in these large urban areas is of extreme importance. We in Chicago are desperately trying to reactivate Midway Airfield.

The only way we can do that is to have good transportation between Midway and O'Hare Field, which today stands as the world's busiest airfield. Right now one of the best rapid links between Midway and O'Hare are the helicopters. It is true; we have been helping these helicopters over the years, and this is in the highest tradition of our country whenever a new form of transportation is developed.

The airlines of this country, for instance, had received substantial assistance in their early years from the Federal Government. We are now spending more than $50 billion of Federal funds for a national highway system. We have assisted with Federal help in developing many other forms of transportation until these systems got on their feet and were able to meet their needs. It is for this reason we should give the Civil Aeronautics Board the money it needs. The Board has made a very reasonable request, the CAB realizes that sooner or later the helicopter will have to stand on its own two feet. I think we can agree on that. The Civil Aeronautics Board has requested these additional funds be continued for the next 5 years in order to give the Federal Government an opportunity for an orderly phaseout of this program and let the helicopter service find other ways of sustaining itself.

Some have suggested that perhaps the major airlines may want to help these helicopter services continue their operations. I believe we can all agree on one thing: Those of us who travel a great deal know of the difficulty that we encounter in many of the major cities between the airport, particularly now with development of jet airports substantially away from the city, and the center of the city. Therefore, it is ironic that as the need for helicopter service increases in these areas, the Congress is pruning away at their very sustenance.

It is my hope the other body will restore this additional amount the CAB has requested. I renew my request that the conferees not press too hard in trying to remove it from the appropriation bill of the other body, if indeed the other body should approve the additional funds.

Mr. CHARLES H. WILSON. Mr. Chairman, will the gentleman yield?

Mr. PUCINSKI. I yield to the gentleman from California.

Mr. CHARLES H. WILSON. Mr. Chairman, I should like to associate myself with the remarks of the gentleman for Illinois [Mr. PUCINSKI].

Mr. Chairman, I am distressed with the action of the Appropriations Committee in eliminating the supplemental request of the Civil Aeronautics Board for $942,000 for helicopter subsidy for the balance of the current year.

The great Los Angeles International Airport, the third busiest air terminal in the world, is located in my district, and it is here that Los Angeles Airways, the pioneer scheduled helicopter airline in the world, is based.

If the action of the committee becomes final, the jobs of between 300 and 400 people in the immediate area of the Los Angeles International Airport are in serious jeopardy. Los Angeles Airways employs over 200 people, the majority of whom live in my district. In addition, a substantial number of employees of other companies who perform various aircraft supply services for Los Angeles Airways would also be affected.

It has taken 20 years to build this organization up to its present peak of service and technical competence so that it literally represents a national resource in the complex art of rotary-wing operations. It could not operate at the present time without the subsidy which the Board has found necessary. Therefore, discontinuance of the subsidy at this time would mean that the Los Angeles area would be without helicopter air service at a time when our surface transportation problems are daily becoming more acute.

This helicopter carrier performs a vital air feeder service between the airport and 14 other points in southern California.

Over 200,000 passengers and millions of pounds of mail and cargo were transported on this system in 1964. If this service were to disappear, many communities would be totally deprived of direct air service, and mail and cargo services would be substantially delayed.

The Civil Aeronautics Board has found, after careful study, that Los Angeles Airways and other subsidized helicopter operators should be able to attain self-sufficiency by the year 1970. Pursuant to the Board's program, the carriers have filed petitions for permanent authority on a subsidy-elimination basis over a 5-year period.

Los Angeles Airways and the other operators have been making constant improvements in their operating efficiency. In recent years, for example, Los Angeles Airways has experienced dramatic traffic growth, and seat-mile costs have declined with the introduction of turbine-powered helicopters.

In the Los Angeles metropolitan area, distances are great and surface transportation is time consuming, difficult, and sometimes unavailable. Air service which might in other parts of the country be performed by local service airlines is performed by Los Angeles Airways. I feel our air service needs are just as great as those of other areas of the country, and the position of the CAB seems reasonable.

This valuable operation has been developed without the expenditure of very large sums of Federal money. I think it would be most unfortunate to deny the funds at a time when the CAB has found self-sufficient operations to be a reasonable prospect. What is more, our unchallenged international leadership in this field will be jeopardized.

I hope, therefore, that if the other body restores the necessary funds, our conferees will go along for continuation of this very vital service in California.

Mr. MICHEL. Mr. Chairman, will the gentleman yield?

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

Mr. MICHEL. I commend my colleague for bringing this to the attention of the House at this time. I concur wholeheartedly in what the gentleman says. This helicopter service in large metropolitan centers is a must for the present and who would deny that it will not be even more required in the future.

The Federal Government has an obligation in my opinion to encourage this kind of service as we did for many years with the trunk airlines and are still doing for the local feeder airlines. These large metropolitan air terminals serve the Nation as a whole and of course Chicago's O'Hare Field is practically the hub for the Nation in this respect. I believe we have to give these helicopter services ample time to find out the most efficient way to operate their service. The machines themselves are very costly and I for one have no qualms about our subsidizing their cost so long as it points the way to progress and eventually leads to self-sustaining helicopter service in the future and I believe we will see that day within a relatively few years.

Mr. PUCINSKI. I thank the gentleman.

Mr. UTT. Mr. Chairman, will the gentleman yield?

Mr. PUCINSKI. I yield to the gentleman from California.

Mr. UTT. I wish to associate myself with the remarks of the gentleman from Illinois. At Disneyland I believe we have the heaviest helicopter service in the country. It has taken a long time to build that service up. I use it regularly to go to Los Angeles and the area around Los Angeles. If it were destroyed, it would take a great deal of money to bring it back again. I congratulate the gentleman on bringing this to our attention.

Mr. MATSUNAGA. Mr. Chairman, I ask unanimous consent that the gentleman from California [Mr. DYAL] may extend his remarks at this point in the RECORD and include extraneous matter.

The CHAIRMAN. Is there objection to the request of the gentleman from Hawaii?

There was no objection.

Mr. DYAL. Mr. Chairman, I am going to support this bill but I am greatly disappointed in the denial of supplemental appropriations for helicopter service for southern California. It has taken almost 20 years to develop, construct, and make fully efficient this transport facility consisting of expert personnel, heliports, related ground facilities, and the aircraft itself. There is no way to suspend Los Angeles Airways operation without total destruction of the service, abandonment of facilities and the resulting loss of stockholder and Government investment.

This program has been tremendously helpful to the Ballistic Systems Division of the Air Force and related aerospace operations in southern California.

Aircraft are mortgaged under guaranteed loans from the Government and these loans have some 6 years to run. The honorable solution is to give an opportunity for a subsidy cutoff to Los Angeles Airways on a 5-year declining basis, and Los Angeles Airways history of declining cost fully supports this proposal. This is a CAB proposal.

Community long-term participation in heliport transportation includes 5-, 10-, 15-, and 20-year heliport leases in which our southern California cities and the operator have made major investments. Cities depend on the helicopter as a primary means of air transportation and these communities include Los Angeles, Anaheim, Newport Beach, Whittier, Pomona, San Bernardino, Glendale, Burbank, Riverside, and Downey.

In my own area the population served is more than that of Seattle, Wash., and the neighboring congressional districts south have a population similar to that of Oklahoma City and west in the Pomona Valley area is similar to that of Newark, N.J. These and many other areas would be eliminated from this service.

This is one of the major tax paying sources of the country and it will now be deprived of the air service which the CAB has said is required.

If Los Angeles Airways operations is discontinued what arrangements will be made for air service to communities which will then be deprived of direct passenger, airmail, and aircargo service? What equivalent service can we look forward to between these fast growing communities and the Los Angeles International Airport? Discontinuance of this service may cost many millions more for I can assure you some type of service will be required and if we revive helicopter service in California back to its present

state the cost will be many times that which has been required to start it.

I commend the expertise of the Civil Aeronautics Board on this highly technical topic and commend their report to the House.

Mr. MILLER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I take this time to pose a question to the chairman of the subcommittee on the subject that has just been raised by some of the other gentlemen. I should like to remind him that the San Francisco-Oakland area is now being served by nonsubsidized helicopter carrier. This carrier has recently purchased some of the most modern equipment. It is going further than that. It is going into the ground effects machine field being the first company in the United States to use Hovercraft. They had to get them from England under a special permit approved by DOD. This is nonsubsidized operations. The operators do need financial assistance as do other helicopter operators. I find no fault with what you are doing, but I should like the record to show that in the event subsidies are reestablished, the San Francisco-Oakland area is entitled to such a subsidy along with other carriers.

Mr. THOMAS. I do not see how the request of the distinguished gentleman from California can be denied. It is a common, even-handed treatment.

The Clerk read as follows:

VETERANS REOPENED INSURANCE FUND

All premiums and collections on insurance issued pursuant to section 725 of title 38, United States Code, shall be credited to the "Veterans reopened insurance fund", established pursuant to that section, and all payments on such insurance and on any total disability provision attached thereto shall be made from that fund, notwithstanding any provisions of that section: *Provided*, That for actuarial and accounting purposes, the assets and liabilities (including liability for repayment of advances hereinafter authorized, and adjustment of premiums) attributable to each insured group established under said section 725, shall be separately determined: *Provided further*, That such amounts of the "Veterans special term insurance fund" as may hereafter be determined by the Administrator of Veterans' Affairs to be in excess of the actuarial liabilities of that fund, including contingency reserves, shall be available for transfer to the "Veterans reopened insurance fund" as needed to provide initial capital: *Provided further*, That any amounts so transferred shall be repaid to the Treasury, and shall bear interest payable to the Treasury at rates established in accordance with section 725(d)(1) of title 38, United States Code.

Mr. SAYLOR. Mr. Chairman, I make a point of order against the language on page 8, line 7 to line 22 inclusive and on page 9, line 1 to line 6 inclusive as being legislation on an appropriation bill and not within the scope of the original language authorizing the reopening of veterans' insurance.

Mr. Chairman, the point of order which I have just made against the legislation on this appropriation bill has a very interesting history.

The Committee on Veterans' Affairs has consistently held hearings on the question of reopening National Service Life Insurance to the World War II and Korean group of veterans. Our committee has always considered the question on its merits and until the last Congress had voted in the Subcommittee on Insurance, under the chairmanship of three chairmen—Hon. John E. Rankin, Hon. Edith Nourse Rogers, and Hon. OLIN E. TEAGUE—to deny this reopening proposal. In the 88th Congress it was finally added as a nongermane rider in the other body to a non-service-connected pension bill. Certain high officials of the Veterans' Administration connived in this effort and brought forth a proposal which was presented to the conferees at the 11th hour. A proposal, I might add, which was very poorly worked out and which was only made workable to its present degree by the strong stand taken on the part of the House conferees.

The present Deputy Administrator of the Veterans' Administration and his associates, who must primarily bear the responsibility for this action, were instructed at that time as to the keen and continuing interest of the Committee on Veterans' Affairs in this subject and particularly in the interest of the members of this committee who made up the conferees of what was finally enacted as Public Law 88-664.

Early in this session, February 17, 1965, to be precise, the Subcommittee on Insurance held a hearing on this entire question of reopening and no request was made to the subcommittee or the full committee, as far as I know, for any language along the lines presented today. The Veterans' Administration witness was given every opportunity to testify fully. The then Chief Benefits Director and now Deputy Administrator, Mr. C. F. Brickfield, stated, and I quote from page 51 of the hearings, "The financing of this reopening will be made through a revolving fund to be established in the Treasury. The initial working capital will be obtained by making a loan from the Treasury which will be repaid with interest as premium and other income becomes available." There was no mention made of any transfer from any trust fund or revolving fund nor any indication given to the Committee on Veterans' Affairs or the Subcommittee on Insurance that any such authority was needed or would be sought.

I can only draw the conclusion, Mr. Chairman, that the officials in the Veterans' Administration who have charge of this program and who are well acquainted with the continuing interest of the Committee on Veterans' Affairs in this insurance program have decided for reasons best known to themselves to ignore the committee and endeavor to have this matter approved without reference to our legislative committee. This is highly irregular procedure to say the least, despite what the end result may be. It seems fair to say Mr. Brickfield and his associates desire to endeavor to flout the known interest of the Committee on Veterans' Affairs in this program. I for one do not intend to stand idly by while such procedure takes place.

Mr. THOMAS. Mr. Chairman, may I be heard on the point of order?

The CHAIRMAN. The Chair recognizes the gentleman from Texas.

Mr. THOMAS. Mr. Chairman, I hope my distinguished friend will not insist upon the point of order. We all know of his deep interest in the veterans. The gentleman is outstanding not only in that field but in many other fields. His point of order is good if he insists on it. This is a transfer of funds. This is not an appropriation. Just be sure of your ground, that you are not going to come back to the Appropriations Committee 30 or 60 or 90 days from now and say "We have no funds." I do hope my distinguished friend will not insist on his point of order. It really serves no useful purpose.

Mr. SAYLOR. Mr. Chairman, I must insist on the point of order.

The CHAIRMAN. The gentleman from Pennsylvania [Mr. SAYLOR] makes a point of order against the language on page 8, beginning at line 7 down through and including the language on page 9, line 6.

The Chair understands the gentleman from Texas [Mr. THOMAS] concedes the point of order.

The Chair sustains the point of order.

The Clerk will read.

The Clerk read as follows:

DEPARTMENT OF COMMERCE

Bureau of the Census

Registration and Voting Statistics

For expenses necessary for the collection, compilation, and publication of statistics on registration and voting, in such geographic areas as may be recommended by the Commission on Civil Rights, as authorized by section 801 of the Civil Rights Act of 1964 (78 Stat. 266), $7,500,000, to remain available until December 31, 1966.

Mr. SIKES. Mr. Chairman, I make a point of order against the language on page 21, lines 2 through 9, and ask to be heard on the point of order.

The CHAIRMAN. The Chair recognizes the gentleman from Florida [Mr. SIKES].

Mr. SIKES. Mr. Chairman, the language in this section goes beyond the period of time set forth in the bill H.R. 7091. The preamble of this bill states that it is a bill making supplemental appropriations for the fiscal year ending June 30, 1965. The language on lines 2 through 9, page 21, proposes to have the funds, $7.5 million, remain available until December 31, 1966. There is no such authority in the basic law.

The CHAIRMAN. Does the gentleman from New York desire to be heard?

Mr. ROONEY of New York. Mr. Chairman, the proposed appropriation of $7.5 million contained in the bill for the Bureau of the Census is for the purpose of a registration and voting statistics survey covering the States of Alabama, Louisiana, and Mississippi, to provide a count of all persons of voting age and a determination of the following information for each such person: "(1) citizenship, (2) residence, (3) years of school completed, (4) race and color, (5) whether registered to vote in Federal elections, (6) whether voted in the most recent statewide primary election and general election in which Members of the U.S. House of Representatives were nominated or elected."

As appears at page 161 of the printed hearings on this pending bill, the following questions were asked and the following answers given concerning this requested $7.5 million appropriation:

Mr. ROONEY. What is the legal authority for this proposed activity of the Department of Commerce?

Mr. ECKLER. Title VIII of the Civil Rights Act indicates that the Secretary of Commerce shall promptly conduct a survey to compile registration and voting statistics in such geographic areas as may be recommended by the Commission on Civil Rights.

I believe we have included a full text of title VIII, section 801, in the material which was put into the record.

Mr. ROONEY. Where do you get the authority for the unlimited availability?

Mr. IMHOFF. We have no specific authority for that, Mr. Chairman.

In view of this, the gentleman from New York is reluctantly constrained to concede that the gentleman's point of order is well taken.

The CHAIRMAN. The Chair is ready to rule.

The gentleman from Florida makes a point of order against the language on page 21, lines 2 through 9.

The purpose of the bill is to make supplemental appropriations for the fiscal year ending June 30, 1965. The language on page 21, line 9, is "to remain available until December 31, 1966", which goes beyond the purpose of the bill.

The point of order is sustained.

Mr. SIKES. Mr. Chairman, the matter of an appropriation of $7.5 million has, under the action just concluded, been disposed of for the time being. However, there is but little doubt that we will have this item back before us after the Senate has concluded its action on the second supplemental appropriation bill. At that time the House will indeed be confronted with its moment of truth. Regrettably, it has been true in the past few years that almost anything can get approval in Congress if it has attached to it the name of civil rights. I believe that is true in this case. Yet I do not think for a moment that this item could get past the front door of the Capitol other than with the blessing of civil rights.

Let us look at what is proposed. The Chairman of the Civil Rights Commission wants a registration and voting statistical survey covering the States of Alabama, Louisiana, and Mississippi. He wants to provide a count of all persons of voting age with specific information on race and color and whether that person voted in the most recent statewide primary and general election. Apparently, this is considered a necessary preliminary to the takeover in those States by the Federal Government under the proposed universal voting law.

Amazingly, witnesses from the Department of Commerce under which this appropriation would be expended have stated that they have authorization only to spend $850,000. But they state further that all of that money could not actually be spent during the remainder of fiscal 1965. They would expect to spend $554,000 and to obligate the amount remaining of the $850,000 which could legally be appropriated for the agency. The ends to which some Federal agencies will go in an effort to spend money unnecessarily are beyond all comprehension. That is why I raised a point of order against the language of the bill which would have appropriated $7,500,000 from the Treasury for this useless expense.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Rural Community Development Service

Salaries and Expenses

For an additional amount for "Salaries and expenses", $35,000, to remain available until June 30, 1966;

Bureau of Public Roads

Appalachian Development Highway System

For necessary expenses for construction of an Appalachian Development Highway System, including local access roads, as authorized by the Appalachian Regional Development Act of 1965, $200,000,000, to remain available until expended;

Mr. GROSS. Mr. Chairman, I move to strike out the necessary number of words.

Mr. Chairman, in reading the hearings there was considerable discussion of the $200 million to be made available for the building of roads in the Appalachia program. Is there anyone here as of this time who can tell us where these roads are to be located? During the hearings there was no information whatever as to the nature of the roads or where they would be located. Do I understand we are here today asked to vote $200 million without any regard to what kind of roads and the location?

Mr. ROONEY of New York. Mr. Chairman, will the distinguished gentleman yield?

Mr. GROSS. I gladly yield to my friend, the gentleman from New York.

Mr. ROONEY of New York. These roads are to be located in the counties in the States which make up the Appalachia region. I must regretfully say to the gentleman from Iowa that I cannot give him any further information than that because there must be agreements made with the States and their highway commissions to start this 2,300-odd-mile highway system plus 1,000 miles of local access roads. The committee sought to find out exactly where the roads were to be built, but until the locations are agreed upon both by the Bureau of Public Roads and the States and the amount of matching has been agreed upon, they could not tell us exactly where these roads will be located.

Mr. GROSS. I must say to the gentleman that it is with real regret I learn here today that the great Committee on Appropriations is now appropriating $200 million in this bill—which is not alfalfa where I come from—$200 million in this bill without knowing how and where the money will be spent except that it will be spent in a few counties somewhere and in some region of the United States.

Mr. ROONEY of New York. Will the gentleman yield further?

Mr. GROSS. I yield to the gentleman.

Mr. ROONEY of New York. I assure the distinguished gentleman from Iowa that $200 million is a lot of money along the Brooklyn waterfront, also. However, here we have the Congress, the House and the Senate, authorizing $840 million for this Appalachia highway program over a period of 5 years. This is the start of that program. If we do not do it now, it will catch up with us. So we held hearings on the matter and obtained as much information as we could. That holds true with regard to the regular appropriations of the Bureau of Pulic Roads under the regular highway program. The action of the Committee on Appropriations in connection with the regular highway program is merely the signing of a check in the amount of the bill presented to us, because the Bureau of Public Roads has contractual authority and has previously agreed with the States as to the amount of the cost of construction and the places where the roads are to be built.

Mr. GROSS. Perhaps I should not be surprised because Congress is also guilty of giving money to foreign countries to build roads which start somewhere and end nowhere, as in the case of one U.S. financied highway which ended on a mountainside in a foreign country. Maybe I should not be surprised at all that even here we are spending $200 million without knowing what State the money will be spent in or even what county it is going into.

Mr. ROONEY of New York. Mr. Chairman, will the distinguished gentleman yield further?

Mr. GROSS. Surely.

Mr. ROONEY of New York. I should like to advise the distinguished gentleman that I am more in accord with his views than perhaps he suspects. I do not like and have never liked this way of handling the taxpayers' money. I think they should first come to the Committee on Appropriations and tell us exactly where and how much.

This is not the situation with regard to the regular public highways program. That is all done before they get to the Committee on Appropriations.

Mr. GROSS. Mr. Chairman, I humbly suggest that perhaps some of these programs might be slowed down just enough so that at least a few Members of the Congress could be informed as to where and how much. I am glad to note the concern of the gentleman from New York.

Mr. ROONEY of New York. Mr. Chairman, I should say to my distinguished friend that I do not know the wisdom of that, because here we have a program where we know that we are going to spend $840 million and the $200 million is anteing up part of the money to start it.

The CHAIRMAN. The Clerk will read.

Mr. MAHON. Mr. Chairman, in view of the fact that the portion of the bill now being read has to do simply with pay increases that have been provided the various agencies as heretofore explained, I ask unanimous consent that the bill be considered as read up to and through page 58, and subject to amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

Mr. HALL. Reserving the right to object, I should like to ask the Chairman concerning line 19, page 34, which includes salaries of $79,000 for the Supreme Court of the United States. Can the gentleman assure us that this is just the increase in pay voted last year but does not include any additional salaries, which were proposed and defeated under suspension on the floor of the House in the past few weeks?

Mr. MAHON. The gentleman is correct. This does not include anything other than the general pay increases heretofore authorized.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. HALL. I yield.

Mr. GROSS. What is this item of $400 for an automobile for the Chief Justice?

Mr. MAHON. That is an increase in pay for the chauffeur, I believe.

Mr. GROSS. The language in the bill is misleading for it says, "Automobile for the Chief Justice, $400."

Mr. MAHON. No; the chauffeur received a pay raise, as provided by Congress.

Mr. HALL. Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

The CHAIRMAN. The Clerk will read.

The Clerk concluded the reading of the bill.

Mr. PELLY. Mr. Chairman, a day or two ago the "Tax Foundation's Tax Review" reached our desks. This publication contains an excellent article by a distinguished Member of the other body, the Senator from Oklahoma [Mr. MONRONEY] on "Modernizing the Congress."

This article lists various proposals that have been made in recent years to strengthen the fiscal control procedures of the Congress. In the list is one to limit the use of supplemental and deficiency appropriation bills to purely emergency needs.

Mr. Chairman, I want to express my strong support for that particular suggestion. It seems to me the practice of backdating or postdating appropriations is misleading and the Congress and appropriation committees should establish firm rules in this regard so that expenditures can be identified by their proper fiscal year.

Mr. ULLMAN. Mr. Chairman, I support this measure, H.R. 7091. There are several items in this supplemental appropriation bill that are vital to the recovery of Oregon and other areas of the Pacific Northwest from the unprecedented damage brought about by the recent flood disaster.

First, $10 million is being requested for the program of emergency conservation practices under the Agricultural Stabilization and Conservation Service. At the time of the Northwest floods, this emergency conservation fund was virtually depleted from responses to 10 earlier natural disasters throughout the country in fiscal year 1965. Latest estimates indicate that Oregon farmers and ranchers have suffered damage exceeding $75 million, of which $16 million is eligible under the program. In Oregon alone, applications for participating funds are expected to reach $11 million. I am greatly concerned that funds be made available as soon as possible to assist in this most vital conservation work.

The request for $25 million for the President's disaster relief fund is also most important to my area. These funds are desperately needed to carry out authorized Federal disaster relief programs of road rehabilitation, water control facility repair, debris removal, and other necessary work.

I also heartily endorse the committee's recommendations for appropriations to the Department of Interior, the U.S. Forest Service, and the Department of Health, Education, and Welfare. These funds are needed for programs of great concern to all of us who are interested in our Nation's natural resources and human needs. In these budget requests also there are items of great importance to the flooded areas of the Pacific Northwest. These include funds in the amount of $9 million for rehabilitation of roads and trails on lands administered by the Bureau of Land Management, both the public domain and the O. & C. grant lands. The Geological Survey needs $550,000 for replacement of stream gages. The bill also provides for $2,910,000 for the Bureau of Indian Affairs for the replacement of destroyed Indian homes, repair of irrigation structures and other facilities, and for road construction. The Public Health Service is recommended to receive $500,000 for Indian sanitation facilities. Facilities of the Bureau of Commercial Fisheries in the flood area require $1,125,000 for repair or replacement, and $517,000 is marked for similar use by the Bureau of Sport Fisheries and Wildlife.

Committee has recommended $6,200,000 for repair of facilities of the U.S. Forest Service in the flood areas, and $2 million for rehabilitation of forest roads and trails. These funds are of the utmost importance to the economic recovery of the region, since access to public lands and forests is essential to the life of the Pacific Northwest.

Mr. Chairman, the items I have just cited encompass the needs of Federal agencies to repair, restore and rehabilitate vital facilities damaged or destroyed by the flood disaster, and I urge the support of my colleagues for these appropriations.

In another area, Mr. Chairman, I am pleased to note that the Appropriations Committee has recommended that new studies be undertaken by the Corps of Engineers on the Smith River in California, the Klamath River in California and Oregon, and the John Day River in Oregon. The report of the committee recommends that these studies be financed from available funds of the Corps of Engineers.

I am particularly concerned that the study proposed for the John Day River be initiated at the earliest possible time. This valley was virtually devastated by two successive inundations in December and January. The Corps of Engineers has indicated that it needs authority to expend $5,000 in the remaining months of the present fiscal year, and I strongly urge that the record be made clear as to the intent of Congress in this matter.

These studies are of the utmost importance to the Northwest. Preliminary postflood reports sent me by both the Corps of Engineers and the Bureau of Reclamation show example after example where water control works more than paid for themselves in preventing downstream damage. If water regulatory facilities had been built on the three rivers just mentioned millions of dollars of damages and much human suffering would have been prevented. These studies must be undertaken at once.

In conclusion, Mr. Chairman, this bill, H.R. 7091, represents a tremendous effort on the part of the Appropriations Committee. May I offer my thanks to the chairman, the gentleman from Texas [Mr. MAHON], and all the members of the committee for a job well done.

Mr. MOORE. Mr. Chairman, I am more than pleased and gratified that the bill, H.R. 7091, before us today includes several projects which are of particular interest to the First Congressional District of West Virginia. Particularly, I commend the House Appropriations Committee for including within this deficiency appropriation bill $200,000 to begin preconstruction planning for the Burnsville Reservoir and Dam. This project has long been justified, in my opinion, by reason of the fact that there are frequent minor floods and periodic major floods in the Little Kanawha River Basin which also contribute materially to the floods on the Ohio River. The flood damages to be prevented by construction of the Burnsville Dam are about equally divided between the Little Kanawha River Basin and the Ohio River Basin. The project, in addition to its flood control features, will provide benefits for recreation, water quality improvement, and area redevelopment.

Also, I commend the committee for including $790,000 to further develop the potential of the recently constructed Sutton Reservoir. These funds will be used to develop additional access roads, sanitary facilities, parking facilities, and acquisition of additional land areas.

Without question, Mr. Chairman, each of these projects will further speed the development of south central West Virginia with respect to Glenville and Grantsville and many other smaller communities, provide peace of mind to these people which they have not had in many years because of the severe flooding conditions of the little Kanawha River. Also the additions to be made to the Sutton Dam are certainly applauded. In both respects, the recreation potential provided by these expenditures of funds in large measure will tend to help these areas meet the challenges that are ahead.

In addition to the above-named projects, this appropriation bill contains approximately $248 million for the Appalachian regional development program. Most significant of these funds is the $200 million which are available to the Bureau of Public Roads for the Appalachian development highway system. The remainder provides $45 million for

supplemental grants-in-aid, and an additional $3 million to local development districts for research and demonstration projects all of which is a first step in getting this program underway. I am hopeful that the approval of these funds will permit all the eligible States to begin to plan so that the areas involved might begin to receive some immediate benefit from the Appalachian Regional Development Act of 1965.

I am happy to have urged the inclusion of these projects to various members of the House Appropriations Committee, and I shall support this legislation and commend it to my colleagues for their favorable consideration.

Mr. MULTER. Mr. Chairman, I rise to express my disappointment with the manner in which subsidies for the helicopter service are being handled.

I support the program of the Civil Aeronautics Board for elimination of helicopter subsidy in 1970 and declining subsidy payments in the interim period. Under the Board's program the three carriers would receive a total of $11.4 million between January 1, 1966 and July 31, 1970. The average annual cost per carrier is less than the cost of 1 mile of highway constructed under the Federal highways program.

Without this limited subsidy support all of the knowledge, experience, and skill obtained in 43 years of collective operations may well be lost.

For instance, New York Airways is making substantial progress in its determination to become subsidy free. Only last month the Federal Aviation Agency gave approval to a new instrument flight device that has been developed over a period of 14 years specifically for use in the field of vertical flight.

Likewise, New York Airways is on the verge of commencing service from the world's first carefully conceived large city center building top heliport on the roof of the Pan Am Building in the Grand Central area of New York. The plans for this facility were commenced more than 4 years ago. It is expected to be in operation this summer.

New York Airways is a nationwide service, 46 percent of its passengers residing in cities and towns outside the metropolitan area. New York passengers to such cities as Pittsburgh, Detroit, and Cleveland spend more time on the ground than in the air. Even on a trip from Atlanta to New York surface time accounts for 44 percent of the total journey time. Its commercial revenues have increased 55 percent in the last 2 years alone. Cost per passenger mile decreased 28 percent in the same period. Its subsidy per passenger mile has decreased 38 percent in the last 2 years.

New York Airways is working with Boeing on a large tandem rotor helicopter capable of carrying 40 to 45 passengers at a cruising speed of 175 to 200 miles per hour. This machine, when it is in operation, will mean that New York and Washington will be linked city center to city center in an hour's flying time.

The total dollar amount of additional subsidy required for the final 4½ years of subsidized operations by the three certificated helicopter carriers is $11.4 million. The annual amount averages about $2½ million per year or 3 percent of the $82 million requested for all airline subsidies for the next fiscal year. I urge that this service be continued.

Mr. MAHON. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with the recommendation that the bill do pass.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. HARRIS, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 7091) making supplemental appropriations for the fiscal year ending June 30, 1965, and for other purposes, had directed him to report the bill back to the House with the recommendation that the bill do pass.

Mr. MAHON. Mr. Speaker, I move the previous question on the bill to final passage.

The previous question was ordered.

The SPEAKER. The question is on the engrossment and third reading of the bill.

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

The SPEAKER. The question is on the passage of the bill.

The question was taken, and the Speaker announced that the "ayes" appeared to have it.

Mr. HALL. 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. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 348, nays 62, answered "present" 1, not voting 22, as follows:

[Roll No. 66]

YEAS—348

Abbitt
Adams
Addabbo
Albert
Anderson, Ill.
Anderson, Tenn.
Andrews, George W.
Andrews, N. Dak.
Annunzio
Ashbrook
Ashmore
Aspinall
Ayres
Bandstra
Baring
Barrett
Bates
Battin
Beckworth
Belcher
Bell
Bennett
Betts
Bingham
Blatnik
Boggs
Boland
Bolling
Bow
Brademas
Brock
Brooks
Broomfield
Brown, Calif.
Broyhill, Va.
Burke
Burleson
Burton, Calif.
Burton, Utah
Byrne, Pa.
Cabell
Cahill
Callan
Callaway
Cameron
Carey
Carter
Casey
Cederberg
Chelf
Clancy
Clark
Clausen, Don H.
Clawson, Del
Cleveland
Clevenger
Cohelan
Conable
Conte
Conyers
Cooley
Corbett
Corman
Craley
Culver
Cunningham
Curtin
Daddario
Daniels
Davis, Ga.
de la Garza
Delaney
Dent
Denton
Diggs
Dingell
Dole
Donohue
Dorn
Dow
Dowdy
Downing
Dulski
Duncan, Oreg.
Duncan, Tenn.
Dwyer
Dyal
Edmondson
Edwards, Calif.
Ellsworth
Evans, Colo.
Everett
Evins, Tenn.
Fallon
Farbstein
Farnsley
Farnum
Fascell
Feighan
Fino
Fisher
Flood
Flynt
Fogarty
Foley
Ford, Gerald R.
Ford, William D.
Fountain
Fraser
Frelinghuysen
Friedel
Fulton, Pa.
Fulton, Tenn.
Fuqua
Gallagher
Garmatz
Gettys
Giaimo
Gibbons
Gilbert
Gilligan
Gonzalez
Goodell
Grabowski
Gray
Green, Oreg.
Green, Pa.
Greigg
Grider
Griffin
Griffiths
Gubser
Hagan, Ga.
Hagen, Calif.
Halpern
Hamilton
Hanley
Hansen, Idaho
Hansen, Iowa
Hansen, Wash.
Hardy
Harris
Harsha
Harvey, Mich.
Hathaway
Hawkins
Hays
Hébert
Hechler
Helstoski
Henderson
Herlong
Hicks
Holifield
Horton
Hosmer
Howard
Hull
Hungate
Huot
Ichord
Irwin
Jacobs
Jarman
Joelson
Johnson, Calif.
Johnson, Okla.
Johnson, Pa.
Karsten
Karth
Kastenmeier
Kee
Keith
Kelly
Keogh
King, Calif.
King, Utah
Kirwan
Kluczynski
Kornegay
Krebs
Kunkel
Landrum
Langen
Leggett
Lindsay
Lipscomb
Long, Md.
Love
McCarthy
McDade
McDowell
McEwen
McFall
McGrath
McMillan
McVicker
Macdonald
MacGregor
Machen
Mackay
Mackie
Madden
Mahon
Marsh
Martin, Mass.
Martin, Nebr.
Mathias
Matsunaga
Matthews
May
Meeds
Miller
Mills
Minish
Mink
Mize
Moeller
Monagan
Moore
Moorhead
Morgan
Morris
Morse
Moss
Multer
Murphy, Ill.
Murphy, N.Y.
Murray
Natcher
Nedzi
Nelsen
Nix
O'Brien
O'Hara, Ill.
O'Hara, Mich.
O'Konski
Olsen, Mont.
Olson, Minn.
O'Neill, Mass.
Ottinger
Passman
Patman
Patten
Pelly
Perkins
Philbin
Pickle
Pike
Pirnie
Poage
Poff
Pool
Powell
Price
Pucinski
Purcell
Quie
Quillen
Race
Randall
Redlin
Reid, N.Y.
Reifel
Reinecke
Reuss
Rhodes, Pa.
Rivers, Alaska
Rivers, S.C.
Roberts
Robison
Rodino
Rogers, Colo.
Rogers, Fla.
Rogers, Tex.
Ronan
Rooney, N.Y.
Rooney, Pa.
Rosenthal
Rostenkowski
Roush
Roybal
Ryan
Satterfield
St Germain
St. Onge
Saylor
Scheuer
Schisler
Schmidhauser
Schneebeli
Schweiker
Scott
Secrest
Selden
Senner
Shipley
Shriver
Sickles
Sikes
Sisk
Slack
Smith, Iowa
Stafford
Staggers
Stalbaum
Stanton
Steed
Stephens
Stratton
Stubblefield
Sullivan
Talcott
Taylor
Teague, Calif.
Tenzer
Thomas
Thompson, La.
Thompson, N.J.
Thompson, Tex.
Todd
Trimble
Tupper
Tuten
Udall
Ullman
Van Deerlin
Vanik
Vigorito
Vivian
Walker, N. Mex.
Watkins
Weltner
Whalley
White, Idaho
White, Tex.
Whitener
Whitten
Widnall
Willis
Wilson, Bob
Wilson, Charles H.
Wolff
Wright
Wyatt
Yates
Young
Zablocki

NAYS—62

Abernethy
Adair
Andrews, Glenn
Arends
Bolton
Bray
Brown, Ohio
Broyhill, N.C.
Buchanan
Byrnes, Wis.
Chamberlain
Collier
Colmer
Cramer
Curtis
Dague
Davis, Wis.
Devine
Dickinson
Edwards, Ala.
Erlenborn
Findley
Gathings
Gross
Grover
Gurney
Haley
Hall
Harvey, Ind.
Hutchinson
Jonas
Jones, Mo.
King, N.Y.
Laird
Latta
Lennon
Long, La.
McClory
McCulloch
Martin, Ala.
Michel
Minshall
Morton
Mosher
O'Neal, Ga.
Reid, Ill.
Rhodes, Ariz.
Roncalio
Roudebush
Rumsfeld
Skubitz
Smith, Calif.
Smith, N.Y.
Smith, Va.
Thomson, Wis.
Tuck
Utt
Waggonner
Walker, Miss.
Williams
Wydler
Younger

ANSWERED "PRESENT"—1

Pepper

NOT VOTING—22

Ashley	Hanna	Springer
Baldwin	Holland	Sweeney
Berry	Jennings	Teague, Tex.
Bonner	Jones, Ala.	Toll
Celler	Mailliard	Tunney
Dawson	Morrison	Watts
Derwinski	Resnick	
Halleck	Roosevelt	

So the bill was passed.

The Clerk announced the following pairs:

Mr. Toll with Mr. Springer.
Mr. Jennings with Mr. Derwinski.
Mr. Tunney with Mr. Mailliard.
Mr. Bonner with Mr. Berry.
Mr. Jones of Alabama with Mr. Sweeney.
Mr. Holland with Mr. Watts.
Mr. Roosevelt with Mr. Resnick.
Mr. Celler with Mr. Halleck.
Mr. Teague of Texas with Mr. Ashley.
Mr. Morrison with Mr. Hanna.

Mrs. BOLTON and Messrs. BROWN of Ohio, ABERNETHY, ADAIR, McCULLOCH, HUTCHINSON, KING of New York, and JONES of Missouri changed their votes from "yea" to "nay."

Mr. DUNCAN of Tennessee changed his vote from "nay" to "yea."

The result of the vote was announced as above recorded.

The doors were opened.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. MAHON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed.

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

There was no objection.

CAMPAIGN MEDAL AND RIBBON FOR AMERICAN FORCES SERVING IN VIETNAM

Mr. SIKES. 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 Florida?

There was no objection.

Mr. SIKES. Mr. Speaker, I find that a campaign medal and ribbon have not been authorized for American forces serving in that troubled and faraway part of the world—Vietnam. This is a small token, but an important token of the appreciation that the American nation feels for those who wear our uniform and who daily are risking their lives to help the Vietnamese stem the creeping malignancy of communism. I trust that speedy action will be taken by the Department of the Army to authorize a medal and ribbon for service in that area.

The need for this recognition is no less than it was for our fighting men who served in Korea and in World War II. For those who are involved, the sacrifice is just as great and the risks, because of the vicious ways in which communism fights, may be even greater. If this recognition is not speedily forthcoming, I shall offer legislation to authorize it. I note there is pending legislation to allow certain members of the Armed Forces to accept and wear decorations of certain foreign nations, including South Vietnam. I think a ribbon and a medal from our own Government are more in order.

Mr. Speaker, those who serve under our flag in Vietnam are making an essential contribution to the dignity of man. This proposal to honor them is little enough, but it is recognition of the fact that the American Government and the American people appreciate their contribution to the preservation of democracy.

H.R. 2776—REPEAL OF NATIONAL ORIGINS IMMIGRATION QUOTA SYSTEM

Mr. ANNUNZIO. 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 Illinois?

There was no objection.

Mr. ANNUNZIO. Mr. Speaker, Members of the Congress, I appreciate the opportunity to express my views concerning the urgent need to reform and improve our national immigration laws.

I come before you as an avowed advocate of the pending administration bill, which I have cosponsored by introducing H.R. 2776.

The subject of immigration and the laws regulating immigration is very close to my heart. My parents came to this country as immigrants 85 years ago. Many of my friends and close associates and thousands of my constituents are immigrants or children of immigrants.

So the hopes, problems, and frustrations of the people who have come to this country seeking a better life are all familiar to me. And the dreams of those who yearn to follow their family and neighbors to America are of special concern to me.

My experience with these matters has left me firmly convinced that the existing system for determining whom we shall welcome to our shores is unjust and unworkable. When, 40 years ago, Congress adopted the national origins quota system, it was in effect declaring that immigrants from one country are preferred to immigrants from another. The clear implication is that the quality of a human being is dependent upon his place of birth.

To my mind, no more obnoxious, racist idea has ever been incorporated into the statute books of the United States. The inevitable result is a system which practices the most vicious kind of discrimination. Out of an annual overall immigration quota of 156,700. The United Kingdom, Germany, and the Scandanavian countries are allotted nearly two-thirds of the places. Greece, Italy, and Poland, on the other hand, account for less than one-tenth of all quota immigrants. As a result, some countries have waiting lists of qualified applicants that will take years to process while others use only a small portion of their annual quota. Our present immigration policy has been designed with a view to exclude certain types or groups of people.

No one can argue with the concept that Congress must regulate the flow of immigration so as to protect the Nation's economy, health, and morals. We certainly do have a responsibility to set rigorous standards that will deny entry to persons who would not make desirable citizens. But, the qualities we seek have nothing to do with national origin.

Under the present law, however, Americans of southern and eastern European extraction are told that more of their kind are neither wanted nor needed. Their contributions to this country's development and their just claims to equal treatment under the law are ignored.

It seems strange to me that at a time when the Congress is taking vigorous action to insure that no American will be denied their full privilege of citizenship because of race, we still maintain an immigration policy which relegates millions of other Americans to second-class citizenship because of national origin.

The paradox is heightened by the almost universally agreed upon fact that the national origin quota system has not worked in practice. Aside from being unjust and discriminatory, it fails to come to grips with the realities of the modern world.

Time and again, Congress has been forced to compensate for the inadequacies of the present system by passing special immigration laws. In recent years, over 60,000 quota spots have been going unused annually. At the same time, increasing numbers of special nonquota immigrants have been admitted so that our total annual immigration is running nearly twice what the quota system is supposed to allow. Of this total only about a third has actually been controlled by the quota system. All of which clearly demonstrates the urgent need for a thorough overhaul of the whole system.

There are a variety of other ways in which the present immigration system works to the detriment of our national interest. While serving as director of the Illinois Department of Labor, I had firsthand experience in dealing with problems of labor shortages and manpower recruitment, and I can emphatically state that our present immigration policies aggravate these problems.

A recent editorial in the Chicago Sun-Times pointed out that in the Chicago area alone there are critical labor shortages of hand tailors, furniture refinishers, and cabinetmakers. Elsewhere in the country, there are insufficient numbers of diemakers, glassblowers, machinists, chemists, teachers, medical personnel, and many other important occupational categories.

The case of Dr. Gustavo Bounous comes to mind in this connection. A highly skilled medical doctor from Italy, Dr. Bounous came to America hoping to settle here. After a short stay in Indianapolis, his temporary visa expired and he was forced to move to Canada. Just last month, Dr. Bounous was awarded Canada's top national medical award for

his work in helping to discover the mystery of how shock from bleeding can cause death. Here is a man whose great skills we turned away from our doors. This example could be multiplied endlessly, and I submit that America cannot afford this kind of brain drain.

Labor shortages could be rectified by bringing thousands of skilled workers to America from among the masses of people crying for admission. Yet they are prevented from adding their talent to our economy and we are prevented from enjoying the benefits of their skills by our bigoted method of immigrant selection.

If we need an immigration policy more suited to our modern manpower needs, we also need one that will better serve our Nation's foreign policy goals. Secretary of State Rusk's testimony on this point was very persuasive. Just within the last year, no less than a dozen foreign ministers among our friends and allies have personally complained to him about America's immigration policy.

Their grievance had nothing to do with the numbers of immigrants we admit. Indeed, we have one of the most generous policies in that respect of any nation in the world. Rather, it concerned the insulting, discriminatory features of our quota system. No other law on our books is as damaging to our national image abroad.

Surely a more rational basis for regulating immigration than our present confused and irrational system can be found. I believe that it has been found and that it is embodied in the administration bill.

By replacing national origin quotas with a quota reserve pool, that is assigned on a first-come, first-served basis, the bill puts all prospective immigrants on an equal footing to allow them a fair field and an honest race. The provisions facilitating the reunion of separated families show the concern for human factors that must underlie public policy in any civilized society. The priorities accorded immigrants with certain levels of skill, training, and education directly serve our own national interest. In sum, the bill substitutes order and justice for confusion and discrimination in a major area of our national law.

I can think of no more fitting step toward the truly Great Society than passage of this bill, and I urge the adoption of this vital legislation.

BRACERO LABOR FOR SUGARBEET INDUSTRY

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

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

There was no objection.

Mr. RONCALIO. Mr. Speaker, today I received a communication from a Mr. Bruce Newkirk, superintendent of the Holly Sugar Corp., at Worland, Wyo., strongly protesting the action of the Secretary of Labor and indicating the disappointment of all management of the beet sugar industry to the attitude of the Secretary of Labor regarding bracero labor for the Wyoming sugarbeet industry. I quote from Mr. Newkirk's communication:

> We feel the entire sugar industry in Wyoming is at stake in this matter and we feel that the Secretary is taking a very dim attitude and is ill-informed.
>
> If California and the Southern States are in trouble with their perishable crops with their enormous labor pool, what can we expect in sparsely populated Wyoming. Domestic labor just is not available in this area of the type necessary for this kind of work.
>
> We are jeopardizing our second largest industry in Wyoming to satisfy theorists. Our people at Worland have been ahead of some areas in mechanization of field equipment, but we know we have not perfected this to the point of elimination of hand labor entirely.
>
> Even our union people at the plants are agreed we are creating an impossible situation in elimination of the bracero program at this time.
>
> In a period of a few years the transition may be complete to the point that braceros may no longer be needed, but the time is definitely not now and we are headed for terrible and serious trouble without braceros help.

Mr. Speaker, I put these remarks to the attention of my colleagues in the hope that the Secretary of Labor will relent an attitude which may spell ruin to the sugarbeet industry of the State of Wyoming. It is quite possible that the beets will be topped and loaded this fall without braceros labor but there will be no product to top and to load unless the braceros labor is available for work in the fields this spring in the State of Wyoming.

VOTING RIGHTS

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

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

There was no objection.

Mr. McCLORY. Mr. Speaker, I am introducing today a bill on the subject of voting rights which I hope will receive the careful attention of the House Judiciary Committee as well as the Members of this House.

The bill which I am presenting will apply throughout the 50 States. In other words, where discrimination is practiced with regard to race or color in depriving eligible citizens of the right to vote, or where coercion or intimidation is exercised in order to prevent a citizen from registering or voting, this new legislation would be applicable. In addition, the bill would provide penalties for any person who makes false representations or engages in illegal voting and would penalize as well any who pay or offer to pay or who accept payment for registering or voting.

It is offensive to the American people for any qualified person to be deprived of the right to register or to vote. It is likewise reprehensible to corrupt the sanctity of the ballot by purchasing the votes of any citizens under threat of denial of public assistance or with promises of pecuniary benefits, including benefits from Federal appropriations.

The bill which I have introduced is patterned after that of my Republican colleagues of the House, the distinguished gentleman from Michigan [Mr. FORD], minority leader of the House, and the gentleman from Ohio [Mr. McCULLOCH], ranking minority member on the House Judiciary Committee upon which I serve.

The penalty provisions to which I have made reference are in addition to those found in the measure offered by these gentlemen.

In addition, I would like to point out that the measure which I have presented retains the authority of States to administer minimum literacy tests in which a sixth-grade education represents a conclusive presumption of literacy. A requirement is, of course, that a literacy test should be administered without discrimination on account of race or color.

The complaints of 25 or more persons alleging discrimination in any county or voting district would require the immediate appointment of Federal examiners to register qualified voters in any area where such discrimination is found to exist.

While the right to appeal to the local Federal court is assured, the measure provides for "provisional" voting to the end that no person shall be deprived of his right to vote while an appeal is pending. In other words, a full and adequate, as well as a convenient resort to the courts, is retained, while at the same time there is protection against delays in voting rights when frivolous or dilatory appeals are filed.

Mr. Speaker, the obligation of the Congress to debate and deliberate upon a great public issue was never greater than on the subject of voting rights for all eligible American citizens. We should provide full and adequate implementation of the 13th, 14th, and 15th amendments to assure all citizens of their equality before the law, the equal protection of the laws, and to guarantee their inherent rights to register and to vote without discrimination, without intimidation, and without coercion.

PROHIBIT TRADE WITH COMMUNIST NORTH VIETNAM

Mr. CHAMBERLAIN. 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 Michigan?

There was no objection.

Mr. CHAMBERLAIN. Mr. Speaker, today I am joining in cosponsoring with the gentleman from Florida [Mr. ROGERS] legislation designed to halt shipments to or from the United States aboard ships engaged in trade with North Vietnam. I commend him for his work in investigating this problem, and I share his concern for an almost incredible disregard for the lives of American boys in Vietnam and for the American shipping industry which we are today subsidizing at a cost of $350 million per year.

North Vietnam is waging a brutal and relentless war against its neighbors to the south, but yet over 200 ships of so-called allies and neutralist nations have hauled cargoes of food and war material into North Vietnam. We permit those same ships to pick up the profits of our own trade in our own ports.

Figures show that our own merchant marine now carries less than 10 percent of U.S. ocean trade—the least we can do is to deny our cargoes to foreign shippers who help the Communist enemy solve their biggest problem—supplying North Vietnam. Through shipping into Vietcong territory, the Vietnam crisis continues to persist and Americans have been killed in greater numbers by the Communist Vietcong.

I frankly am surprised that the administration and the Department of State have not been more firm in their requests that Britain, Japan, Greece, Lebanon, Italy, West Germany, and other nations involved call a halt to free world sea trade with the Communists now engaged in open aggression in southeast Asia in defiance of their own agreements. Since this has not been done, I see no alternative other than Congress prohibiting cargoes to or from U.S. ports being transported aboard any vessel used in sea trade with Communist North Vietnam, and I urge action as soon as possible in this regard.

PLENTY OF DOMESTICS—OF SORTS

Mr. TALCOTT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, 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. TALCOTT. Mr. Speaker, surely there are plenty of domestics—plenty to do all the jobs needed to be done in the United States—in our restaurants, motels, in orchards, and on our farms. And the domestics should have these jobs. And the jobs should pay a fair wage for the work they do.

Unfortunately, today there simply are not enough domestics, in the proper location, capable and willing to do the work, in restaurants and on the vegetable farms.

The efforts to reorganize our society and redistribute our work force is having some tragic and devastating effects on many small towns in rural areas.

The following editorial from the Salinas Californian touches upon one problem which the Department of Labor seems to ignore or intentionally neglect.

The big city police forces cannot control these transients when they stay home. How can anyone expect small towns to cope with these transients when they invade the rural areas? Is it fair to empty the slums into the small towns under the guise of offering employment which they cannot perform?

PLENTY OF DOMESTICS—OF SORTS

Daily it grows more apparent that Secretary of Labor Wirtz should have stayed in his nice insulated office in Washington.

It is obvious that he and his advisers in Washington had prejudged the California farm labor situation and his widely advertised survey was only window dressing.

His monotonous and unharmonious refrain has been "there are plenty of domestics to do the farm labor."

Of sorts, that is.

We have several hundred of them on Salinas skid row, and as the city council learned Monday night, the number of arrests of these transients has nearly doubled in the first 3 months of this year as against the same period last year. The same situation, which has become acute here only in the past few years, exists in Fresno and Stockton.

Salinas police, who have chalked up 2,269 arrests in the first 3 months of the year as against 1,293 for the same period last year, say the end is not in sight. Contrary to previous years when the transient invasion peaked in March, police believe that because of the failure of the Department of Labor to authorize supplemental foreign farm labor the situation will continue to get worse as these unfortunates pour in to fill the labor vacuum. Ostensibly these men are here to work, but usually it's only long enough for the price of a bottle.

Although most of these available domestics are arrested for drunkenness, there has been a sharp increase in the number of petty thefts, and, as the influx continues, there could be an outbreak of more serious crimes. This means an increased drain on public funds and increased taxes for an area already uncertain about the future.

The city council plans to send these figures to Secretary Wirtz, but judging from past performance we doubt if he wants facts.

He demonstrated this by labeling two labor camps filthy although both camps had been inspected and approved as meeting county and State health standards. Some of the alleged filth to which Mr. Wirtz alluded was the discarded wine bottles and debris brought in by available domestics. Braceros generally were clean and orderly.

He compounded his scattergun charges by creating a name for one of the filthy camps which happens to be the same as that of a reputable firm, which has no connection here.

Meantime, while Mr. Wirtz dallies in Washington, refusing to take action on supplemental help, the strawberry crop is ripening and appeals to the public for labor are not getting very far. Growers face heavy losses and the Salinas Valley faces further economic troubles.

JOHN FITZGERALD KENNEDY

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

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

There was no objection.

Mr. FOGARTY. Mr. Speaker, I would like to call the attention of the House to a sermon in memory of the late President John F. Kennedy which was delivered in St. Matthew's Cathedral at a memorial mass on the occasion of the late President's birthday, on May 29, 1964. As one who was present on that occasion, I considered myself privileged when I recently came across a copy of this remarkable discourse. It was delivered by the Most Reverend Philip M. Hannan, vicar general of the archdiocese of Washington, who was a close friend of the President.

Bishop Hannan is well known to many of the Members of the House as the distinguished pastor of St. Patrick's Church and the editor in chief of the Catholic Standard. A native of the Capital, Bishop Hannan is one of the most outstanding members of the American hierarchy of the Roman Catholic Church. I am sure a good number of my colleagues know of his great work as an active leader in the John Carroll Society. Not only is he renowned as the pastor of a notable parish, not only is he an able journalist, but he has proven himself also as a scholar, holding as he does a licentiate in theology from the Gregorian University in Rome and a doctorate in canon law from the Catholic University of America.

Like the late President Kennedy, Bishop Hannan served his country heroically in time of war, for in 1942 he volunteered as a paratroop chaplain and served with the 505th Parachute Regiment of the 82d Airborne Division, where he was affectionaly known as the jumping padre. He continues to have a deep interest in the welfare of the paratroopers and, from time to time, returns to Fort Bragg, N.C., to participate in their military exercises.

As assistant episcopal chairman of the NCWC Immigration Department, he has for the last 5 years done remarkable work in dealing with the problems of those who have come to our country, often as the victims of persecution and tyranny.

Consequently, he has the deepest appreciation of the patriotic and human qualities of the late President, which he describes with such eloquence in this sermon. Seldom have I seen a tribute more perfectly stated or more richly deserved, and I am pleased to be able to bring it to the attention of the honorable Members.

THE MOST REVEREND PHILIP M. HANNAN, D.D., SERMON AT THE MASS FOR PRESIDENT JOHN F. KENNEDY, ST. MATTHEW'S CATHEDRAL, WASHINGTON, D.C., MAY 29, 1964

Today we celebrate the birthday in the Lord of John Fitzgerald Kennedy. The ancient and beautiful phrase, used in the chronicles of the church, is appropriate for this singular occasion. For today, while we still mourn the absence of his vibrant personality among us, as Christians we take deep consolation from the knowledge that this personality, marked with the sign of the Holy Trinity, was destined to enjoy the company of his Creator and Redeemer, there to join the beloved children who awaited that joyful homecoming in Heaven. We rightly celebrate his birthday into this world also his birthday in the Lord. By Christian hope each man sees Christ's resurrection as his own. St. Paul expressed the thought of all when he said, "But if we have died with Christ, we believe that we shall also live together with Christ; for we know that Christ having risen from the dead, dies now no more, death shall no longer have dominion over Him" (Romans vi: 8–9). The Easter Mass, celebrating the victory of Christ, makes Christ's life our life, "When Christ, our life, appears, then you also shall appear with Him in glory" (Colossians iii: 4).

The occasion also invites reflection on the problem of evil. As long as there is freedom of the will there will be evil or the possibility of evil. Without freedom there is no moral world, only a mechanical world. Freedom and evil are intertwined. God permits evil so that good may come from it. St. Paul saw the problem in the sufferings of Christ, the evil inflicted on Him, including His death. He said, "We have not a high priest who cannot have compassion on our infirmities but One tried as we are in all things except sin. Let us therefore draw

near with confidence to the throne of grace, that we may obtain mercy and find grace to help in time of need."

The resurrection of Christ, our redemption, our hope—these are the triumph of good over evil. But possibly the most arresting example, the example closest to our understanding is the figure of the Pieta, Christ's mother receiving His body after the crucifixion. There is immense sorrow but there is also triumph. There is immense agony but there is also immense stature of spirit, of faith, of hope, of certainty of everlasting reunion and joy without end. Perhaps this is why the subject so evoked the genius of Michaelangelo. And it is also the reason why millions are so attracted and comforted by it.

Our faith, confirmed by every miracle since Christ's resurrection, assures us that the human personality lives on in Christ. The good is not interred in our bones; it lives forever in our triumph with Christ. The soul does not languish in a sterile survival after death. It achieves the fullness of its life in union with its Creator and Redeemer—participating in the life of God, knowing us with God's mind, loving us with God's heart, concerned about us with God's concern. Death provides the birthday in the Lord of a full life with Him.

Not only faith, but nature itself, speaks of eternal life. Just as material nature speaks of cycle and transformation, never of extinction, so our spiritual nature, the crown of creation, speaks always of eternal life. Thus the good performed by John F. Kennedy, his aspirations as well as his achievements, live with him and bring their reward.

Although John F. Kennedy abominated any pretense of superior virtue and readily admitted the human frailty to which all mankind is heir, his life presents a panorama of extensive achievements in God's cause: a youth of casually expressed but deeply felt devotion and loyalty to his parents and family; days of military heroism that were only the prelude, for all their greatness, to months of greater but hidden heroism in the hospital, buoyed and encouraged by his wife; the ceaseless quest for and final creation of a unique vocation of public service; his rugged and unrelenting campaign against any form of discrimination which never became tinged with the bitterness it was opposing; his restoration to high estate of the profession of politics by the application of Christian virtue to the work-a-day world of public office; his ennobling of the American family life by his keen interest and delight in his family and the spirit of Christian resignation to the death of some of his children; his strengthening of this country's strong and traditional faith in God by his unpretentious but practical exercise of his religious duties; particularly, his unique contribution to the fruitful system of separation and independence of church and State best typified by his praise of the encyclical of Pope John XIII, Peace on Earth, "As a Catholic I am proud of it, as an American I can learn from it." Probably, the field in which his adventuresome spirit soared the highest was the field of aid and development. Despite the complexities and procedures that inevitably tend to depersonalize any aid program, he conveyed to all his conviction that world problems are still individual human problems. Although his horizon was as wide as humanity, it was particular enough to touch every individual. He gave a new hope to every deprived man in the world and hope is the source of all striving and virtue. Thus he gave a new dimension to the American ideal of freedom and dignity for every soul. He typified the dignity of man in terms that all could read and admire. His dignity was not that of the austere and patronizing benefactor. It was human dignity clothed in its most attractive characteristics, a warm personality, a flashing and genuine smile, an unruly forelock, an amused grin, an undisguised interest in people, an Irish sense of humor. He was today's champion of every man. He was the leader of the free world, but freedom for him had wide and practical applications. He supported a freedom of the spirit that liberates man not only from political restraints but gives him the lever to free himself from the disease and crippling hunger that nullify his political freedom. To the free world he taught a new use of freedom, and to the world that aspired toward freedom he tried to give a meaning and purpose for the use of that freedom.

His greatest service to the cause of virtue was his steady refusal to posture as a person of piety. Posturing was alien to his character. Honors that bordered on such pretensions made him uneasy. In fact, he was dismayed at the honors paid to him when he attended Mass at the ancient Cathedral of St. Stephen in Vienna. Warmed by this experience, he took steps to avoid a recurrence of such honors. He was always manly, and virtue is allied to that as the derivation of the word itself from "vir," meaning man, attests. In this sense, he was the example of the words he spoke at the inauguration, "With a good conscience our only sure reward, with history the final judge of our deeds, let us go forth to lead the land we love, asking His blessing and His help but knowing that here on earth God's work must truly be our own." He can surely expect God's reward for the monumental work he accomplished in His service.

As we believe in the communion of saints let us not only thank and pray for John F. Kennedy's reward. Let us remember that he thinks of us—that we are linked in a union of grace far more effective than any efforts we could make for him when in this world. Tragically, we could not prevent his death. We can affect his life now. By our prayers, by our attendance at mass and reception of holy communion we can prepare to reap the promise of Christ, our Saviour, "He who drinks My blood and eats My flesh shall have life everlasting and I shall raise him up on the last day." We may not see his like on this earth, but with God's help we shall see him, far greater than he was on this earth, in the company of his Saviour.

The words of the preface of the mass which we shall shortly pronounce express best the unlimited hope of those, as John F. Kennedy, who died signed with the sign of the Holy Trinity, "For unto thy faithful O Lord, life is changed not taken away. And this earthly abode being dissolved a worthy habitation is prepared in heaven."

VOTING DISCRIMINATION

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

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

There was no objection.

Mr. WAGGONNER. Mr. Speaker, I would like to call to the attention of the Members a clear, concise, and unbiased comment on the voting rights proposal which appeared in the Washington Star on Sunday, April 4, under the title "Voting Discrimination."

The editor has the courage to call a spade a spade and a discriminatory bill a discriminatory bill. It is heartening to those of us who have opposed this legislation from the first day it was presented to the Congress to have the Star on our side. All too often, when one of the southern Members calls attention to ill-conceived, punitive and unconstitutional civil rights legislation, he is branded as a racist and a demogog. It has come dangerously close to the point where Members who know this particular bill is unconstitutional, discriminatory, vindictive and a fraud upon the people, are afraid to say so for fear of reprisals from the extremist groups who demand immediate and uncontested passage of every piece of legislation bearing a civil rights label. This is not an appropriate atmosphere in which any legislation on any subject should be rammed through the Congress.

As the Star editorial points out, and as I stated before the Judiciary Committee on April 1, this measure is reminiscent of the Reconstruction era following the War Between the States. I urge every Member to read this editorial before he casts a vote on this infamous legislation and, with unanimous consent, I insert it here in the RECORD:

VOTING DISCRIMINATION

Our basic objections to the administration's voting rights bill have already been stated. We think there is need for a reasonable literacy test, provided there is no discrimination in its application to would-be voters. The administration's bill, in one aspect, outlaws any and all literacy tests, and is designed to permit total illiterates to vote. The educational voting level is low enough now without enacting a Federal law to push it down even farther.

The second important aspect of this bill imposes its harsh and punitive provisions on any State which has a literacy test, and in which fewer than 50 percent of the residents over 21 are registered or actually voted in the 1964 election.

This bill contains other provisions which are reminiscent of the Reconstruction era following the Civil War. But the two which we have mentioned, taken together, offend one's sense of fairness. If enacted, in its present form, this bill would result in a legislative discrimination as bad or worse than the evil the bill is supposed to remedy.

Let's take the case of Virginia, which is brought under this bill because it requires a literacy test and, though more than 50 percent of its eligibles are registered, fewer than 50 percent voted in 1964.

What is Virginia's literacy test? As spelled out by Senator HARRY BYRD in his recent statement, any person desiring to register must be able, without assistance, to give in writing the following information: His name. The date and place of his birth. His current residence. His occupation. And, if he has voted before, the county and precinct in which he voted. That is all.

Is this a test which opens the door to such obviously discriminatory requirements as being able to interpret to the satisfaction of some ignorant registrar sections of a State constitution? Is it a test which asks too much of a person who wants to vote on the important and complicated issues which face us today? We do not think so. Furthermore, the administration concedes that this is not an unreasonable literacy test, and that there is no evidence that it has been used in Virginia to discriminate against Negroes.

If this is so, why does the bill link a reasonable and nondiscriminatory literacy test to an arbitrary formula with respect to voting or registration percentages?

One explanation is that the statistics on registration are unreliable. But this is said to be true in West Virginia, which is not affected by the bill because it has no literacy test. What nonsense.

In addition to Virginia, the States covered by the bill are Louisiana, Mississippi, Alabama, Georgia, and Alaska. We are puzzled by the inclusion of Alaska, in which Negroes certainly are not discriminated against. There are few if any there. As to the others, we haven't enough information to pass judgment.

But it is our firm belief that this is a discriminatory bill. If its purpose is to protect Negro voting rights, it discriminates in favor of New York, which requires a rather strict literacy test but which has met the voting percentage standards. It also discriminates in the case of Texas, which did not meet the percentage-of-voting standard in 1964, but which does require a literacy test, although it is verbal in character and is called by some other name.

There have been reports that the administration's bill will be changed or modified in some unrevealed aspects. We hope this is true. We also hope that the bill, if modified, will be made applicable to Virginia (in which we have a rather special interest) on the basis of facts rather than fiction. And certainly not on the basis of some arbitrary formula dreamed up by someone who hasn't the faintest idea what the facts are. Or, if he knows, doesn't care.

AMERICAN COUNCIL FOR JUDAISM: WHAT IS IT?—WHO DOES IT REPRESENT?

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

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

There was no objection.

Mr. MULTER. Mr. Speaker, many of our colleagues, particularly some of the newer Members, have asked questions about the American Council for Judaism.

The best and most complete answer to all inquiries on the subject is found in the factual study of the American Council for Judaism as issued by the New York Board of Rabbis on behalf of its 800 members. The New York Board of Rabbis is the oldest American rabbinic group of which orthodox, conservative, and reform rabbis are members. Their findings are reliable and authoritative.

I will not set forth the entire report but do direct our colleagues' attention to the following statement prefixed thereto, which reads as follows:

1. The New York Board of Rabbis, the largest representative rabbinic body in the world, with a membership of over 800 orthodox, conservative, and reform rabbis, reaffirms the position of the 3 major national rabbinical bodies in America that the American Council for Judaism does not represent any valid interpretation of Judaism. We repudiate its ideology and tactics as inimical and alien to the true spirit of Judaism. While we do not deny the right of that body to speak, we would fail in our elemental duty to truth and to our responsible position as the united voice of religious Jewry if we did not make it clear that the Council for Judaism does not speak in the name of our religious tradition, and that it does not speak for the religious Jewish community.

2. The American Council for Judaism has consistently misrepresented the Jewish people before the bar of public opinion. It has welcomed every opportunity to malign and impugn the integrity of Jewish institutions, organizations and causes; and it has consistently distorted and caricatured the precepts of Judaism which it purports to teach. Worst of all, in the most tragic era of Jewish history, it sought to deny to Jews fleeing Hitler's Europe a haven in Palestine, and undermined and obstructed the lifegiving work of rescue and rehabilitation carried on by the Jewish community.

3. Our factual study released today offers clear proof that the group calling itself the American Council for Judaism is neither American nor Jewish in spirit or in concept. It is revealed to be a political organization consisting, by its own claim, of less than one-half of 1 percent of American Jews which was organized in the first instance for the express purpose of denying the right of refugees fleeing occupied Europe to enter Palestine, at the very moment the Nazis were implementing the "final solution."

4. During the 20 years of its existence the activities of the council have consisted of an assault against the United Jewish Appeal, the major lifesaving instrumentality of the American Jewish community. They have attempted to impugn the patriotism of American Jews who have, together with other Americans, showr concern for the welfare of the people of Israel. They have had as their principal aim the incitement of prejudice against the State of Israel, thus contributing to tension and unrest in the Middle East, a policy we believe to be contrary to the best interest of both America and Israel.

5. Judaism, we believe, has sufficient breadth and depth to embrace varied points of view, but we solemnly declare that there is no room in Jewish life for Jews whose words and deeds would result in the destruction of the State of Israel, in the weakening of Jewish religious commitment, and in incalculable harm to the Jewish people everywhere.

6. We view with contempt the council's tactics of reviving anti-Semitic slanders of "dual loyalties." American Jews who have served their country in peace and in war need not defend themselves against such baseless, vicious charges. As Americans concerned with the survival of democratic values everywhere, we pray for the strengthening and survival of the State of Israel as a stronghold of democracy in the Middle East. It is thus in keeping with the best traditions of America to support Israel, or indeed, any other nation which strengthens the democratic and moral climate of our troubled world.

7. As religious leaders we are dismayed that the council's philosophy is one of complete negation: it would deny the existence of a Jewish people, it rejects traditional Jewish ceremonials, and scoffs at the basic American concept of the right of every citizen to help other peoples struggling for freedom. The council is an organization which claims to be "religious," yet it has no religious commitment. It claims to be "American," yet it misinterprets America as a monolithic structure where all cultural and spiritual variations must be obliterated. It purports to speak for Judaism, yet it is against every best interest of the Jewish community. It has no positive program of its own, but is founded on a platform of negation and hate.

8. The New York Board of Rabbis is confident that the American people will reject with contempt the political machinations of this small band of misguided individuals who suffer from insecurity and tragic self-hatred. Our love of God, our love of America, our religious commitment and the ties of our religious fellowship with Jews throughout the world—all enjoin us to continue our efforts to save oppressed Jews everywhere, and to extend the arm of brotherhood to the people of Israel who are bound to the people of America in a common commitment to the democratic ideals which stem from our Judeo-Christian tradition, upon which both America and Israel are founded.

COINAGE CHANGES NECESSITATED BY THE SHORTAGE OF SILVER

The SPEAKER pro tempore (Mr. LANDRUM). Under previous order of the House, the gentleman from Idaho [Mr. WHITE] is recognized for 60 minutes.

Mr. WHITE of Idaho. Mr. Speaker, the Congress is today in the unfortunate position of waiting for the executive branch to tell us what we should do. For months we have been looking for the Treasury Department's findings and recommendations about the coinage changes necessiated years ago by the shortage of silver. I have addressed the House many times on this question, introduced bills to correct the situation and have sought to counsel with the Treasury Department for an early solution. In all instances, the Department has ignored the constitutional provision that it is the Congress' primary responsibility to provide for the coinage of money. Article I, section 8, is clear:

> The Congress shall have the power to coin money and regulate the value thereof.

The main point of my talk today is to urge the Congress to direct its thinking on the coinage question to the need for market control measures during the 2-year transition period. I fear the Treasury has avoided consideration of the need for, and means of establishing effective controls of silver during the changeover. In order to emphasize the need for this, I would like to cite some examples of the Treasury's faulty handling of the situation so far.

Two years ago we were told that by repealing the Silver Purchase Act, we would provide enough coinage silver for the next 15 to 20 years. Treasury maintained this position at that time, but now says the supply is so short that only 2 or 3 year's supply remains. Questions about the necessity for a review of the need for change in silver content were answered by an assurance that a report would be given to us in February. Two months have slipped by without an answer: In the meantime crash coinage programs are in effect and we are still not sure when we might expect the results of the Treasury's study.

As a Member of Congress interested in the timing and nature of the Department's recommendations, I have been given only excuses for not being kept informed of the progress of the study. However, a syndicated columnist assured her readers that she has definite information about the results of the Treasury's study. Her analysis is so oversimplified and her background facts so erroneous that it is difficult to believe that her sources are very reliable. However, if Miss Porter's articles represent a trial balloon on what Treasury may recommend, it becomes a question of a curious approach to legislative proposals. If Treasury is interested in the people's reaction to debased coinage, poll results released by our colleague, Mr. HUTCHINSON of Michigan on March 8 would be helpful. On page 4402 of the CONGRESSIONAL RECORD, Congressman HUTCHINSON published answers to his question about silver versus nonsilver coins. Only 34 percent of those replying were in favor of the latter alternative.

Another example of the apparent disregard of Congress role in coinage needs is that the Treasury Department has failed to report on bills pertinent to the change of our coin composition.

Finally, I would like to relate a personal experience. After continuous indications of my interest in the need for a speedy and well-considered conclusion of studies related to legislation necessary for a workable solution to the future coinage crisis, I not only have been informed that "it is not in the national interest" to reveal to the House Banking and Currency Committee what the nature of the Treasury's study is, but also have been refused an opportunity to view experimental coins struck during the study—coins, I might add, that I requested to be struck.

Mr. Speaker, I asked that the Treasury Department strike coins with a silver surface and a copper-silver interior. I arranged so that the alloys would be made available to them. I asked them to strike the coins in the present denominations so they could be observed for luster, ring, feel, and the general appearance of the coins.

Mr. Speaker, I have made repeated requests that I be allowed to at least see the coins that I asked them to make. In each instance, as recently as yesterday, I was refused this permission.

Such is the record of the Treasury Department's attitude toward Congress regarding legislation for coin changes.

Despite the vacuum-sealed cast of the Treasury's relation to Congress on the question of metallic composition of future coins, it is my sincere hope that a more openhanded disposition is adopted with regard to the control measures I spoke about earlier. I am sure every Member present would conscientiously confer with our executives about the probable effects of the various methods of conserving silver for our coinage. Last month the Legal and Monetary Affairs Subcommittee of the House Government Operations Committee, under the able chairmanship of Mr. FASCELL, recommended that the "Treasury Department consider the advisability or necessity for legislation to prevent, minimize, or regulate the hoarding of, or speculation in, large quantities of coin, and the export and melting down of coin." The report also recommended that we direct Treasury to limit withdrawals of silver from its stock. Let us explore today some of the reasons for these recommendations and methods of putting them into effect.

It is evident that we must soon legislate a change in the silver content of dimes, quarters, half dollars, and dollars. When we do so, we must also provide the Treasury Department with means to retain its stock of silver, because it must defend its price below the melting point of present coins. Unless adequate and clear authority is given to the Treasury to control the sales of its silver, to prevent the melting, hoarding, and export of our coin and to eradicate incentives to speculate in silver, chaos will reign during the transition to a new coinage, whether the new coin contains silver or not.

Controls must be placed on the sales of silver within the country as well as over exports from the United States. In order to achieve these objectives a variety of tools should be placed into the hands of the Treasury Department. I will discuss some of the methods of accomplishing those ends.

First. End-use certificates: These affidavits on purchase of silver from the Treasury Department's stocks were required in the sales of free silver 5 years ago.

And, for those Members who are not familiar with the Treasury stocks of silver, we have at West Point in the State of New York slightly over 1 billion ounces of silver today. That silver has been used up to this point to back the silver certificates. There are silver certificates in circulation backed by this 1 billion ounces. Silver sales are really called a redemption of silver certificates. If you want some of this silver, you take your silver certificates to the assay office in either New York or San Francisco and demand, as is provided on the note face, that they give you the silver for that certificate.

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

Mr. WHITE of Idaho. I yield to the gentleman from Colorado.

Mr. ASPINALL. It is my understanding that there is in the vaults at this time about one and a half times as much silver as there is in the silver coinage of the United States.

Mr. WHITE of Idaho. I may say to the gentleman from Colorado my impression is that there is about 1.5 billion ounces of silver in circulating coinage, and a little over a billion ounces in the vaults of New York.

Mr. ASPINALL. It is possible at the present time to take a silver certificate any place in the United States and receive a silver dollar in place of that?

Mr. WHITE of Idaho. It is not possible at the present time to receive silver dollars. It is, as I have stated, possible to go to the assay office in New York and San Francisco and receive filings or drippings of silver; seventy-seven one-hundredths of a troy ounce, for the $1 silver certificate issued on them.

Purchases are limited to bona fide users at a level consistent with their industrial needs. By supplying silver under these conditions to domestic consumers, there would be no legitimate market for melted coin, because there would be no economic incentive to acquire silver in that way. The likelihood that another nation could evaporate our Treasury stocks would also be avoided.

No clear authority now exists for the Treasury to reinstitute the requirement for end-use certificates, and for this reason I have provided language in my bill, H.R. 4184, for their reauthorization. Under that bill, there would be no revocation of the promise to redeem silver certificates, because sales of free silver are authorized. Over 5 years' industrial supply of silver is freed under the bill.

Second. Export licenses: It is conceivable that a higher market price would develop outside the United States if Treasury sales are limited to domestic consumers.

I might say that during last year over 50 million ounces of silver were exported to England. There were additional exports to other nations of the world. We are now a net exporter of silver. An incentive would be created to export our coin and silver bullion. By requiring licenses of legitimate exporters, the outflow of melted coin or other clandestinely acquired silver would be limited. Although export licenses may be authorized under the Export Control Act, I think a clear authorization should be made for the Treasury Department to administer such a program.

Third. Prohibition against melting, hoarding, and export of coins: Although the Treasury's stock of silver would be protected by end-use certificates, the nearly 2 billion ounces of silver in outstanding coin could be legitimately reduced to bullion for speculative holding. In order to prevent taking advantage of such a loophole, I think it would be advisable to explicitly prohibit these practices and assign a penalty for their violation.

Some objection has been raised to this proposal on the grounds that it would be unenforcible. I can appreciate the difficulty in drawing workable standards for enforcement, but I believe it is more logical to place coin melters and hoarders outside the law than to allow such practices without a sanction. Obviously, the legal principle of de minimis lex non curat would have to apply in order for such a statute to be reasonable.

Fourth. Elimination of the silver futures market: Increased interest in speculation in silver resulted from the appearance of silver futures on the commodity exchange in 1963. Reference is made to the interesting footnote 6 of Chairman FASCELL's report about tulipomania. It has been suggested that a reenactment of the 50-percent tax on silver bullion transfers be reenacted for this purpose. Although I believe it is extremely necessary to eliminate such speculation, I think a less drastic method should be sought. Perhaps a request from the Secretary of the Treasury would prove effective in this regard.

I might say that for 30 years we have not had a futures market in silver. The industry has gotten along very well without it, and I think it can continue. The silver futures market at the present time is having trouble justifying its own existence.

Fifth. Licensing of purchasers of silver: As an additional precaution to prevent a trade channel for melted coin, it would be advisable to establish a licensing procedure for purchasers of silver similar to that allowed for gold under 12 U.S.C. 95(b) and ordered by President Roosevelt in 1933 at the time he demonetized gold. Since that statute re-

quires a declaration of national emergency by the President, I think separate legislation should be established for silver throughout the duration of the transition period.

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

Mr. WHITE of Idaho. I yield to the gentleman from Illinois.

Mr. McCLORY. Mr. Speaker, I want to commend the gentleman for bringing to the attention of the Congress this important subject of the dilemma in which we find ourselves because of the shortage of silver and the impending action which the Treasury may be attempting with regard to our coinage.

I had the privilege of taking part in the coinage shortage matter when I served formerly on the subcommittee on Legal and Monetary Affairs under Chairman FRIEDEL.

I had the privilege of hearing the testimony from the gentleman in the well presented to this committee. I think there are very few of us who realize we are facing a real crisis with regard to our coinage. The gentleman is providing a genuine service in bringing this subject to public attention and to the attention of the Members.

I am confident that some drastic change is going to be made and some action is going to be taken, and it should be taken by the Congress itself. Whether we are going to encounter the necessity of eliminating all silver from our basic coinage is, of course, a question for the Congress itself to pass on.

I have in my district a metallurgical corporation and a number of skilled metallurgists from whom I have been endeavoring to get advice as to what their recommendations might be to me, to the Congress, to the mint, and to the Treasury.

Mr. GERALD R. FORD. Mr. Speaker, will the gentleman yield?

Mr. WHITE of Idaho. I yield.

Mr. GERALD R. FORD. Mr. Speaker, I wish to make an announcement. The originally scheduled Republican conference that was to follow adjournment has been moved from the House Chamber to the House Ways and Means Committee room at 3:45, so we would appreciate those of you being present who can be present.

I thank the gentleman.

Mr. McCLORY. I would like to add this. I testified myself before the Legal and Monetary Affairs Committee and recommended to the committee a reduction in the amount of silver in the coinage or a gradual transition which might be taken in order that we would avoid as far as possible the disruption and the disorder which is going to result if silver is eliminated entirely from the coin.

The problems relating to the subject of U.S. coins are complicated and more complex.

The amount of silver available for use in coins is approximately 1,350 million ounces which is available on the market at $1.29 per ounce. In addition, silver from mine production amounts to about 250 million ounces per year. During the year 1963, 421.6 million ounces were employed in industry, the arts and crafts, and for coinage. In view of the fact that the combined consumption of silver is almost double that of the new production, it is quite apparent that the existing treasury supply will be substantially depleted within the next 3 or 4 years. Of course, when the stock of silver held by the Treasury is eliminated, the pegged price of $1.29 per ounce will be governed entirely by the market.

According to my information, as soon as the market price reaches $1.38 per ounce, the value of existing subsidiary silver coins in circulation will be greater when melted down and converted into bullion than as money. Obviously this would result in a substantial removal from circulation of our dimes, quarters and half dollars with a chaotic result beyond our comprehension. Indeed, it is suggested that except for the current Treasury Department policy of pegging the price of silver at $1.29 per ounce, silver would have a current market value today of $1.86 per ounce.

In considering alternative proposals which our Nation faces, it would seem appropriate to consider, first, encouraging increased mining of silver, second, eliminating silver from U.S. coins, and third, reducing the silver content of dimes, quarters, half dollars, and silver dollars.

First. Increased mining of silver: The combined production of silver from mining operations in the United States in 1963 appears to have been only 37 million ounces, with Mexico producing 43 million ounces, Peru 38 million ounces, and Canada 30 million ounces—with a total production estimated by the Bureau of Mines in 1962 at 242.4 million ounces. A 50-percent increase in silver production would seem to represent a monumental undertaking, particularly since our Nation could not directly affect silver production beyond our own borders.

Even if the amount of silver should be doubled or tripled in the United States, the supply would not be adequate to continue the existing silver policy relative to our silver dollar and subsidiary coins.

Second. Elimination of silver from U.S. coins: The elimination of silver from all U.S. coins would seem to pose problems of a most serious nature. The announcement of such a policy would undoubtedly encourage the almost immediate hoarding of all outstanding coins. In addition, I am informed that the effects upon the vending machine industry would be catastrophic—requiring the alteration of much equipment which is now in use—and would pose other difficult problems including the counterfeiting of coins having small intrinsic value.

Public confidence would undoubtedly be influenced by substitution of less valuable materials into U.S. coinage with risks of inflation emanating from this action.

Third. Reducing silver content of coins: While the prospect of reducing the silver content of U.S. coins would pose various other problems, including the probable hoarding of many coins which are now in circulation, it is obvious that at least this step must be taken. In order to avoid an immediate disappearance of silver coins in current circulation, it might be that a transition program of reducing the silver content of dimes, quarters, half dollars, and dollars over a 5-year period might avoid any sudden effects.

Gaging the need for coins in the future and considering the available silver supplies as well as the probable market value of free silver might indicate that an eventual silver content equal to one-half or one-third of that currently employed in silver coins would provide the long-range solution which the committee will be seeking. My information indicates that such solutions would avoid large-scale hoarding during the transitional period and would have little or no effect on the vending machine industry which has been developed in reliance upon a substantial silver content in these coins.

Recommendations: Accordingly, my principal recommendations would be for the gradual reduction of silver in dimes, quarters, half dollars, and silver dollars (if the minting of silver dollars is to be continued). In addition, I would like to see some reasonable steps taken for expanded operations in the mining of silver to the end that an adequate supply for coins as well as for the various industrial and artistic uses may continue to be available.

It is not clear from the statutes—title 31, United States Code, section 821 and the following—whether additional Federal legislation may be required in order to effect the recommendations indicated here. Such authority may already be vested in the President. However, the Congress should define our national policy.

Let me reiterate the significance of the present hearings and the important contribution to the Nation's welfare which can result from constructive and comprehensive recommendations by this House.

Because I am informed reliably, if some sudden action is taken or if some sudden announcement is made, with the possibility of an almost immediate disappearance of all existing coins into the hands of hoarders and others there might occur a great dislocation and a great impairment of the vitality of our entire retail system and our entire merchandising. Therefore, I know that some constructive and some positive and some comprehensive action is needed in order for us to prepare to meet this crisis and to survive that crisis without having serious disruptions. I commend the gentleman for his recommendations and his suggestions made to the House and to the Department of the Treasury.

Mr. WHITE of Idaho. I thank the gentleman from Illinois [Mr. McCLORY], and the committee under the direction of the gentleman from Florida [Mr. FASCELL], for the interest they have

taken in this matter and for the information that they have compiled and put together with respect to the needs during the transition period with reference to the silver coinage problem. I also thank the gentleman for his generous remarks.

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

Mr. WHITE of Idaho. I yield to the gentleman from Colorado.

Mr. ASPINALL. Mr. Speaker, I congratulate the gentleman from Idaho [Mr. WHITE] for obtaining the floor this afternoon to bring to the attention of the Members the situation as it exists and the actions that we may be requested to take because of the critical imbalance that exists at the present time between the supply and demand for silver. The Honorable COMPTON I. WHITE, JR., in the period that he has been a Member of this body, has demonstrated that you do not have to be a veteran to be heard or to assume leadership.

Congressman WHITE not only represents a district in which mining, including the mining of silver, is important, he actively engaged in mining operations before coming to Congress. As a Member of the House of Representatives, he was assigned to the Interior and Insular Affairs and Banking and Currency Committees, which between them have legislative responsibilities for silver from the time that it is explored for and mined to the time that it is minted into coins or otherwise sold by the Treasury Department.

As a so-called freshman in the 88th Congress, our colleague recognized the need for action and, true to the tradition of his distinguished father who represented the 1st Congressional District of Idaho during the 73d through 79th Congresses and in the 81st Congress, alerted the other Members of this body to the need for legislation to meet the crisis that is now upon us while, at the same time, cautioning against legislation that would aggravate rather than alleviate the situation. I am pleased to associate myself in general with the position that Congressman WHITE has taken on the floor today and to assure my colleagues that, as a member of the Interior and Insular Affairs Committee, he has been coordinating closely with his chairman and the ranking members of the committee.

In further support of the position taken by the gentleman from Idaho, I would like to make it clear for the record that I support the principle that we must retain some silver in U.S. coins even though it not be the percentage of silver presently contained in dimes, quarters, and half dollars. The maintenance of an intrinsic value is not only an important psychological factor in maintaining public confidence in our coins, but it has been demonstrated in other countries that the currency system weakens when there are no coins having intrinsic value.

Further, I have confidence that the mining industry will, given the proper incentives, increase its production of new silver. Part of the new production will come through the development of ore bodies that might be uneconomical to develop at the present price of silver.

A week ago yesterday, one of the most knowledgeable mining men in the country, Mr. Simon D. Strauss, vice president of the American Smelting & Refining Co., spoke to the New York Society of Security Analysts and discussed the entire range of problems involved in silver coinage with particular reference, of course, to the situation in which the United States finds itself today and the course of action that we should take. While I do not agree in every particular with Mr. Strauss, nevertheless I feel that he has made an invaluable contribution to this subject.

Under unanimous consent I include the text of Mr. Strauss' remarks at this point in the RECORD and recommend that all Members avail themselves of the opportunity to read this excellent paper:

"COINAGE AND SILVER"—AN ADDRESS BY SIMON D. STRAUSS, VICE PRESIDENT, AMERICAN SMELTING & REFINING CO., AND MEMBER OF THE SILVER COMMITTEE OF THE AMERICAN MINING CONGRESS BEFORE THE NEW YORK SOCIETY OF SECURITY ANALYSTS, NEW YORK CITY, MARCH 29, 1965

The tradition of equal time now seems firmly established on the American scene in matters of public importance. As spokesmen for the silver producers we appreciate the opportunity for equal time given us this afternoon by the Society of Security Analysts to discuss a problem that concerns not only the U.S. Treasury but every citizen—a change in the coinage system must concern everyone.

So much information has been published on silver production and consumption in the last few months that it seems unnecessary to repeat for this sophisticated group facts already well known. Instead of a detailed statistical analysis, we have chosen to display a number of charts that we believe make the position clear. These were originally prepared by the First National City Bank for its March economic letter. Obviously we will be glad to answer questions later on any aspects of the silver position.

Although agreeing that a substantial deficit exists between the supply of new silver and its present use, we feel the 1964 figures greatly overstated the extent of this gap. Last year stocks of silver held by the Treasury decreased 350 million ounces—about 200 million ounces being used for coinage and about 150 million ounces being issued to the public in redemption of silver certificates. At this rate of attrition, the stocks remaining in the Treasury's possession would be completely gone in another 3 years.

Why do we think the gap in silver supply is less than the 350 million ounces indicated by the 1964 experience?

First look at coinage. The average consumption of silver by the U.S. Mint in the years between 1950 and 1962 was about 50 million ounces annually. But in 1964 the mint consumed over 200 million ounces. True a larger supply of coins is required as the population grows, business improves, and reliance on coin-operated devices increases, but certainly that requirement has not quadrupled in the last 3 years.

Several factors coincided to inflate the 1964 demand for silver coins—as distinct from the need for coins. One was the issuance of the Kennedy half dollar. The public regards this beautiful coin as a commemorative medal, not a circulating medium of exchange. A second factor was the widely advertised shortage of coins in making change; this kind of fear feeds on itself, causing widespread withholding of coins despite exhortations to the contrary. A third was probably some hoarding of coins as a means of speculating on a future rise in the price of silver.

Giving proper weight to the country's growth in population and economic activity, a coinage rate of 100 million ounces annually would appear a generous estimate of normal mint requirements for coins of the present silver composition. If the silver content is reduced, then the normal annual requirement would obviously be reduced proportionately.

Industrial consumption in the free world is estimated to have been about 285 million ounces. Something over 50 million ounces was used for coinage outside the United States—making a total requirement of 335 million ounces excluding the U.S. coinage demand. The supplies available consisted of world mine production estimated by us at about 225 million ounces; an indeterminate amount of silver recovered from scrap and the melting of coins issued by countries other than the United States; plus 150 million ounces supplied by the Treasury to the public in exchange for silver certificates. Thus the total amount available to industry and foreign mints appears to have been well in excess of 375 million ounces.

Thus it appears that in 1964 coinage need was overstated by 100 million ounces and industrial need by at least 70 million ounces.

Instead of 350 million ounces, the current deficit in silver appears to be about half that amount. Thus, those who are projecting an early exhaustion of Treasury stocks based on present rate of demand are overlooking the buildup of stocks elsewhere. If some means can be found to bridge the gap in the U.S. coinage demand, much of this silver now being accumulated will come back into the available supply. There is a real distinction between demand and consumption which should not be overlooked.

Nevertheless, the deficit is still formidable. We agree that the present silver content of coins cannot be maintained. But a long-term decision should be made on the basis of sober appraisal of the real position. It should not be unduly influenced by last year's experience, which we do not regard as typical.

The Treasury's decision on a proper coinage alloy must be based on the national interest—what best promotes the economic well-being of the country.

Judged by this standard, the present coinage alloy has been an outstanding success. Only in the United States among the great powers have coins circulated without change in composition since 1792.

In that year, when Alexander Hamilton, the first Secretary of the Treasury, asked the Congress to authorize the minting of subsidiary coins containing 90 percent silver and 10 percent copper, he hit upon a composition that has met all the tests required for satisfactory coinage. Silver coins are attractive, durable, hard to counterfeit, and meet the psychological need of the public for a coin of real value that carries the ring of authenticity.

Unwittingly Hamilton also made possible the development 150 years later of a major new method of distributing goods. The automatic vending industry lowers the cost of putting merchandise in the hands of consumers. Its growth has been accelerated by the fact that the U.S. coin alloy can be tested in a way to minimize the threat of

bogus coins—whether counterfeits, slugs, or foreign coins. Any coin can be tested for size and weight, but only a coin of metals with high electrical conductivity can pass a third test imposed by the coin acceptors used in vending machines.

It is doubtful that Hamilton even knew of the existence of the magic force of electricity, unless Benjamin Franklin happened to tell him about his experiment with kites. Thus the first Secretary of the Treasury could not have foreseen the usefulness of coins with the attributes of high electrical conductivity.

In the history of the Republic there have been only two or three occasions when silver coinage became scarce. One occurred during the administration of Andrew Jackson; a second during the Civil War. In both instances fractional paper currency was circulated as a substitute for silver coins. These notes of low value were held in contempt by the public, as is indicated by the derisive epithet of "shinplasters" by which they became known.

Today, after more than a century and a half of useful service, some people are urging the complete discontinuance of silver coinage. The situation recalls the remarks made by the late Sir Winston Churchill in which he described how, after leading the British people to victory in the Second World War, at the first postwar election he was summarily dismissed from public service.

The reasons given for discontinuing silver coinage are that this metal has unique characteristics which are prized by industrial consumers. The photosensitivity of silver salts makes it an essential for the film industry. Its high electrical conductivity gives it preeminence for contact points, certain limited wiring applications, and other electrical uses. Its high thermal conductivity is responsible for its selection in missile work. Its corrosion resistance causes widespread demand in surgical and dental fields. In combination with zinc or cadmium it functions with unrivaled efficiency, though at high cost, as a storage battery. In numerous alloys it is considered indispensable for brazing and other forms of metal joining. Its noble appearance and the ease with which it can be worked are responsible for its age-old use as tableware, as jewelry, and in the decorative arts generally.

The producers recognize the great utility of silver in all these applications. But it seems only fair to point out that silver also has unique attributes in coinage and to suggest that, if the economic utility of silver is so great, in the long run greater production must be encouraged by incentives. Following this initial presentation members of this panel will discuss some of the problems of increasing silver production. Suffice to say at this point that "we believe production can and will increase substantially and that its slow growth in recent years has been due to economic causes rather than lack of potential resources."

In urging retention of silver in coinage, two particular considerations emerge. We have already referred to the unique suitability of silver coins for the development of the automatic vending industry. It is quite true, of course, that the coin acceptors can be adjusted so that they will test coins only for size and weight and omit the electrical test. In that event coins of stainless steel, of nickel, of columbium, or of any one of numerous other substances that have been suggested could be used in these devices. But the volume of bogus coinage that would also be accepted would rise enormously.

It must be obvious that the more tests a coin device makes in accepting or rejecting coins, the less the likelihood that it will accept a bogus coin. On this ground alone, the vending machine industry is properly concerned over suggestions that a coin system be adopted that would eliminate the electrical test. Since they are experts in this field, we do not propose at this time to elaborate further—we feel that their views have been clearly and explicitly stated.

A coin with silver content, either alloyed with copper or clad on a copper core, will meet the vending industry's requirements. A solid copper coin would do so also, but would not satisfy the public on the grounds of appearance. Copper is too indelibly associated in the public mind with coins of low value such as the penny.

The second consideration—and we believe the paramount one—is the matter of intrinsic value. It is said that confidence in coinage arises not from its intrinsic value, but rather from confidence in the economic and financial structure of the country.

Gentlemen, confidence is a strange and delicate animal. It is not created by telling people they must be confident. It can disappear overnight—see the stock market crash of October 1929 as an outstanding example. Confidence is something that represents the trust and faith of a country's entire population—not just of a few experts in monetary theory. Great empires have fallen when public confidence has been withdrawn; small nations have triumphed over great odds when public confidence in their leaders has been established.

Perhaps we can make clearer what we are trying to say about confidence and coinage if a specific case history is cited. In this instance, the case history is that of France.

France is one of the great industrial countries of the world. Since the outbreak of World War I in 1914 it has had a checkered career; its prestige has waxed and waned; its currency has been subjected to enormous strains despite the wealth of its resources in people and in land.

Prior to World War II the French had abandoned coinage of intrinsic value. During the war the French suffered serious reverses militarily and economically. The French franc, which had been 20 to the dollar before the war broke out, dropped to 500 to the dollar in the postwar period.

When General de Gaulle assumed power at the end of the 1950's, he was determined to rebuild the confidence in the French people. Virtually the first economic measure he invoked was a revaluation of the franc.

He caused to be issued a new franc, equal in value to 100 of the old francs. These two coins illustrate that change. One is a 100-franc cupro-nickel coin minted in 1954. The other is a 1-franc nickel coin minted in 1960 which is exactly the same size as the older 100-franc coin and which today is its full equivalent. The two coins are entirely interchangeable although one carries the legend "100" on its face and the other carries the legend "1" on its face.

General de Gaulle reasoned that confidence in his country's currency could be rebuilt if people were dealing with a basic unit—the new franc—of some substantial value. In terms of U.S. currency both these coins are equivalent at today's rate of exchange to 20 cents.

Now, if silver serves no useful purpose in maintaining confidence in a national currency, there would have been no reason for the French economic authorities to revert to the minting of silver coinage when they revalued the franc. They could very well have issued a 5-franc coin of somewhat larger size than the 1-franc coin, in the same attractive metal that is being currently used for the 1-franc coin.

But, because the French recognize the desirability of rebuilding confidence in their currency, they decided to issue a 5-franc silver coin. This coin, somewhat smaller than our half-dollar, has a value in terms of U.S. currency of approximately $1 and it has a silver content that at today's prices is equivalent to approximately 40 cents.

A Frenchman can obtain a five-franc silver coin in exchange for five 1-franc nickel coins, or he can obtain ten 10-franc silver coins in exchange for one 100-franc paper note. There is little intrinsic value in the 1-franc nickel coin and no intrinsic value in the 100-franc paper note. But the fact that these denominations can be exchanged for coins of intrinsic value lends an aura of confidence to all French currency now in circulation. The Frenchman who has a 5-franc or a 10-franc silver coin has a virtual guarantee that he will not be subject to the drastic loss of purchasing power that he experienced with his currency during World War II.

The fact that this is available to him is enough to instill added confidence in the entire monetary system. Who can say whether or not this country will at some future date face the situation with which the French have had to cope for the last 30 years?

The lesson of history is that when currency of intrinsic value disappears completely from the monetary system of an individual nation, in due course the currency of that nation loses substantially all its value. This was true as far back as the ancient Greek city-states and the Roman Empire; it was true of Germany, Japan and Italy as recently as World War II.

Today, among the major states of the free world, only the British are without currency of intrinsic value in circulation. In 1946 they began replacing silver coins with base-metal coinage. To use a British phrase, it is still "early days" to judge the eventual success of the change.

The U.S. Treasury still holds more than 1 billion ounces of silver bullion. In circulation there is U.S. coinage containing about 2 billion ounces of silver. Some of this has been irretrievably lost; some is held by numismatists and cannot be recaptured. The great bulk of the silver in coinage, however, is part of the floating supply—it cannot be written off. In due course it will be available to be added to the supplies of newly mined silver—either to be minted into new coins of lower content or to meet the needs of industrial consumers. One cannot turn his back on this huge stock of silver and assume that it has forever disappeared from the marketplace.

The suggestion has been made that if the Treasury decides to mint new coins with some silver content much of the present coinage will go into hoarding. Perhaps. But it strikes us that if the public is told that the new coins will contain no silver at all, hoarding will occur on an even larger scale. The Treasury has no way of measuring in advance the public reaction to these two alternatives—nor can any one else be certain. Each individual holding the present coins will make the decision for himself. We fear that some difficult days do lie ahead—regardless of what the decision is.

Under these circumstances the right decision must be the sound long-term decision. And in our view, all the lessons of history favor maintenance of silver in the coinage.

In the last few days there have been renewed reports that the Treasury has already made its decision on coinage. To an outsider this seems doubtful. Different people in the Treasury have, in our opinion, different views as to a desirable solution. And it would seem logical that a final solution would have to

undergo the review of the new Secretary of the Treasury, whose appointment has just been confirmed. This is what the Wall Street Journal reported last Thursday; to us it seems entirely logical.

We are confident that the Treasury can find a formula under which it can design a new coinage alloy that will adequately meet the needs of the Nation, using the silver it still has in reserve plus the silver that in due course will be recaptured from coinage now in circulation.

Mr. ASPINALL. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include extraneous matter.

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

There was no objection.

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

Mr. WHITE of Idaho. I yield to the gentleman from California.

Mr. HOSMER. As I understood it, the gentleman is really suggesting that we have some lesser silver content in our coins but retain some silver; is that his objective?

Mr. WHITE of Idaho. I say to you, Mr. HOSMER, that I have taken that position and the legislation I have introduced will have that result. However, what I am speaking about particularly here today is the matter of necessary controls which will be required no matter what change we have in order, to protect the existing coinage during any transition period.

It is my hope that we will have enough silver and enough time to continue our silver coinage. Under my bill there would be a two-thirds reduction in the silver content, or in other words, there would be 33⅓ percent of its present content of silver.

Mr. HOSMER. I have worried a great deal about the protection of the existing coinage from the effects of Gresham's law, too, during this substitute period, whether we are going to reduce the amount of silver or coin without silver. My own view is unlike that of the gentleman from Colorado. The presence of intrinsic value, metal of some kind, actually is not needed because most people look on coins as a matter of convenience rather than as an indication of wealth of some kind. Other countries have changed over to base metals for coinage without any severe shock to the foundations of their national economy or power. That, of course, is a matter of a difference of philosophy between us. But we do have this practical problem whether you reduce the silver content or go to base metal altogether of protecting this coinage that you have existing now and if you do not protect it, it is going to disappear over night and to see that we will not be going to shinplasters or anything else.

I would like to offer an idea that has been rolling around in my mind for some time, and that is that whatever the new coinage, whether it be coinage with reduced silver or of base metal, that something be included in it which we can include in that coin to keep its value exactly with that of the existing silver coinage.

It is a substance that is possessed by the U.S. Government alone. It is possessed in quantity. This substance is depleted uranium. One can take uranium of any percentage depletion of isotope U-235 down to practically zero and put a small quantity in a new coin of a particular percentage depleted uranium and establish a monetary value on that equal to the actual market value of silver, even if we pull off the $1.29 plug. Thereby we would insulate from the action of Gresham's law. We would be able to go through a transition period to new coinage without the disappearance of the existing coinage because the new coinage would turn out to be as valuable as the old coinage so long as there was established a monetary price on depleted uranium, which has already been done in the case of silver; so there no trick or treat about it at all.

Mr. WHITE of Idaho. In one instance the gentleman seems to be saying we should not have an intrinsic value of coinage and in the other instance, he seems to advocate an intrinsic value of coinage.

Mr. HOSMER. I say that only to avoid the application of Gresham's law, the disappearance of silver coins during a transition period from existing coinage to a new coinage, whatever it is. That problem will have to be met, whether we reduce fineness in the new coins or eliminate silver altogether.

Mr. WHITE of Idaho. I am wondering also, if the gentleman's plan were enacted; would we get into the people carrying the coins be radioactive?

Mr. HOSMER. I am glad the gentleman brought that subject up, because the quantity referred to is of depleted uranium. Not only would it have no radioactive effect, but also it would have no toxic effect, as some metals do.

Mr. WHITE of Idaho. I thank the gentleman for his suggestion. I should like to say that at the present time, throughout the world, not all countries are moving to debase coinage. I should like to have the gentleman take a look at the action of the Government of France, which recently issued a new 10-franc piece. The Government of Italy recently retired a 500-lira note and substituted a 500-lira coin which is 835 fine coin.

It would seem to me a discredit to the United States, when the President asked us to keep a 25-percent gold backing behind Federal Reserve notes, to go to buttons for money in the United States.

Mr. HOSMER. The only thing that protects the money is the existing U.S. Treasury offering of silver to all comers at its particular price. As soon as they stop that, the money will disappear.

Today, the Japanese come in and buy U.S. silver and take it back to Japan and mint coinage about 25-percent fine and thereby make a profit that the U.S. Government should be making on it. I do not see how we can let that kind of a situation persist long.

Mr. WHITE of Idaho. I say to the gentleman from California, that is why I am suggesting the controls I have enumerated today.

Mr. HOSMER. I do wish to make certain that the gentleman's reference to the French coin is in the context that whatever they put in those coins is protected by U.S. Treasury silver sales policy, which we have to maintain in order to keep up the value of our own coins. The French are getting a free ride on Uncle Sam. There is nothing wonderful about what they are doing.

Mr. WHITE of Idaho. That is right. That is why I am suggesting the controls I have suggested today.

Mr. BURTON of Utah. Mr. Speaker, will the gentleman yield?

Mr. WHITE of Idaho. I yield to the gentleman from Utah.

Mr. BURTON of Utah. I thank the gentleman from Idaho for the contribution he has made today in reminding Congress of one of its constitutional responsibilities—that is, providing for the coin system—and for reminding us that it is our job to set the value. I hope we will keep that in mind.

I wish to associate myself with the remarks of the gentleman. I agree that within a very short period of time something must be done. We must face up to the problem.

I for one—and I am sure this is true of other Members of this body—appreciate the leadership of the gentleman from Idaho in this field. I thank the gentleman for his remarks.

Mr. WHITE of Idaho. I thank the gentleman from Utah for joining with me.

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

Mr. WHITE of Idaho. I yield to the gentleman from North Carolina.

Mr. KORNEGAY. I wish to commend the gentleman from Idaho for his presentation here today.

I want to say that it certainly appears to me to be a timely discussion. I certainly pose as no expert in the field of silver or coinage, but I do recognize the expertise and leadership which the gentleman from Idaho has exhibited time and time again on the floor of the House in the area of silver. As he knows, I have always followed his leadership because I have confidence in the knowledge which he possesses in this very important area. I want to commend him again for bringing this important situation to the attention of the House.

Mr. WHITE of Idaho. I am very glad that the gentleman joins in the remarks.

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

Mr. WHITE of Idaho. I yield to the gentleman from Hawaii.

Mr. MATSUNAGA. Mr. Speaker, I, too, wish to commend the gentleman from Idaho for calling this great issue to the attention of the Congress. I will admit to having been given a very liberal education on silver. I do believe that

the proposals of the gentleman in the well ought to be given serious consideration by the administration as well as the Congress.

Mr. WHITE of Idaho. I thank the gentleman from Hawaii for his remarks.

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

Mr. WHITE of Idaho. I yield to the gentleman from Wyoming.

Mr. RONCALIO. Mr. Speaker, I am pleased to recognize my colleague, the gentleman from Idaho and his great ability in this particular field. I am happy to commend him on his presentation and to associate myself with him in his efforts with reference to this very serious matter.

Mr. WHITE of Idaho. I certainly want to thank the gentleman from Wyoming.

Mr. Speaker, in closing, I would like to repeat my hope that the Treasury Department will consult with the Congress before making its recommendations for coin changes and methods of conserving our dwindling supply of silver. I have extended to them a chance in every instance so to do, and I only hope they will do this with me.

BRACERO PROGRAM

The SPEAKER pro tempore. Under previous order of the House, the gentleman from California [Mr. COHELAN] is recognized for 60 minutes.

Mr. COHELAN. Mr. Speaker, I have asked for this time to discuss, and I hope clarify, several basic facts relating to the importation of foreign agricultural workers. It is, I believe, essential that every interested party thoroughly understand and accept these facts if we are to get on with the vital job of developing and stabilizing an adequate domestic labor force for our great agricultural industry. I know I do not, and I am confident no one else desires to see crops rotting in the fields. I am certain, also, that the responsible people at all levels of government will give the Nation's growers every reasonable and necessary aid to insure the harvesting of this year's crops. But, the growers must make more than a token effort to deal with their own problems. And, in dealing with these difficulties, they, along with their proponents in Congress, as reasonable men, will come to understand the basic facts as they exist today.

THE BRACERO PROGRAM IS DEAD

The initial fact, which is apparent to all who want to see it, is that Public Law 78, the so-called bracero program is dead. This law, enacted for 2 years in 1951 and extended 6 times since, was a temporary wartime emergency measure. That emergency passed long before the law died and there can be no justification, if indeed there ever was justification, for that program or any program which breeds on the poverty in one country to perpetuate and extend similar conditions in our own country.

The 14-year history of this law is a story of poverty, human suffering and exploitation. It is the story of a system that emulates slavery in all its social, economic, and moral wrongs; a system that exists for the sole benefit and enrichment of a very small but powerful segment of our agricultural industry. It is the result of a philosophy which holds that an exclusive few have an inalienable right to cheap, tractable labor, and that this right exceeds all moral or legal considerations.

Over the years, Congress in its wisdom, came to recognize these great moral, social, and economic injustices being perpetrated upon American and foreign workers and saw fit to end this program but not without first giving growers, the users of braceros, clear and ample warning that they must look elsewhere for their labor supply. When Congress, in 1963, extended Public Law 78 1 more year, it did so with the clear and unequivocal warning that this extension was to be the final extension.

Many Congressmen, including some who supported Public Law 78 through its numerous extensions, stated flatly that this was the last time they would petition Congress for an extension of that particular act.

And, the chairman of the Senate Agricultural Committee, Senator ELLENDER, emphasized the warning when he stated:

> It is my belief that by giving this notice in advance, the proponents of this law will be warned that the Senate will not act again on this measure and they (the growers) must begin to look elsewhere for relief.

Public Law 78 is dead. It is dead because Congress determined that this barbaric, feudal practice, the wholesale importation of foreign labor, was not within the scope of American principles.

I have noted, with some concern, the mounting volume of compliments and criticism being directed at the Secretary of Labor, W. Willard Wirtz, for his policy with regard to the mass importation of foreign workers. I think it is important—no, an absolute necessity—to set the record straight in this regard.

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

Mr. COHELAN. I yield to the gentleman.

Mr. RONCALIO. Mr. Speaker, I am listening with concern and with great regard to the statements of the gentleman from California. May I add that I am one of those whose voice has been added in the last month or two with genuine concern of criticism of the Secretary of Labor for taking the role of an advocate instead of going out and finding facts. I am happy to see that since these speeches were made from the well of the House the Secretary did in fact go out to the district referred to by the gentleman to get a firsthand report.

Now, I would only like to say this: I intend to remain in the Chamber and continue listening to the statement of the gentleman and be thus additionally informed. But I hope the gentleman will give us an opportunity to discuss with him—some of us who want not a new law, even though the law is dead, we recognize it is a way that we can continue a practice which we do not happen to feel is quite as barbaric as the gentleman from California says.

I would like to say further that any time you pay a human being salary and wages for work performed, I do not believe it can be called a barbaric situation.

Mr. COHELAN. I thank the gentleman from Wyoming and I appreciate the spirit in which his remarks are made. However, I believe before I conclude my statement we will have covered some of the points which he makes.

Mr. TEAGUE of California. Mr. Speaker, will the gentleman yield?

Mr. COHELAN. I yield to the distinguished gentleman from California.

Mr. TEAGUE of California. I appreciate the gentleman yielding and I shall try very much not to interrupt the gentleman until he has concluded his statement. But, I would like to make this point.

The gentleman said several times that the bracero program is dead. As of now I think it is. I would also say that the gentleman from California [Mr. COHELAN] can take with great pride almost full credit for having been the chief executioner.

Mr. COHELAN. I thank the gentleman for his remarks, but as he well knows, the defeat or the eventual phasing out of Public Law 78 was something upon which the Congress took action, although, indeed, my attitude and opinions and my advocacy of the elimination of this program are well known to the gentleman for whom I have a very high respect. As long ago as 1959 the gentleman will recall that, standing in the well of this great Chamber, amendments were offered to the bill which would phase out the program. They were offered first for a period of 3 years. Then they were offered for a period of 2 years, but they fell upon deaf ears. Members of the other body did the same thing.

I say to the gentleman from Wyoming [Mr. RONCALIO] and some of the others who have just entered this great body, there is nothing new about this issue. The cries that we hear now about the intensity of the program are cries that we have been hearing over a long period of time. They could have taken these measures a long time ago.

But, Mr. Speaker, what I want to develop today is the point that there are adequate solutions to this problem and that we do not need to be overly concerned, providing certain measures are taken.

Now, Mr. Speaker, let us review the situation. The policy to halt the mass importation of foreign labor, it must be clear, is not that of the Secretary of Labor. This was done by the Congress and the personalities apart, I am sure my good friend from California [Mr. TEAGUE] will agree that the action was taken by this Congress.

We heard Members who voted for the gentleman's request for a year's extension get into this well, one after another, and say they are going along with the

gentleman's request and his colleagues who were supporting the year's extension, but that this was the last time.

Mr. Speaker, the record is replete with that, and in the interest of time, I have avoided detailing this.

So the point is that, we had adequate warning. It has been quite clear that the program is over and that the Congress has taken an express position on this subject. Any such criticism or compliments about the termination of this program, should not, I submit to you gentlemen, be directed to the Secretary of Labor, but to the Congress. For as has been suggested by many growers in many of the areas, if the Secretary of Labor should attempt through administrative action to reinstitute a program of mass importation of foreign labor, he would be doing so in direct opposition to the will of the Congress, as expressed in the actions that we have noted.

And, Mr. Speaker, let me make it very clear at this juncture that Public Law 414 from the Immigration and Nationality Act was not and is not intended as a substitute for Public Law 78. If it is used as such, legislative action will be necessary.

THE CROPS ARE NOT ROTTING—THEY ARE BEING HARVESTED

Now, Mr. Speaker, I want to make this point, because I think it is absolutely vital and it is something that pervades this discussion whenever we get into it.

We hear the crops are rotting in the fields and are not being harvested. This is April 1965. These dire warnings of crops rotting in the fields for want of someone to harvest them so far is nonsense.

The simple fact is that the crops are being harvested and in some cases in advance of last year's harvest. To date, the only reported crop loss by the Department of Agriculture was the result of a freeze January 18. The Citrus Growers Mutual claimed a $4 to $5 million loss, a figure not yet substantiated. And, it is entirely probable that this figure represents the difference between the Department of Agriculture's October 1964 estimate of an 83.6 million box orange crop and the February 1965 revised estimate of 80.6 million boxes. In other words, the claimed crop loss might, in fact, be no loss at all.

Equally significant is that while growers were crying over labor shortages and loss of crops the juice concentrate plants in Florida were working at full capacity—24 hours a day, 7 days a week—and could not have processed additional citrus if available. I have ample newspaper stories to document the point that has been made.

Mr. Speaker, evidence that the crops are being harvested is conclusive. The orange crop in Florida is 44 percent greater this year than it was last. Despite this, 65 percent of this year's crop is already in, compared with only 57 percent a year ago. In terms of total production, there has already been 47,450,000 boxes of oranges harvested for this year compared with 28,668,500 boxes for the like period in 1964.

Nor has there been a crop loss in other States, including California where lettuce and lemons have been and are being picked. As recently as March 15, a State of California in-season report made clear that "market conditions, particularly in lettuce and green onions, have had a depressing effect on the level of employment." This "market condition" is the result of growers controlling production to protect prices.

In mid-February it was reported that growers in California's Imperial Valley had made a gentleman's agreement to harvest lettuce only four days a week in an effort to support prices. At that time a California Employment Service official reported that the "demand for lettuce was good, but because of a marketing agreement, lettuce was harvested only 4 days a week," and that the situation was expected to continue through mid-March, when some of the growers "will have finished cutting."

AMERICANS ARE AVAILABLE—THEY WILL DO THE WORK

In mid-March there were about 24,000 more American workers employed in agriculture than at the same time last year. The total number of Americans employed in agriculture at the middle of March was 290,400.

In California, about 8,000 more domestic workers were employed than at the same period in 1964 and Florida showed an increase of more than 7,000 in domestic workers for the like period a year ago.

There have been times this year when as many as 3,500 foreign workers already in Florida have been put on a standby and did not work because there was no work for them.

Mr. Speaker, these and other facts, I contend, clearly prove that Americans can and will do the work, given the opportunity, adequate pay and decent living and working conditions.

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

Mr. COHELAN. I yield to the gentleman from California.

Mr. MOSS. I think it important that in arriving at the totals of Americans engaged in agricultural employment the gentleman should consider the number of foreign agricultural workers who are on the green program. I wonder if the gentleman can tell me of those there are in California engaged in agriculture in this season of 1964, and how many there were engaged in similar pursuits in 1964 and the years subsequent thereto?

These are pertinent facts to this discussion.

Mr. COHELAN. I think the gentleman asks a fair question in respect to the current figures. I do not have them available but I will be glad to supply them for the RECORD. I do have and expect to supply in the RECORD figures for 1964 which are specific and complete.

Mr. MOSS. Would not the gentleman say that the number of these green-card workers or the probable number classified as part of this increase of domestics should be known if we are meeting this labor need purely from domestic sources?

Mr. COHELAN. There has always been a very active traffic in this kind of labor in our State. I would presume that activity continues. The gentleman's question is a fair one, and I am sure we should deal with it in terms of statistics. I think we can get that for the RECORD.

Mr. Speaker, in response to the request of the gentleman from California [Mr. Moss], I have been advised by the Department of Labor that during the period extending from July 1, 1964, through March 24, 1965, the Secretary of Labor certified 387 requests for immigration from Mexico to work in agriculture in this country. I think this is an important figure to have, as the gentleman has suggested, and I think it is further and significant information that the need for farm labor is being met by American workers.

Mr. Speaker, in further response to the request for information made by the gentleman from California [Mr. Moss], I would like to provide additional data regarding the green-card workers in agriculture.

First, and this I believe is a very basic point, the green-card worker is now and always has been, for the purposes of employment statistics, counted as a domestic worker. Once a work record is established, he is entitled to unemployment compensation or whatever other benefits his type of work provides workers who are American citizens. As a result, the green-card worker is not counted separately and is considered available domestic labor.

Since July 1, 1963, every Mexican applying for a permanent visa to work in the United States has been required to prove that he has a bona fide job offer. The Department of Labor, through its affiliated State employment security agencies, must then check to insure that a labor shortage actually exists in that job classification and that the employment of this worker will not adversely affect U.S. workers similarly employed. On the basis of its findings, the Labor Department may either approve or disapprove admission.

As I reported earlier, between July 1, 1964, and March 24, 1965, there were only 387 Mexicans approved for agriculture work. This compared with 2,099 during the previous fiscal year.

The following chart shows the type of requests and the number approved from July 1, 1963, through March 24 of this year:

Type of request	July 1, 1963, to June 30, 1964	July 1, 1964, to Mar. 24, 1965
Total requests	17,461	20,373
Total approved	4,174	2,832
Nonagriculture requests	8,232	12,430
Nonagriculture approved	2,075	2,447
Agriculture requests	9,229	7,942
Agriculture approvals	2,099	387

Of the 2,099 agriculture approvals in fiscal year 1964, 1,738 were approved in the Dallas, Tex., office. Similarly, from July 1, 1964 to March 24, 1965, 328 of the 387 were approved in the Dallas office.

Furthermore, I have been advised by the U.S. Immigration Service, that the number of green-card workers commuting to the United States on a daily basis to work in agriculture is "negligible."

Mr. Speaker, when we consider the fact that the number of American workers employed in agriculture has increased by more than 23,000 over the figure of a year ago, and when we relate this figure to the very small number of green-card approvals during the last year, it is hard to escape the conclusion that Americans are willing to do farm labor and that more are doing it than ever before.

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

Mr. COHELAN. I yield to the gentleman from California.

Mr. HANNA. I should like to refer back to the gentleman's remarks in terms of what was behind the action of the House. If I understood it correctly, the action of the House was an adoption of the Missouri plan in the sense of the Missouri slogan, "Show me."

I think it was the consensus of the House that we would never determine whether or not domestic laborers could do the work which was being done by the foreign laborers unless we did away with the bracero program, which many of us felt would return us to a good utilization of domestic labor.

At all times, if I recall correctly, there was in the forefront of the consideration and certainly in the forefront of my mind, that a high criterion of a showing of need was still a possibility of entry into the green card worker field in the 414 program. I am not saying to the gentleman that we have demonstrated what our need actually is, but I am sure the gentleman is not saying now that the Missouri plan has definitely shown that we have no need whatsoever for foreign labor. Is that correct?

Mr. COHELAN. I thank the gentleman for his remarks. As he knows, I admire him greatly and respect his interpretation. Indeed, I would be compelled to say that is the interpretation of many of our colleagues who are very interested in this problem in California, and who have an intense concern with this because of the character and nature of their districts.

My view of it is somewhat broader, although it does not completely exclude the possibility of the gentleman's interpretation. I feel primarily that the gentleman is quite correct in assuming what we are facing here is a question of labor supply price in a free American labor market. As the gentleman will recall from going through the debates and the discussions on this issue, we have in this country a great mass of human beings who are available for seasonal labor; who are by far and away the lowest paid people in our society; who are denied the protections of social insurance, unemployment insurance, and compensation insurance; whose average income is low; and who are the most helpless creatures we have in our entire society. In this particular area of work potential we even deny them their labor market.

I, for one, would feel it is high time we define that labor market and try to meet the requirements through the existing labor supply and through meeting the kinds of conditions that will shape up and hold an adequate labor force.

The gentleman knows, and I hate to keep picking on my own State because all of our colleagues from California know that our State is perhaps the most advanced State in the Union in its treatment of migratory labor. At this time it adds little to the discussion to go into detailed criticism of other areas in the country.

This is one of the ironies of the situation, and I am well aware of it. But I say to the gentleman, in California where we do have, and are having, an increasingly diminishing requirement for labor, the very interesting and significant fact is that those growers who have undertaken to provide decent housing and decent conditions, and the minimum requirement for labor in our State—and I could cite some of our great packing concerns that are involved in this—have not hired a foreign worker for many, many years. The gentleman knows this to be true. So my approach to this problem, in reviewing the entire situation, would certainly include the gentleman's interpretation as well as my own.

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

Mr. COHELAN. I am glad to yield to the gentleman.

Mr. HANNA. I would just like to say to the gentleman, I hope that he counts this Representative as one who has a deep concern for the plight of these workers to whom he has referred.

But I would hope the gentleman agrees with me that those of us who have districts that are involved in agriculture in the State of California are appropriately concerned when the department of labor of the State of California comes with a report, as the gentleman knows they have come forward with such a report, that there will actually be shortages in certain specialized crops within certain sections of the State of California. I think the gentleman would agree that we are right to entertain some concern here, and the gentleman will agree further that we do not know what the facts are until the season has passed.

Mr. COHELAN. The gentleman will recall that at the outset I made this remark, and I want to underscore it. And I speak today in a tone of conciliation and of trying to get the hard facts out on the table: to get this thing aired and ventilated. As I said at the beginning of my remarks, "I am certain also that the responsible people at all levels of government will give the Nation's growers every reasonable and necessary aid to insure the harvesting of this year's crops."

At this point, Mr. Speaker, I ask my colleagues to permit me to proceed with my statement since there are Members on the other side of the question who have not had a chance to speak.

At the peak employment season last year there were 1,236,500 Americans employed in agriculture throughout the United States. That is nearly twice the total number of foreign and domestic workers employed in either March, April, or May of last year.

I would like to insert at this point in the RECORD, charts showing the increase in domestic workers so far this year in various States:

Number of domestic and foreign seasonal farmworkers, United States, by month, 1963 and 1964

[In thousands]

	Domestic	Foreign
1963		
January	245.9	33.8
February	229.8	30.3
March	252.2	31.5
April	314.5	37.8
May	687.5	52.9
June	1,000.5	77.9
July	1,074.7	58.
August	962.9	71.2
September	1,024.8	105.5
October	959.9	97.9
November	437.9	54.0
December	278.4	41.1
1964		
January	249.3	29.4
February	248.8	26.5
March	267.3	26.7
April	342.5	38.0
May	696.1	51.9
June	998.7	69.9
July	1,236.5	54.4
August	1,050.2	68.7
September	968.3	92.8
October	944.5	80.8
November	517.9	53.6
December	312.1	40.3
1965		
January	279.8	15.9
February	278.8	14.4
March (Mar. 15)	290.4	16.4

Source: Bureau of Labor Statistics, Monthly Report on the Labor Force.

Employment on crops of major labor shortage,[1] California, by month, 1964 and 1965

TOMATOES

[In thousands]

	Domestic	Foreign
1964		
January	0.4	0.2
February	0	0
March	0	0
April	1.0	0
May	2.6	1.0
June	1.8	1.3
July	6.5	3.3
August	5.8	11.2
September	6.3	38.1
October	4.6	26.6
November	1.7	1.6
December	1.0	1.1
1965		
January	.8	0
February	.4	0
March	.4	0

ASPARAGUS

1964		
January	0	0
February	0	0
March	1.8	0
April	4.5	3.5
May	4.3	3.7
June	1.4	4.2
July	0	0
August	0	0
September	0	0
October	0	0
November	0	0
December	0	0
1965		
January	0	0
February	.5	0
March	2.4	0

See footnote at end of table.

Employment on crops of major labor shortage,[1] California, by month, 1964 and 1965—Continued

LETTUCE [2 3]

[In thousands]

	Domestic	Foreign
1964		
January	1.4	2.0
February	1.2	1.8
March	2.2	1.5
April	2.0	2.0
May	1.8	3.3
June	1.7	4.2
July	1.8	3.7
August	1.6	3.5
September	.7	4.7
October	1.4	6.4
November	.7	3.9
December	.9	2.3
1965		
January	2.4	.1
February	2.0	0
March	2.8	0

CELERY [3]

1964		
January	0.8	0.6
February	.9	.5
March	1.0	.5
April	.5	.6
May	.4	.6
June	.4	.8
July	.3	.4
August	.3	.5
September	.4	1.2
October	.6	1.5
November	.5	2.1
December	.6	1.5
1965		
January	.9	.3
February	1.3	0
March	1.4	0

STRAWBERRIES [3]

1964		
January	0.3	0
February	0	0
March	.4	.6
April	2.1	2.8
May	2.9	8.5
June	2.1	10.4
July	2.0	6.3
August	1.2	4.5
September	.7	3.7
October	.4	2.3
November	.5	0
December	.1	0
1965		
January	.1	0
February	.4	0
March	.1	0

GRAPES

1964		
January	16.7	0.2
February	11.0	0
March	1.4	0
April	.1	0
May	5.4	.2
June	7.3	.4
July	3.0	.9
August	12.5	0
September	51.2	1.2
October	32.6	2.5
November	3.4	.1
December	6.2	0
1965		
January	18.1	0
February	14.8	0
March	3.2	0

MELONS

1964		
January	0	0
February	.2	.2
March	.6	.4
April	.8	0
May	2.4	.1
June	3.2	.2
July	1.1	3.2
August	1.2	2.9
September	.5	1.6

Employment on crops of major labor shortage,[1] California, by month, 1964 and 1965—Continued

MELONS—continued

[In thousands]

	Domestic	Foreign
1964		
October	0	0
November	0	0
December	0	0
1965		
January	0	0
February	0	0
March	1.0	0

LEMONS

1964		
January	0.6	2.8
February	1.1	3.4
March	1.0	3.8
April	1.1	4.6
May	.8	4.5
June	.6	3.6
July	.5	2.1
August	.3	.9
September	.3	1.0
October	.3	1.1
November	.2	.9
December	.4	2.0
1965		
January	1.5	0
February	3.6	0
March	4.1	.6

ORANGES

1964		
January	4.2	0.4
February	3.6	1.0
March	3.3	1.2
April	2.6	1.2
May	3.8	1.2
June	.7	2.2
July	.8	3.0
August	.6	3.1
September	.6	2.7
October	.3	1.5
November	0	0
December	0	0
1965		
January	5.7	0
February	5.5	0
March	5.4	0

DATES

1964		
January	(4)	0.3
February	(4)	.2
March	(4)	.3
April	(4)	.3
May	(4)	.3
June	(4)	.2
July	(4)	0
August	(4)	.2
September	(4)	0
October	(4)	.4
November	(4)	.5
December	(4)	.4
1965		
January	0.1	(4)
February	.1	0
March	.1	0

COTTON

1964		
January	4.8	0
February	.7	0
March	0	0
April	0	0
May	11.6	0.6
June	10.6	1.1
July	3.7	.5
August	.9	.1
September	0	0
October	10.8	0
November	10.7	.1
December	7.4	0
1965		
January	3.4	0
February	0	0
March	0	0

Employment on crops of major labor shortage,[1] California, by month, 1964 and 1965—Continued

SUGARBEETS

[In thousands]

	Domestic	Foreign
1964		
January	0.3	0.7
February	.7	.6
March	3.3	.4
April	6.3	.8
May	4.5	1.4
June	1.6	2.0
July	2.1	2.5
August	1.4	.9
September	.8	0
October	1.3	2.1
November	2.4	2.6
December	1.2	1.0
1965		
January	0	0
February	1.3	0
March	3.2	0

[1] As indicated by substantial foreign-worker employment in 1964.

[2] Most foreign workers used in lettuce harvest and preharvest activities in 1964 were employed in the desert and the central coast areas. In the former, foreign-worker lettuce employment was between 1,000 and 2,000 throughout the 1st quarter, before trailing off in April. The fall season in that area began in September and foreign-worker employment in lettuce reached a peak of 3,200 on Oct. 31. Foreign workers were used in central coast lettuce activities from March to November, foreign employment reaching a peak of 5,200 in May. A few hundred foreign workers were used in lettuce activities in the San Joaquin Valley in October and November and somewhat more than 100 foreign lettuce workers were employed in the south coast from April to June.

[3] All employment figures for individual crops are as of midmonth. In the narrative discussion of the agricultural labor situation in California, employment figures relate to annual peak employment in the crop, which may not coincide with a midmonth.

[4] Less than 50 workers.

Number of domestic and foreign seasonal farmworkers, Florida, by month, 1963–65

[In thousands]

	Domestic	Foreign
1963		
January	53.5	14.3
February	59.7	13.5
March	67.0	12.9
April	60.6	10.6
May	57.1	5.3
June	32.4	2.7
July	38.9	1.1
August	24.9	1.0
September	28.3	1.3
October	34.3	2.6
November	44.0	9.7
December	49.7	11.8
1964		
January	54.2	12.3
February	58.1	11.2
March	59.7	10.4
April	57.9	8.8
May	54.2	6.8
June	36.1	2.6
July	36.0	.8
August	19.2	.6
September	22.2	.9
October	31.6	1.6
November	47.6	10.3
December	60.5	14.0
1965		
January	69.5	14.1
February	70.7	----------
March	66.9	9.1

Number of domestic and foreign seasonal farmworkers, California, by month, 1963–65

[In thousands]

	Domestic	Foreign
1963		
January	86.3	11.3
February	66.6	11.2
March	59.4	12.3
April	66.4	16.4
May	107.1	29.7
June	128.1	39.3
July	120.6	34.4
August	122.9	34.4
September	157.6	54.0
October	120.6	65.1

Number of domestic and foreign seasonal farmworkers, California, by month 1963–65—Continued

[In thousands]

	Domestic	Foreign
1963		
November	72.8	19.2
December	78.1	12.2
1964		
January	87.6	10.3
February	74.5	10.6
March	65.2	11.2
April	78.0	19.0
May	120.4	29.8
June	127.8	37.8
July	122.6	33.9
August	124.6	36.7
September	161.2	63.9
October	124.4	51.5
November	69.9	19.0
December	80.7	12.7
1965		
January	89.3	.9
February	83.0	0
March	73.2	.6

Estimated number of unemployed workers and rate of unemployment, California, by month, 1964 and 1965

[In thousands]

Month	1964		1965	
	Number	Percent	Number	Percent
January	469	6.8	519	5.9
February	499	7.3		
March	458	6.6		
April	394	5.7		
May	400	5.7		
June	448	6.3		
July	415	5.9		
August	403	5.6		
September	366	5.1		
October	355	5.0		
November	434	6.1		
December	423	5.9		

Number of domestic and foreign seasonal farmworkers, Arizona, by month, 1963–65

[In thousands]

	Domestic	Foreign
1963		
January	12.0	3.5
February	12.1	3.2
March	11.6	3.6
April	13.8	6.4
May	14.4	5.1
June	14.8	6.2
July	12.5	1.1
August	10.8	.6
September	11.6	2.2
October	14.3	6.0
November	14.9	8.1
December	17.3	5.6
1964		
January	14.2	3.1
February	12.3	2.3
March	12.2	2.8
April	13.5	6.4
May	15.4	4.6
June	17.2	4.8
July	13.9	1.0
August	11.4	.5
September	10.5	2.2
October	14.0	4.5
November	16.5	7.2
December	18.2	5.5
1965		
January	16.0	0
February	15.5	0
March	15.0	0

Acreage and production of major crops, Arizona, 1963–65

ACREAGE

	1963	1964	1965
Lettuce [1]	18,900	17,900	
Cantaloups [2]	17,500	19,700	

Acreage and production of major crops, Arizona, 1963–65—Continued

PRODUCTION

[In thousands]

	1963	1964	1965
Lettuce (1,000 cwt.)	2,930	2,506	
Cantaloups (1,000 cwt.)	2,249	1,970	

[1] Late fall crops.
[2] Spring crops.

GROWER COOPERATION LACKING

Mr. Speaker, there are many indications that a large number of growers have not and are not making a sincere effort to recruit and keep domestic workers. We find story after story in the newspapers emphasizing the lack of grower cooperation in efforts to recruit an adequate domestic labor force. The simple facts seem to be that growers do not want American workers.

Business Week magazine recently quoted the Reverend John Simmon charging some California growers with "systematically sabotaging the campaign, harassing new workers, whittling down new minimum wages, and using other devices to create the illusion of the inadequacy and incompetence of the American farm labor force."

I would like to cite one example showing the bad faith of many growers. It is the report of two men, Gonzalo Miguel Guerra and Ellsworth L. Garrett, who were recruited in Texas to work the citrus groves around Santa Barbara, Calif.

Both men, along with 21 others, had been informed of the great opportunities in Santa Barbara through a recruiting campaign conducted throughout the Rio Grande Valley by the Texas Labor Agency. Apparently, a beautiful picture was painted of citrus work in Santa Barbara. The men were told that workers were averaging $24 to $30 per day, and some even better. They were to be guaranteed $1.25 a hour and 50 cents per box for all over 20 boxes of lemons picked in an 8-hour day. They were told that no experience was needed.

These men arrived in Santa Barbara the 17th of March. They were taken from the bus which had brought them from Texas, handed a bed roll, and told they would be going to work the next day. But, before they could go to work, they would have to take a physical examination.

Now this physical examination is standard practice in California and is required by the insurance carriers to protect them against false claims resulting from previous injuries. And, in lemons, workers must also be checked for colorblindness. Importantly, however, these men from Texas, brought more than 2,000 miles from their homes, were not told of the physical examination before leaving nor was the reason ever explained.

Fortunately, none of the men failed to pass the physical. I do not know what would have happened to them had they failed.

The men were put to work in lemon groves, which they say were well picked over. At the end of 40 hours, some of the men were fired for failure to achieve the required quota of 20 boxes per day. In Texas, no one was told about a quota after 40 hours. At this time, most of the men working out of the camp were averaging 16 to 19 boxes per day. There were several there with experience in lemon picking but only two were averaging the 20-box quota.

The two men mentioned earlier were finally let go after 48 hours because they failed to make the quota. And they were let go with $1.24 net pay for 48 hours work, in a strange town, 2,000 miles from home.

Growers using these kind of tactics certainly cannot be accused of cooperation or interest in seeing that Americans are available to fill our farm jobs.

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

Mr. COHELAN. I am glad to yield.

Mr. MOSS. I believe growers using those kinds of tactics are engaging in reprehensible practices and there is not a Member of Congress who would stand up to defend them. They are entitled to every bit of contempt we can have for them.

The gentleman is not contending, however, that they are typical of the growers in California?

Mr. COHELAN. I am indeed not saying so, but I say to the gentleman that they are all too common and that in those areas where this is happening we are having our difficulties.

One of my purposes in taking this special order this afternoon is to bring this out and to urge anyone in the industry throughout the United States who is adopting or using those practices to abandon them.

Mr. TEAGUE of California. Mr. Speaker, will the gentleman yield?

Mr. COHELAN. I am glad to yield.

Mr. TEAGUE of California. I certainly would join in urging any farmer and all farmers to refrain from and to avoid any improper practices. As the gentleman who comes from Sacramento so well stated, with scores of thousands of farmers these things are going to happen once in a while, just like once in a while a clergyman does not do the right thing—or a college professor, or a union official, or even a Member of Congress.

I will not take more time now. I will take a special order later, to offer statistics which I believe are completely at variance with the statistics being presented by the gentleman.

Mr. COHELAN. Notwithstanding the fact that the gentleman and I are known to disagree on this subject, I deeply appreciate the observation he has made and I sincerely believe he means it. I would think the evidence may show there are more such persons who may be active in the industry than the gentleman would like to believe. In any event, this is not, unfortunately, an isolated instance.

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

Mr. COHELAN. I am glad to yield.

Mr. ROYBAL. It should be noted that the Council of California Growers put out a newsletter dated March 29, 1965, entitled "Impressions: The Secretary of

Labor and the Black Sheep." The newsletter noted:

The facts are that once again responsible California agriculture has been clobbered by the black sheep * * * by the "chicken neck profiteers" * * * by the operators of filthy, disgraceful, farm labor camps * * * by growers who, incredibly enough, did not have toilet facilities in their fields.

This indicates to me that the Council of California Growers admits that within its ranks there are individuals who do practice the procedures outlined by my colleague from California.

Mr. Speaker, I ask unanimous consent to have the entire newsletter printed in the RECORD at this point.

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

There was no objection.

The newsletter is as follows:

IMPRESSIONS: THE SECRETARY OF LABOR AND THE "BLACK SHEEP"

This newsletter is written on the basis of our experiences and observations gained while traveling with U.S. Labor Secretary Willard Wirtz during his whirlwind tour of California. A tour, we might add, that consisted of 20-hour days by a man who appeared genuinely interested in getting all of the facts he could. Facts which he needs to have in order to make the very important decisions he must make. And to get agriculture to understand what he considers the very important facts that we in agriculture must understand.

Speaking very frankly, as indeed we must, if Secretary Wirtz decides to allow supplementary workers to come into California under Public Law 414, it will be because he really understands the problems faced by responsible growers, processors, suppliers, and others during this critical transitional period. It will not be that all the things he saw served to convince him that all California growers are really doing everything they can to fully utilize and maintain a qualified domestic labor force.

And the tragic thing is that this impression was created not so much by growers as by farm labor contractors, by "professional" camp operators including some county-operated facilities, and by others. Unfortunately there were some growers who did contribute to this overall impression. Not many, but enough. And their housing facilities, their lack of compliance with field sanitary facilities, etc., were so bad that—as is always the case—the entire industry got clobbered by the actions of these irresponsible segments.

Mr. Wirtz, the people of this country—and responsible California agriculture—believe that growers must play the game fair and square. And this means providing the type of decent farm labor camp facilities and decent field conditions that will help attract and hold domestic workers. Then if these things are done and still a legitimate shortage exists, then the case will have been honestly and fairly proven.

But as we said, this was not the overall impression which the Secretary gained. Nor was it the impression the members of his staff and press retinue gained. Nor was it the impression that the general public gained.

And this is tragic. For a great many individual growers, Farm Labor Association managers and their staffs—allied industry leaders and key officials from the Teamsters Union—and of course, your council worked their hearts out to bring together with Mr. Wirtz and his party the people and the facts which could accurately and honestly enable him to better understand the many ramifications of our growing crisis.

As was evidenced by the Secretary's extreme interest and request for immediate followup conferences with him in Washington, a much greater understanding of the issues by all concerned came from these discussions. But the overall impression gained by the Secretary, and by the public, was not good. And how much this impression will affect his final decisions can only be guessed at. And we don't like to guess.

We deal in facts. And the facts are that once again responsible California agriculture has been clobbered by the black sheep, by the "chicken neck profiteers," by the operators of filthy, disgraceful, farm labor camps, by growers who, incredibly enough, did not have toilet facilities in their fields.

And, we must add, we are going to continue to get clobbered unless we do something about it. And fast.

To begin with, it is obvious to responsible agriculture—as it is to the public and to the Secretary of Labor—that the type of things contributing to this adverse impression cannot be condoned.

Let's first go on record there.

Then on to the next step. If we, the individual farmer, fall into the category of the minority who would find it "inconvenient" for the Secretary of Labor, or a local or national TV camera to come into the housing facilities we operate, then we'd better start cleaning up. And now.

If we don't operate our own housing—as most of us don't, but do finance it through our farm labor association—then let's make certain that these association-provided housing and feeding facilities fall into the category that we'd be proud to see on national television.

And if we employ the services of a farm labor contractor, then let's make absolutely certain that that farm labor contractor isn't providing the type of housing, feeding facilities, and the like that Secretary Wirtz described as "making me ashamed that anything like this exists in this country." And let us hasten to say that we visited those facilities too. And there was no exaggeration by Mr. Wirtz on this—or any of the other points he made along these lines.

The same applies to those of us who live in areas where our local housing authorities operate facilities right out of the "Grapes of Wrath" era. Facilities such as the Linnel Farm Labor Center or the Cutler facilities, also a county housing authority operation. As you may have read in your local newspaper this is the place where "walking away from the communal lavatory in the center of a circle of ramshackle two- and three-room buildings overrun with barefoot children," Secretary Wirtz shuddered and said, "Did you see that?—God."

As employers, as the people for whom the farmworkers of this country really work, we can't pass the buck on to the farm labor contractor or anyone else. We may employ him to help us recruit, house, and train labor. But the ultimate responsibility for the workers is ours. And the buck stops here.

Most growers in this State already know this. Responsible members of this industry make certain that their labor contractor provides decent facilities and the like before they hire that contractor. And keep on that contractor and/or work with their local association to see that decent conditions are maintained both in the camps and in the fields.

But obviously some don't. And since all of us are hurt—and hurt badly—by the actions of those that don't, it should be obvious that it's up to us collectively and individually to see that the type of things that do exist that are wrong—are made right.

Mr. TEAGUE of California. Mr. Speaker, I think there is no question about it, if the gentleman will yield briefly. I think it is a fine thing that the Council of California Growers recognized this situation and are trying to clean it up. Since Santa Barbara was mentioned a few moments ago and it is in my district, it is my understanding that Secretary Wirtz, who spent a little time there a few weeks ago, found absolutely nothing to complain about in the labor camps in and around Santa Barbara and throughout my district. As a matter of fact, he was very complimentary about them.

Mr. COHELAN. I thank the gentleman for his contribution.

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

Mr. COHELAN. I yield to the gentleman from Hawaii [Mr. MATSUNAGA].

Mr. MATSUNAGA. Mr. Speaker, I wish to commend the gentleman from California for taking this time to inform the Congress on a very vital issue which is still facing the Congress, although we thought we had this resolved a year ago. If the gentleman from California [Mr. COHELAN] is the chief executioner, I was happy to have been one of his followers, and I would say also that he was the chief executioner of an evil which needed to be executed.

Mr. Speaker, the last Congress took a major step toward dismantling legislation left over from past emergencies when it voted to extend the Mexican farm labor program only to the end of December 1964 and then to terminate it. There is a move now among well-intioned Members of this House to revive this program, and I rise to question its wisdom.

I come from a State which has had many years of experience with the problem of bringing in cheap labor from abroad to work on its farms. The State of Hawaii learned long ago that eventually it would have to rely on local labor, adequately paid and decently treated, to fill its needs.

Today the plantation fieldworker in Hawaii earns $24.10 a day, including fringe benefits. Contract labor is a thing of the past. Workers from Japan and the Philippines pass through Honolulu on their way to work on farms in California, but not on our plantations in Hawaii. We have sufficient labor, permanently resident in our State, to do our farmwork.

The administration now has a program underway to end poverty in America. Many Americans are poverty stricken because they cannot work or are unable to find work. But there are many who do work and still hover on poverty because they are paid such low wages.

I have heard it said about some of the unemployed in California that they will not do stoop labor on the fruit and vegetable farms of that great State. It is said that because they can get enough money to live on from relief they will not work. Therefore, we hear, we must revive the program for importing Mexican labor or run the risk of seeing crops rot in the fields.

I wonder, Mr. Speaker, if it is worse for crops to rot in the fields or for men to starve in our cities. On whom does it reflect, when we say a man will receive more on relief than he can earn cutting

lettuce or picking cherries? Does it reflect on the man on relief or on the farmer who pays wages which will provide less than relief allowances? Should you cut relief allowances or raise wages?

The farms of California are no less rich and the farmers of California are no less able than the farms and farmers of Hawaii. Indeed, in all the world there are nowhere to be found farms like those of California. A substantial part of the fruits, vegetables, and other farm products on the tables of all America come from these fields and orchards. Hawaii in particular has been greatly dependent on California for its rice and fresh produce.

I cannot believe that the farmers of California cannot continue to operate without imported labor. What they are faced with now are withdrawal pains—the pangs of adjustment from an easy noncompetitive labor source to a competitive one.

I wonder how many realize that Public Law 78, which we are again being asked to revive, was public law of the 82d Congress, passed in 1951. This law was something left over from the Korean war emergency—and of doubtful necessity even then.

It has expired now. We have buried it, and it should stay buried. The governmental landscape is littered with lingering relics of past programs—still in operation years after the need has ceased.

In ending Public Law 78 we ended a subsidy—a subsidy at the expense of the poorest in America. We had been holding down the wages of American farmworkers by requiring them to compete with imported foreign workers. Now we have said to the farmer, "No more cheap foreign labor. The saving of American men and their families from idleness and poverty takes priority over the saving of your crops at their expense."

In short, Mr. Speaker, we are taking away the subsidy of cheap labor and throwing the farmer into the free, competitive market for American labor. It seems incongruous for many of our farmers, especially our fruit and vegetable farmers, who so long have denounced Government interference in the economy and have boasted that they sought no subsidy from the Government, to have to depend on a special treaty with Mexico to obtain cheap labor. This is a subsidy, Mr. Speaker, a subsidy paid for not by our taxpayers, not by the farmers, but by the American farmworkers who have paid for it now in low wages and in unemployment. Now the subsidy is gone—and American farmers must seek American workers to fill American farm jobs once filled by lowly paid Mexican labor.

The labor is there to find. Unemployment in America is over 3½ million. You do not need to bring workers from the interior of Mexico to work in our fields and orchards. They are plentiful in our American cities and towns and rural slums, looking and waiting for work.

The workers will come, Mr. Speaker, if they are paid enough. They will come if they are treated well, fed well, housed well. They will come if they are offered some continuity of employment, some hope for the future.

Let me say to the American farmers who seek a revival of Public Law 78: You will need to compete with other employment opportunities. You will need to offer a better hope for the future than remaining on relief. You will need to pay men and women enough to support themselves and their families. You will find it necessary to raise wages. This, of course, is the hard way, but it can be done. We did it in Hawaii. We did it through union organization and collective bargaining. But we did it.

The other States can follow our example. Indeed, Mr. Speaker, the other States will follow our example if we do not again open our borders to the competition of the Mexican bracero or the influx of farmworkers from other low-wage areas. American workers using machines will replace Mexican hand labor. Jobs for Americans at American wages will replace jobs for Mexicans at Mexican wages.

In the long run, as our Hawaiian plantation owners found, well-paid, skilled labor is the cheapest. We are helping not only our American workers but our American farmers when we keep the border closed against a renewal of Public Law 78.

Poverty will never be ended in America while wages are kept to levels where a man cannot earn over $3,000 a year. For full-time employment this requires a rate of $1.50 an hour. For part-time work or seasonal employment, which is the case on most farms, more than $1.50 an hour must be paid. If wages which provide for a decent living are offered, the fields and orchards will be filled with men seeking to work.

Let me say, Mr. Speaker, that if the farmers of America will first offer $1.75 an hour and guarantee year-round work and can still show that they cannot get sufficient labor, it is then that we ought to consider revival of Public Law 78; but not until then.

Mr. COHELAN. Mr. Speaker, I thank the gentleman from Hawaii for his contribution.

Mr. Speaker, we were discussing a case. I want to pursue this a little further and I want to suggest to you that this is not an isolated instance. It is a pattern that emerges whenever you talk with people who have an intimate knowledge of agricultural work through the country. I think these same growers we have referred to—I will say as an aside, the proverbial bad guys, because not all growers are bad guys—who permit and support such conditions cry that there is a shortage of domestic workers and Americans will not do the work. The problem, I suggest to these people, is not a shortage of workers; it is a shortage of pay. It is a shortage of adequate housing and it is a shortage of decent working conditions. This need not be the case.

There are growers, although I suspect they are still in the vast minority, who recognize the importance of providing clean, livable housing and adequate facilities. These growers are not using foreign labor and have no problem, or very little, in finding agricultural workers.

Mr. TEAGUE of California. Mr. Speaker, will the gentleman yield?

Mr. COHELAN. I yield to my colleague from California.

Mr. TEAGUE of California. Does the gentleman not realize that as desirable as this might appear of providing housing, if a man, say, who grows tomatoes on a few acres, needs 60 or 100 extra, supplemental harvest hands for 3 or 4 or 5 days out of the year, he cannot afford to supply those 60 or 70 or 100 workers with houses for the men and their families? It would cost a million dollars.

Mr. COHELAN. What is the gentleman suggesting, then? How is he going to get his labor?

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

Mr. COHELAN. I yield to the gentleman from California.

Mr. MOSS. Mr. Speaker, it seems to me that this problem is so much more complex than my very good friend [Mr. COHELAN] is making it seem, because prices in industry rely to a very large extent upon the lower end of the work force. We recognize the need to house these people in public housing projects, projects where we have substantially subsidized the housing, but you cannot take every 40-acre tract and build housing on the land to accommodate the workers. It is going to take far more than just leaving it to the individual grower.

The large corporate farmer, the one you have mentioned, some of the large packinghouses, have the resources for the continuing demands to permit them to undertake projects on the scale necessary.

But the great majority of the people that I represent are farming less than 40 acres and are not in a position to undertake that type of program.

Mr. COHELAN. May I say to the gentleman from California [Mr. Moss] and to the gentleman from California [Mr. TEAGUE] that that being so, I feel that the same kind of ingenuity which these operators used in connection with the marketing of their crops and in the use of marketing cooperatives is that which can be employed to provide the basic requirements to get and to hold a working force.

Mr. MOSS. The gentleman is saying that industry is responsible for the public housing in our cities?

Mr. COHELAN. I will say to the gentleman that in the State of California, as he very well knows, our Governor has recently received funds from the Office of Economic Opportunity which are designed to encourage and to develop the proper kind of housing for the very type farm operators about which the gentleman is talking.

Mr. EDWARDS of California. Mr. Speaker, will the gentleman yield?

Mr. COHELAN. I yield to the gentleman from California.

Mr. EDWARDS of California. I thank the gentleman for yielding.

In accordance with what the gentleman was just saying, in southern Santa Clara County, pursuant to the program, the Economic Opportunities Act, the farmers have gotten together and they are in the midst of planning for some very suitable and comfortable migrant housing for agricultural workers of which

the Federal Government under the Economic Opportunity Act will pay 90 cents on the dollar and the other 10 cents will be put up by the community and by the growers and the farmers in that particular area.

Mr. COHELAN. I thank the gentleman from California for his comment.

Mr. TEAGUE of California. Mr. Speaker, will the gentleman yield further just briefly?

Mr. COHELAN. I yield to the gentleman from California.

Mr. TEAGUE of California. I guess the fruit and vegetable farmers are finally getting in on the subsidy. For all of these years the fruit and vegetable farmers have not been subsidized to any material extent in any way, but I suppose this will now amount to a subsidy for them.

Mr. COHELAN. Except to the extent that they were able to get off-the-shelf labor from out of the country.

One such example is 33-year-old Leonard White, production manager and part owner of Flavor Pict Cooperative near Boynton Beach, Fla. Mr. White employs 600 to 700 Negroes, Puerto Ricans, and Texans of American-Mexican ancestry to harvest his tomato and corn crops. Mr. White, whose philosophy is, and I quote:

> Try to put up a good product, but not at the expense of poverty, misery and suffering of my workers.

This gentleman provides meals at $1.30 per day, free housing and many other benefits. He also developed an incentive wage plan that encourages workers to stay the full season and rewards those who do.

Mr. White recently told a Florida newsman:

> Sure, I could exploit these people and make a million like some farmers and then give a lot of money to charity and ease my conscience and get a lot of publicity, but that is not my way. I have found it takes a satisfied person to produce well and a happy worker is better in the long run.

No grower who has made an honest effort to recruit and keep American workers is going to suffer for lack of labor to harvest his crop.

It is entirely possible that limited use of foreign workers will be permitted this year during the peak harvest season, but I emphasize again, limited—and I warn those who may misinterpret these words that it will not happen in the same proportion in any future year. The growers have had more than a year to plan for this, to clean up their camps and improve their working conditions.

Everyone who is reasonable at all realizes that it takes time. But we also realize that unless preparation is made and work started these changes will never come about. Good farm management dictates prompt recognition of labor market conditions and immediate and appropriate steps taken to insure that workmen are available to harvest the crops. Failure to recognize these facts could readily cause economic disaster for some growers.

These are the conditions of a free economic society and each grower has a right to determine his own economic future. It is only fair to warn, however, that those growers who refuse to enter into the free labor market are making unnecessary problems for themselves.

The Department of Labor is committed to use all of its resources to insure an adequate labor supply for those growers who themselves engage in efforts to recruit domestic workers. Growers have a free choice in determining their economic future. The decision is up to them.

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

Mr. COHELAN. I yield to the gentleman from New York.

Mr. ROSENTHAL. Mr. Speaker, there is another argument that the proponents of the use of foreign farm labor use that I would like to call attention to and one of the many inconsistencies in the growers' strange pattern of logic. For some time now the Florida citrus growers have engaged in a campaign to convince the Secretary of Labor that the very existence of their industry depends on labor imported from the British West Indies. They firmly contend that without this cheap, tractable labor, which cannot leave their jobs on threat of expulsion from the United States, it is impossible for growers to operate. They argue that to pay American workers enough to attract them would drive retail prices to impossible heights.

Interestingly enough, the industry takes exactly the opposite position concerning the importation of citrus fruits and products. With equal vigor, and I am sure, conviction, the Florida citrus industry has been waging a campaign with the U.S. Tariff Commission and Trade Information Committee urging that citrus be removed from the list of commodities subject to trade negotiations and tariff reductions. It is entirely possible that if they lost this battle, the housewife would realize a substantial savings in her citrus purchases.

Apparently the logical inconsistency of arguing for imported labor and against imported citrus does not get through to the grower. In the view of a citrus grower it is apparently wrong for U.S. oranges to compete in the market place with foreign oranges but a necessity for U.S. workers to compete for jobs with foreign workers, willing to work for wages and under conditions far below anything considered substandard in this country.

It is not my objective to criticize the stand of the citrus growers before the Tariff Commission, since, it is entirely possible that I would support their view. Rather, I wish to emphasize that the same standards and principles that apply to the importation of citrus products, should be applied to the importation of foreign labor.

I have heard frequent claims that wages sufficient to attract American workers would price these same citrus growers out of the market. For a moment, let us look at just what the field labor cost is per unit. Grapefruit, sold at retail for 8 to 10 cents apiece has a field labor cost of 0.2 to 0.4 cents apiece. Thus, if the grower were to double his field labor cost for grapefruit, it should not increase the cost to the housewife.

With oranges, selling at retail for 50 to 72 cents a dozen, the field labor cost is 1 to 2 cents a dozen. In like manner, to double the field labor cost of oranges should not increase the housewife's cost by more than 4 cents per dozen.

Examples of per unit retail costs and field labor costs per unit of selected farm products

Commodity	Retail price	Field labor cost per unit
Lettuce	23 cents a head	1 to 1½ cents a head.
Celery	15½ cents a pound	0.3 to 0.5 cents a pound.
Lemons	24 cents a pound	0.6 to 1 cent a pound.
Dates	49 cents a pound	1 cent a pound.
Radishes	10 cents a bunch	1 cent a bunch.
Oranges	50 to 72 cents a dozen.	1 to 2 cents a dozen.
Grapefruit	8 and 10 cents apiece.	0.2 to 0.4 cent apiece.

Source: Farm Labor Bureau, U.S. Department of Labor.

I would suggest, Mr. Speaker that the fiction and the myth that to pay a living wage to American workers would result in a skyrocketing of prices to the consumer is obvious. That is not the case, and I hope in the future this argument will not be used, because it is one without any validity whatsoever.

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

Mr. COHELAN. I yield to the gentleman from California.

Mr. McFALL. I wish to commend the gentleman for his statement, and particularly the last couple of paragraphs in which he makes a statement concerning the ability of labor to apply throughout the country. I am interested in California, as is my colleague, and they should comply in good faith with the regulations.

The regulations the gentleman is talking about, the regulations which have been promulgated by the Secretary of Labor that I am refering to, are regulations promulgated on December 17 of last year in which the Secretary sets down very strict conditions under which supplemental labor supply would be available to those who complied with them under section 414 of the Immigration and Naturalization Act.

If the gentleman will permit me, I should like at this time to commend the Secretary of Labor, Willard Wirtz, for the tremendous job he is doing in a very difficult situation. I know he has not quite finished with the job. I hope that in a very short time he will have announcements available to us concerning this program and his lengthy investigation in California of the conditions that we have in that State. I do not know what sort of determination he is going to make, but I feel that it will be an honest and a fair one. I know that he is doing an exceptionally good job under trying circumstances.

I should also like to call to the attention of the Members some language in the report on this second supplemental appropriations bill which passed the House today, and which came out of the

committee of which the gentleman and I have the honor to be members. It said:

The bill includes $560,000, the full amount requested in order to establish an expanded program for recruitment and better utilization of domestic farm labor. The committee is convinced that this is an absolute necessity if a critical situation is to be avoided as a result of loss of foreign agricultural labor due to the expiration of the Mexican farm labor program and the tightening of regulations relating to importation of other foreign labor. The committee agrees that foreign labor should not be imported if there is capable domestic labor available to do the job. However, the timely availability of labor for the harvesting of perishable agricultural products is essential. Lack of it can mean bankruptcy for individual farmers and shortages and higher prices for consumers. Timely availability of labor under current circumstances cannot be assured with the domestic farm labor programs we have had in the past. The committee strongly urges that this matter be given high priority by the Secretary and all in the Department of Labor with responsibilities in this area.

I wish also to commend our Governor, Governor Brown, for the work he has done in this field, and the administration for establishing over $3 million in the antipoverty program which will provide labor standards, rest stops, and other accommodations for the labor force in California. I would hope that with the increased wages which have been brought about by the Secretary through regulation and with strict compliance on the part of the farmers in California, we will have an increased use of domestic labor.

I hope also that regulations will be promulgated shortly indicating that there will be a supplemental supply of labor, assuming that there is a good and fair compliance by agriculture in the State of California with that regulation. I have advised the farmers in my district that they should comply in good faith. I believe that they are. I feel if they do comply, then the supplemental supply of labor will be available to them.

Mr. COHELAN. I thank the gentleman for his remarks. I know how concerned he is with the problem. I am especially pleased that he has interpreted my remarks correctly.

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

Mr. COHELAN. I yield to the gentleman from Minnesota.

Mr. FRASER. I thank the gentleman from California for yielding to me. I also want to add my compliments and express my gratitude for the work the gentleman from California has done today in calling attention to the facts—the real facts that govern the problem with which the Secretary of Labor is wrestling at the present time. I think we are all proud of the work of the Secretary of Labor. I know this is a time of transition and of adjustment.

Speaking as one who represents an urban district, I think I can say with some confidence that consumers are prepared to pay for these slight increases in those cases that were so well described by the gentleman from New York, if that should be necessary in order to provide reasonable working conditions so that an adequate supply of labor can be procured from domestic sources.

But on this question of the supply of labor, Mr. Speaker, I should like to make clear that not all of the representations that have been made seem to reflect the true facts.

Mr. Speaker, I would like to call attention to a newspaper article that appeared recently in the St. Petersburg, Fla., Times. The story was written by Peter Kramer, a Harvard-educated newsman who lived and worked in the Florida citrus groves for a week. His tour of duty was at a time when Florida citrus growers were crying the loudest about their labor shortage. Mr. Kramer noted in his article that:

From the published outcries of the large farmers and their representatives in Washington about the shortage of labor, I expected to find work easily. To my surprise, I could get only a part-time job at the Pioneer Growers Cooperative packinghouse.

Told to report to work at 3 p.m. the next day, I complied but was kept waiting until 4 p.m. For 3 hours—at the rate of $1.25 an hour—I unloaded crates of vegetables from trucks. At 7 p.m. I was told I was no longer needed, to come back at 4 p.m. the next day—Saturday. On arrival Saturday I was told there was no work, to come back Monday. No apology was made for wasting my time. It seemed not to matter.

When I asked the foreman about the lack of work, he said, "This cold weather's hurt us. There ain't enough work except for the guys that's been here regular. We've had to cut back."

This does not impress me as a situation where a labor shortage exists. In fact, it would suggest very strongly that there is a surplus of labor.

Mr. Speaker, I ask permission that this article be printed in its entirety at this point in the RECORD.

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

There was no objection.

The article referred to is as follows:

MIGRANT WORKER SERIES—I

(By Peter Kramer)

"I was better off back in 1938 than I now. They was only payin' 10 to 15 cents an hour then, but meat only cost 5 cents a pound, so at least you could eat it a couple of times a week. But not now."

The elderly, almost blind Negro sprawled on the steps of a rickety house in the laborers' quarters of a Bean City farm.

Two equally venerable companions—tattered patriarchs of their tiny community—sat beside him, enjoying brief interludes of sunshine during the cloudy, wind whipped afternoon. Around the trio, ragged children and half naked infants played in the dust amid ruins of cars and discarded tires. Strewn garbage lined the row of shabby huts. The blind man, acting as spokesman for the aged trio, went on bitterly:

"We's retired but we ain't got nothin' to show for a life of work. And our young people ain't makin' nothin' neither. It takes a top dog—specially if you's Negro—to get $1.25 an hour at them packinghouses. Only the top few get that. If you can drive a tractor you can make $77 a week—for a 10-hour day, 6 days a week.

"Worst is if you're just out in the fields picking. Take a plain celery cutter now. He gets $9.50 a day or he's paid by piecework. He can't do better than average $50 a week in a good week. And that's for 10 hours, too, with a half hour for lunch. By the time you leave the house and get home again it's 12 hours—6 a.m. to 6 p.m. That's a hard way to make a buck.

"On top of that, if you're black, you sure get the worst jobs and lowest pay, but they don't lower the prices none for you in the stores. You got to pay the same as everybody else.

"Seems like the Government ought to do something, ought to send someone down here to investigate. Otherwise we ain't gonna get nothin'. Trouble is, them people in Washington don't know what's really going on down here. So when them big shots scream about how they ain't got enough workers and how we's lazy and won't work like them offshore workers, how can the Government tell if it's the truth or not? Shoot, there ain't even enough work for the people that's here now. All that noise in Washington about them offshore workers is just so they can get more people than they need and keep pay low.

"Even when them Congressmen do come down here they only talk to the bosses and meet in big hotels. They don't come way out here and see places like this. Sure they pass laws. But it's making them stick that counts."

Rising, the old man beckoned me to follow and shuffled across the dirt road to his home—"a real slum house." He showed me the two dank, dark rooms where he, his wife and seven children lived on $65 a week, provided by a combination of social security, State, and county welfare aid and his aged wife's slim earnings of about $25 a week from agricultural work.

Fumbling about he produced a sheet of paper from the State Welfare Department, informing him his aid was being reduced because it was estimated the average agricultural worker could earn $6 a day and work 20 days a month.

"How can I buy books, clothes, and lunches for my kids so they can go to school and make better lives?" he asked plaintively.

Back outside, two strapping young men stood idly beside the wreck of a truck. They said they were idle because they were truck drivers for a local farmer, making $10 a day for as many hours but could only get work 2 or 3 days a week.

During the week I lived and worked as an agricultural laborer in and around Belle Glade, I heard the same story in varying forms over and over again from my fellow workers. Told always with a mixture of bitterness, resentment, and resignation, it boiled down to low wages for long hours of strenuous work, correspondingly high food and housing costs, irregular employment, lack of job security, and a consequent feeling of being forgotten, voiceless outcasts from organized society.

Negroes seemed worse off than whites with Latins—mainly Texas Mexicans and Puerto Ricans—somewhere in between.

In the Osceola migrant worker camp, run by the Belle Glade Housing Authority, where living conditions were better and less costly than elsewhere, a 67-year-old white woman, her face lined wtih resignation, told a tale similar to that of the old Negro's.

"When I came here in 1944," the north Florida native said in an almost toneless voice, "we was gettin' 50 cents an hour, but housing, one-room, sheet-tin shacks without water or bathroom, only cost $1.75 a week and you could work for part of it. Food was a lot cheaper, too. And it seemed you could always put away a little something.

"Now we pay $4.50 a week rent for them tin shelters. They's the same houses we was paying $1 for 20 years ago except they's older and in worse shape. They boil in the heat and freeze in the cold because there ain't no insulation. And if you lock them up tight in winter to keep warm, the warm air inside turns to water on the cold roof and they sweat on you all night. For food, we have

to do a lot with pinto beans. Funny how prices always keep ahead of wages."

The woman said she couldn't live on her social security alone and had to work sorting radishes for Sam Senter Farms, Inc. She said she was paid 85 cents an hour and could get work only 4 days a week, "some days for 2 hours, some for 14."

Pointing up job insecurity, the woman told of two Negro employees who were fired for taking Christmas Day off—without pay—against instructions. "And they was two of his best and oldest workers, too," she noted.

My own experiences confirmed the bleak reality that lies at the center of the vegetable worker's persecution complex.

Applying for a job through the Florida State Employment Service in Belle Glade, I was worried my name might be known due to my stories on Florida's citrus pickers that had run in the Times the same week. I could have spared myself the concern.

Farmlabor placement man C. A. Brinks, Jr., never asked my name on the two occasions I saw him. He simply asked if I could drive a truck. When I said "no" and that I wanted to do agricultural labor he gave me a list of three packinghouses—since whites rarely do or are accepted for fieldwork—and the names of the people to see at two of them.

From the published outcries of the large farmers and their representatives in Washington about the shortage of labor I expected to find work easily. To my surprise, I could get only a part-time job at Pioneer Growers Cooperative packinghouse.

Told to report to work at 3 p.m. the next day, I complied but was kept waiting until 4 p.m. For 3 hours—at the rate of $1.25 an hour—I unloaded crates of vegetables from trucks. At 7 p.m. I was told I was no longer needed, to come back at 4 p.m. the next day—Saturday. On arrival Saturday I was told there was no work, to come back Monday. No apology was made for wasting my time. It seemed not to matter.

When I asked the foreman about the lack of work he said, "This cold weather's hurt us. There ain't enough work except for the guys that's been here regular. We've had to cut back."

Back at the Florida State Employment Service office, I asked Brinks if there wasn't something else I could do. He shook his head. "The freeze we had in mid-January really killed things here," he said. "We've sort of got to grow a whole new crop." He said there was no point in going over to the east coast or Immokalee because "things are probably even worse there. When the work's going, this is the center." He offered no suggestion as to how I might stay alive until the work "got going."

I sought a room at a large, rundown rooming house known as Rutledge's in Chosen, near the Pioneer packinghouse, but was told there was nothing available. The landlady added if anything opened up I could have a sleeping room with a bed but no water, bathroom or even a dresser for $10.30 a week.

At Mrs. Hill's shabby camp, run by the mother-in-law of Belle Glade Police Chief Charles Goodlett, I was told a tumbledown, furnished shack, without bathroom, would cost $15 a week. Garbage littered the camp, beside which ran a stagnant, reeking canal, covered with green scum and swarming mosquitoes.

I finally took a $3-a-night room at Fears Hotel in Belle Glade, for which I paid daily. On my last day, Mrs. Fears told me her books showed I owed 2 days' rent. We argued until I indignantly produced receipts I'd had the foresight to request. She apologized, saying she wasn't trying to cheat me and didn't run "a place like that."

I did not doubt Mrs. Fears' honesty, but the incident shook me.

For I could not help wondering, had I not had the receipts—which few agricultural workers would have requested—would Mrs. Fears have believed her records or me?

And had the police been called, whom would they have believed? An elderly, respected citizen, or a shabby migrant worker like me, without money, home, property or rights?

Mr. TEAGUE of California. Mr. Speaker, will the gentleman yield?

Mr. COHELAN. I yield to the gentleman.

Mr. TEAGUE of California. I think it should be pointed out, if I understood the gentleman correctly, that he was talking about packinghouse labor. Braceros are not allowed to be used in packinghouses but only in the fields. So the situation the gentleman cites in Florida would not, it seems to me, be pertinent to our problem with reference to harvest labor in the fields.

Mr. FRASER. I thank the gentleman for his comments. I think the problems here that are described are peculiar perhaps to the situation in Florida and not so much the problem in the State of California. But the fact that there apparently was a surplus of labor is the point that is significant here.

Mr. TEAGUE of California. It might well be that there was a surplus of packinghouse labor but there are a lot of people who will do packinghouse labor but will not do field labor and I feel that should be pointed out.

Mr. FRASER. I am one of those who subscribes very much to the free enterprise concept but when there is a surplus of labor and we know there are a million unemployed Americans today, it seems to me that when we cannot get a person to do a particular kind of work, the problem is that we are not paying that person enough. That is the simple fact and that has been the fact in terms of all the problems that this country has when we seek to employ people to do a particular kind of work.

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

Mr. COHELAN. I yield to the gentleman from California.

Mr. DYAL. Mr. Speaker, I appreciate the gentleman yielding to me so that I may compliment the citrus growers in my own district for their efforts in the last years to retrain workers and to bring their prices and the payments they have made to workers up in order that they can move into this situation in an adequate way.

I feel also that I should compliment the Secretary who took time out of his busy day to talk to our grape growers and to listen to their problems.

I am one of those who feels definitely that the bracero program is all through—it is done.

I appreciate the remarks of the gentleman on this side, and I would like to associate myself however with the remarks of the gentleman from California [Mr. McFALL]. I feel we must be continually reassured when the crops are at their peak that then we are certain we will have adequate help to take care of the crops.

Mr. COHELAN. I thank the gentleman for his contribution. I think that the record we have made here this afternoon speaks quite adequately for itself.

Mr. MATSUNAGA. Mr. Speaker, I ask unanimous consent that the gentleman from New Jersey [Mr. THOMPSON] may extend his remarks at this point in the RECORD.

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

There was no objection.

Mr. THOMPSON of New Jersey. Mr. Speaker, for a great number of years many of us from the so-called industrial States of the Northeast have conscientiously given our support to various types of legislation designed to aid the farmer. We have recognized that such things as price supports for farm products are not sectional or partisan issues but rather of national importance. The economic viability of the American farmer is of immediate concern to every American, and I think none here would dispute this.

But while we have exhibited such concern over the years for the welfare of the farmer, I am afraid that for the most part we have sadly neglected another vital aspect of the problem—and that is the welfare of the farmworker. And I refer especially to the migrant farmworker.

By allowing Public Law 78 to terminate, this body has indicated its awareness of some of the deficiencies among our American migrant farmworkers, but it has neglected to follow through with positive programs to improve the lot of what amounts to a sizable segment of our national work force.

In years past the plight of the migrant farm laborer would be briefly uncovered by a documentary television program such as "Harvest of Shame," or by occasional newspaper or magazine articles. The national conscience would be briefly pricked at the realization that the average migrant farmworker earns less than $900 a year, that he has almost none of the protections guaranteed other workers, that he is specifically excluded from minimum wage and overtime regulations, that he has no Federal protection of the right to organize and bargain collectively. Our national conscience would be pricked at these and other shameful facts, but little would be done about it.

Today, however, for the first time in many years, we are at the crossroads in our migrant farm labor problems. The expiration of Public Law 78 and termination of the use of offshore labor has resulted in wide attention being focused on the domestic farmworker. His capabilities, his willingness, his dependability, and above all, his plight, is being discussed, debated, and written about throughout the country, as well as here in the Halls of Congress. But it is primarily here in the Halls of Congress that the problem can be greatly alleviated.

There are bills pending before both Houses at the present time aimed at bettering the migrant's lot—bills on daycare, child labor, sanitation, and so forth. We have finally passed a law dealing with crew leader registration. But this is not enough. These American farmworkers deserve the legislative benefits of our

national conscience every bit as much as do our industrial workers.

We have proved our concern for the farmer down through the years. The welfare of the domestic farm laborer is no less urgent. He is an American citizen. He has a family. He is a consumer. He has the right to expect the opportunity to share in our national affluence.

As I said, we are at the crossroads of this problem. The problem has been illuminated and dramatized by the recent visit of Secretary of Labor Wirtz to California where he found deplorable conditions and a blazing need for improvement. Now it is largely in our hands as to which road to take. As for myself, I favor the road leading to a stable, reliable, healthy farmwork force with a positive stake in the Nation's agricultural future.

I believe we can take that road by enacting legislation which will grant to the farmworker those benefits already enjoyed by the rest of the work force—minimum wage, proper housing, education and health facilities, the right to organize and bargain collectively—in short, the rights of full citizenship.

For the farmer, the grower, this is good business as well as good citizenship. The old maxim of value given for value received is no less true here than elsewhere.

I believe we have every right to expect the rest of the country to advocate these needed improvements just as they have a right to expect our continued support of the farmer.

As the welfare of the farmer is a national not a partisan issue, so is the welfare of the farmworker.

I hope this body will act on this pressing matter, and act now.

Mr. EDWARDS of California. Mr. Speaker, Public Law 78 was enacted in 1951. The Korean war had created a temporary male labor shortage and it was necessary to import Mexican workers for seasonal agricultural labor. This shortage does not exist today. On the contrary, the State of California, which in previous years has used 63,000 Mexican nationals in our plantings and harvest, suffers from a pool of unemployed of more than 400,000.

I represent the easterly half of Santa Clara County, one of the fastest growing and most prosperous counties in the United States. Yet, in January of this year, the rate of unemployment in Santa Clara County was 8.3 percent as opposed to a national average hovering around 5 percent.

Amongst the families who have settled in Santa Clara County are large groups of people whose customary means of earning a living is in agriculture as farm laborers. The majority of these families are of Mexican-American descent. Santa Clara County is second only to the County of Los Angeles in the number of Mexican-American residents. The third is Alameda County, of which I represent the southerly one-half. Although exact figures are not available, the best estimates are that the Spanish-speaking population of the metropolitan San Jose area is from 75,000 to 100,000, of which perhaps 20,000 are farmworkers. They are fine people. I am proud to be their representative in Congress and an important part of my job is to protect their interests.

The bracero program of the importation of foreign agricultural workers continued even after the labor shortage of the Korean war no longer existed, and increasing damage was done to residents who normally earn their living as agricultural workers. The rate of unemployment of agricultural workers in my counties runs as high as 20 percent. Twenty-three percent of the welfare cases of Santa Clara County are of Mexican-American origin.

The Congress refused to extend the bracero program past December 31, 1964, and there is no doubt that the termination created serious problems for the 3 percent of the American farmers who have become accustomed for 14 years to having the Federal Government arrange for the periodic importation of low-cost Mexican labor. The Department of Labor of the United States and California authorities are energetically cooperating with the farmers in efforts to develop a satisfactory domestic labor force. The program has been successful as of this date and there is no evidence of serious crop loss because of the unavailability of satisfactory labor. The domestic workers are available. There is no shortage of manpower in our country to do this work. The difficulty is that the farming industry has not been exposed to the forces of a free labor market for 14 years and, therefore, has not developed wages and working conditions sufficient to attract an ample labor supply.

Today, agricultural workers are amongst the lowest paid and poorest sheltered workers in the Nation. They receive few of the benefits enjoyed by labor as a whole. Most live under pitifully degrading conditions. More than 80 percent of farmworker families live in dwellings which violate standards of health, safety, and comfort. Nearly 65 percent of the dwellings occupied by fieldworkers are dilapidated or deteriorated. Pit privies still serve 33 percent of the dwellings occupied by general fieldworkers. Thirty percent of the dwellings have no bathing facilities and 25 percent lack even a kitchen sink or running water.

Our job is not to extend Public Law 78 or to permit the importation of foreign workers under any other law. Our job is to make the fullest and most effective use of our domestic labor supply. To do this we need to reappraise farm wages, health and retirement plans, housing and all the other areas that concern working men and women.

No doubt a good part of agricultural work is difficult and unpleasant. But this is not the whole picture. The rest of the picture is that wages for this work have been less than that paid for other kinds of work which are just as objectionable. We have had increasing complaints against the importation of these hundreds and thousands of foreign laborers, being paid wage rates as low as 60 cents an hour, while more than 4 million American men and women are unemployed.

It is ridiculous to say that American agricultural workers will not do stoop labor. Domestic farm laborers will perform stoop labor, but not for stoop wages and indecent living conditions.

Mr. Speaker, the experiment of offering wages and benefits for farm labor which would be comparable to those available in industry has never been tried. But it is the clear intention of Congress that the farmers can never again expect Government authorization for the mass import of cutrate foreign labor to harvest American crops.

It is up to the farmers of America, assisted by the Government and labor organizations, to seek in good faith the development of an efficient, dependable, and permanent program to develop a dependable domestic force.

GENERAL LEAVE

Mr. COHELAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on this subject.

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

There was no objection.

CROPLAND RESTORATION PROGRAM OF 1965

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Missouri [Mr. HALL] is recognized for 60 minutes.

Mr. HALL. Mr. Speaker, I have today introduced a bill which can well be called the Soil Restoration Act or the cropland restoration program of 1965. This is a bill which I have disseminated among many members of the House Committee on Agriculture, and even in the other body, but today's edition is revised, especially on page 8.

It is not presumptuous, after 15 to 18 months of work and research, for a Member from a rural area and who is privileged to represent those engaged in farming to submit such a bill, even though he may not be on that esteemed Agriculture Committee.

As a member of the Armed Services Committee, I realize fourfold that armies travel on their stomachs and that we must maintain our basic economy from our God-given resources in this Nation, if we are to continue to be successful in business, industry, defense, or any area which involves consumption of food and fiber stuffs.

There obviously is confusion about the handling of the farm problem in these days in the executive branch and the Department of Agriculture. Certainly, yesterday's Presidential message on the subject, and even the state of the Union message, indicated only a continuation of the same problems.

There is little agreement among the various farm organizations, and farmers continue to leave their homes. Therefore, I say it is propitious, if we have a solution, that it be advanced toward the solving of the farm problem.

The general purpose of this bill is so that the Secretary of Agriculture, in determining the price to be paid to the farmer for soil restoration, will always consider the supply of each commodity. When a surplus threatens, the price offered for a soil restoration crop will be higher, thus making it more profitable for the farmer to utilize a second market, or a restoration market, if you please. When shortage threatens, the price offered for soil restoration would be lower, thus providing an incentive for the farmer to shift from the soil restoration market directly back to the commodity market.

In fact, the Secretary of Agriculture could, contrary to the present practices of subsidizing those who turn farms into the conservation reserve or wasteland, let them grow up with winged elm or cedar or buck brush, and they could not be then put back into production for a long time. This would actually be declaring a privilege of restoring the soil in this program that I am presenting.

Under this program the farmer himself will have four options, which Members will note involve the consumer.

First. He can accept the Government offer for a soil restoration crop to be plowed under, thus enriching the soil for future generations, as well as nitrogenizing it, and other requisites.

Second. He can reject the offer at the time that the estimate is made per dry ton of cover crop and go ahead and produce on the commodity market.

Third. He can ignore the Government offer and after producing his "mother crop" grow a second crop in that same season.

Fourth. Finally, he may well elect to reject the first option and plow under, and then farm improved land, including pastures, not only this year but in future years; or he may do the selfsame each year.

I wish to state specifically, before getting into the body of this talk, that the cost, contrary to what some have estimated about the general farm bill, will be less than at present or less than under the bill the Farm Bureau has submitted, because at present we are considering that it will go into effect in 1966 and will be offset by the cost of the price support program and surplus storage being reduced.

This will easily eliminate the cost of surplus storage or production. Second, it could be blended into part of the administration program which advocates a long-term 40-million acre conservation reserve, because on the basis of samplings taken the length and breadth of this country, over $60 million will be placed in this cropland under the existing program on a voluntary basis, because it becomes profitable to the farmer. At the same time it is well worthwhile for the consumer.

Finally, this bill is not back door spending since the Committee on Appropriations has to appropriate funds under section 107(c) annually.

Mr. Speaker, I would like to present today an analysis and suggested solution to the farm problem of the United States. It is based on the last two chapters of a book written by E. M. Poirot, of Golden City, Mo., entitled "Our Margin of Life."

"Gene" Poirot is a member of the Southwest Missouri Farm Advisory Council, whose advice I have often sought for guidance and comments on farm issues.

I hope the House Committee on Agriculture will invite him to appear and to explain in detail the mechanics and the genesis of the solution I am suggesting for consideration by the Congress. The Kansas City Star, in reviewing his book last year, called it the best book on conservation in the last decade. But "Our Margin of Life" is much more than merely a book on conservation, as the two major farm editors in southwest Missouri will attest. It is, in my humble opinion, the most appealing and the most practical answer to our farm problem yet presented, and I believe it offers a basis for unified action, on which all major political parties and farm organizations can agree, along with the producers and consumers of farm products. I am offering it in bill form today and hope the House will take the time to give it the analysis and study required to make an informed judgment.

It would appear to me that we now have no "consensus" on the farm problem or laws thereunto, but most people agree there is too great a variation between income to the producer and his increasing costs as a consumer.

To solve this problem we must upgrade the producer's income, while at the same time restoring our soil and maintaining it as this Nation's margin of life.

Herein lies a program that for the first time considers the consumer as an integral part of this nationwide problem, and at the same time will not disrupt the entire basic economy of the rural community.

It can and will maintain family farms as a unit and in my opinion cost far less than present programs while eliminating costly surpluses, restoring our margin of life, the soil, for future generations, and stimulating the farmer to use his inherent and acquired know-how toward the ultimate goal of not only soil and water retention, but for utilizing the present state of technology. From such a program can come an end to the shift away from rural oriented communities toward our already overpopulated urban areas, better nutrition, and a new attraction at the rural level for industrial expansion in the food and fiber processing and distribution fields.

The correction of our previously futile efforts toward stabilizing the rural economy, as well as assuring food and fiber for the consumer, cannot come about by perfecting an imperfectable system. A new approach is needed, and I believe it is at hand.

Although this preview will be followed up with the details of the program, I suggest for consideration by the executive as well as the legislative branch of Government, the point to be made today is that the approach I offer is broad enough in scope to be applicable to the many and diverse areas of farming, and it is voluntary as well as profitable for the producer.

I am convinced it can stand the test of study and debate and urge that it be considered with a view toward implementation and further improvement if that be possible.

I earnestly urge its detailed consideration and adoption by all concerned. There is no pride of authorship in this obviously composite and cooperative effort. Mr. Poirot, a master farmer and soil scientist has shown the way. You all have a copy of his book. The Farm Bureau concurs in all but section 103 of the bill which it has not seen. Other farm organizations surely can have no objection when they have an opportunity to see the bill we are introducing today along with an invitation for all to participate and adopt for their own. The Department of Agriculture and the administration should hail it as a logical, long ranged, experience based and proved requisite for both eliminating our surpluses and excessive storage while conserving for future generations.

Today the farm problem is different things to different people.

To the farmer, the farm problem is essentially, low income, surplus accumulation of products, depleted soil, and a market limited to food and fiber production without his control over the cost of what he buys or sells.

To the consumer, the farm problem is the need to maintain an abundance of food and fiber, better in quality, reasonable in price and the assurance that the population explosion does not one day turn our surpluses into dangerous deficits.

To the rural economy the farm problem is to strengthen demands from the farms for supplies and services, and to maintain a flow of farm products in exchange for products from the other elements of our economy.

All of these problems can be solved for farmer, consumer and rural communities, if farmers are provided with a chance to produce for a "second" or alternate market, which buys a suitable farm product at a predetermined price in direct competition with the present market for food and fiber at the supply and demand price the consumer offers.

The second market of which I speak, and which is the nucleus of the program I recommend, is the soil restoration market. The shortcoming of the old soil bank plan was that we paid farmers merely for letting land stand idle, rather than giving him an incentive for restoring that soil for future generations.

In order to be effective for the farmer this "second market" should:

First. Buy tons of a suitable crop growing alone for one year which by its yield measures soil productive values and those added by the farmer.

Second. Buy the suitable crop at a definite preannounced price which is high enough to give the farmer the equivalent of "parity of income," "a minimum wage," or a "cost of production," but

even more important high enough to keep the national agricultural productive capacity in line with the demands of our increasing population, now and projected.

To the farmer this means an increased net income from the fixed price per ton of the second market because production for it comes from his less fertile land. He also has a net income increase from producing food and fiber on his richer land where costs per unit are lower. He has freedom to produce for either market according to his judgment based on his costs of production and the prices offered for his products.

In order to be effective for the consumer the second market should:

First. Buy tons of a crop proving the degree of soil, restoration accomplished so as to encourage soil improvement for higher yields, thereby resulting in greater net profit to the farmer without a great increase in price to the consumer.

Second. Buy at a definite preannounced price high enough to encourage farmers to continue soil restoration for the present and the future to protect our soil potential to produce for more people in coming generations.

The consumer will then have abundance in proportion to his demand for it. Food and fiber grown on better fertilized land as measured by the yield of the suitable crop—now already known for most soils—will be higher in quality and in many cases nutritional value. The cost of this abundance will remain low to the consumer because the second market will control its price level. The farmer will make extra profits by lowering production cost per unit on the richer land. The money used in the second market, and the labor and management of the farmer will pay the cost of improving poor land to be used to produce for the consumer year after year in generations to come. This will assure the consumer abundance and better quality at reasonable cost for the present and the future.

In order to be effective for the rural economy the second market should:

First. Buy tons of a crop growing alone for 1 year which measures soil fertility and soil restoration. Both of these are to be done at the farmer's cost, for the purpose of increasing his yields so as to earn the higher per acre payment.

Second. Buy at a high enough price to give the farmer a net profit floor for his acres below which he need not go in shifting production to any other crop and which he can offer as security for any borrowed capital.

The local economy will be assured a continued farm demand for supplies used by the farmer and the farm family in the production of products for both markets. The productive capacity of the farms in the community will be maintained or increased as the demand by the consumer becomes greater. This increased capacity in the hands of the farmer cannot result in surplus accumulation as it does now. Any market buying a nonsurplus producing crop at a price high enough to result in a net profit, will prevent surplus accumulation in any product the consumer wants to buy, at a lower net profit to the farmer. If the nonsurplus crop bought in the second market causes the restoration of poor land, then in addition to the immediate net profit features mentioned above for the farmer, it will reduce his per unit cost of production. It will provide the consumer with abundance at a reasonable price and safeguard the rural economy all at the same time.

In actual practice for the Corn Belt the suitable crop could be sweet clover grown at the farmers expense occupying the soil alone for 1 year to be bought at $25 per dry weight ton—more or less—plowed under at any time the farmer may wish to sell it and grown on any amount of his acres of cropland in any number of tons he may choose to grow. Preliminary estimates indicate that a second market offering to buy a suitable crop at the price of $25 per ton would take out of production 20 percent—60 million acres—of our cropland at a cost near $2 billion and thereby eliminate the following: Cost of surplus storage, cost of giveaway programs, present acreage control costs, the cost of present soil improvement practices partly paid for by the Government, and other cost related to those programs providing Government financing to low-income farmers.

The cost to the Government for doing soil restoration this way is more than justified as a measure for protecting the health and food supply of all citizens. It is a long overdue attempt to hold the food producing resource of soil fertility at a level even now too low to be safe for supplying the needs of our increasing numbers of people. The cost of restoring this food producing resource becomes a ridiculous argument when we are already paying for the destruction of the mineral resources of coal, oil, rock, and so forth, by allowing a "depletion" figure up to 27½ percent of gross sales to be taken from income taxes as a cost item for those who mine these resources and who cannot return them for future use. The "second market" suggested here pays for returning our one indispensable natural resource of soil plant food, our margin of life by employing farmers to do so at a living wage income, a floor below which production for any food or fiber need not go.

Offering farmers, 43.4 percent of whom are already poverty stricken, an opportunity to do something of such real value for an earned profit, removes the sting of failure, revives hope, courage, pride, and the will to try again.

It is a far departure from present farm programs run by an ever-increasing number of people giving ineffective directives, enforcing restrictions, complicating participation, and earning more money than most farmers do; for administering crop control and a soil conservation program which has not worked. Its failure is emphasized by the facts that during the past 10 years farmers have produced 95.5 percent more products, used three times more plant food from our soil than that returned in fertilizer, suffered a 10.8-percent net loss of income, and have brought poverty to 43.4 percent of their families. New farm programs following the old path will add insult to already evident injury.

I call upon the Congress and the various farm organizations of the United States, plus the individuals interested as operators, consumers, or the entire rural economy, to address themselves immediately to the forthcoming bill based on restoration of the soil, and including soil restoration market so that we may maintain our balance of life in nature, predicated on the greatest basic God-given resource that any nation has ever known, namely its producing soil, toward maintaining our margin of life. We are indebted to the master farmer from the Ozarks, Mr. E. M. "Gene" Poirot, R.F.D., Golden City, who wrote the book by the same title, that was distributed to every Member of Congress last year by the undersigned and this year by Senator STUART SYMINGTON, the senior Senator from Missouri. I commend it to your earnest attention as the correct approach and ultimate victory over our staggering problem, if we are, in these days of increased national product and delivery means, to be not only a producer for our consumers domestically, but our brother's keeper the world over.

Mr. Speaker, I ask unanimous consent to include the two principal newspaper letters to me concerning this particular bill, and/or the book "Our Margins of Life," Springfield Newspapers, Inc., Mr. Tom A. Ellis, farm editor; and from the Joplin Globe Publishing Co., Mr. Bob Cooper, farm editor. I think they will be worthwhile to all concerned.

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

There was no objection.

SPRINGFIELD NEWSPAPERS, INC.,
Springfield, Mo., March 24, 1965.

Representative DURWARD G. HALL,
House Office Building,
Washington, D.C.

DEAR DOC: Sorry I couldn't meet with you and Gene Poirot this past weekend when you were home, but at that time I had had no opportunity to go over the copy of the bill you propose for agriculture, nor to consider the amendments he would include. Last week was a busy one with Johnny gone a couple of days right at the weekend when things hum the busiest on a newspaper.

Doc, I think that while you and I are on opposite sides of the political fence, not to mention being several degrees apart in our whole political philosophy, we still have room for a lot of respect for each other's integrity and intentions. Now in the matter of this bill I think we are finding common ground. I've known Gene and his theories much longer—not necessarily any better—than you. We both think he has something that is really promising. Moreover, we both know that what has been tried in the past in the way of Federal agricultural policy has not worked too well—the pain may have been alleviated, but it was not cured after fair and long trial. Now here is something that might work; in fact, I'm convinced it will work if given a chance.

Moreover, I think the chances for this bill are better than at any time in years.

The President will call for greater land retirement and for longer periods of time, I understand, in his next message on agriculture. Leon Keyserling, architect of much of the Democratic economic policy of recent years, points out that America is not tackling the farm problem properly—and has not been—probably because the country does not really recognize what the problem is; suggests that we are worrying about surpluses when we should be infinitely more concerned about the future and its demands on what now appear to be the limitless capacity of our farmers to produce. Just as Gene has been doing, Keyserling is worried about depleting our great soil resources when we ought to be conserving and building them, and because we are pauperising the farmer to whom we must increasingly turn in the future in dependence for our very existence.

Now the time is ripe and Gene's plan is ready. I'm enthusiastic about your proposal to write it into law. I hope you will accept the changes he would incorporate. Here it appears to him—and I must agree—is the kernel of the plan; the thing that will keep the plan voluntary, yet draw in the farmer on a basis of commonsense and good business.

Therefore, the year-to-year flexibility proposes is essential—the Governor to slow down the agricultural machine when abundance threatens to become burdensome surplus, or to speed it up in years when leanness might become scarcity. It's a beautiful solution: purely voluntary, the threatened and incipient surplus incorporated back into the soil as a deposit for future sight drafts in time of need; a plan that will be cheap for the consumer and taxpayer.

The incentive to true conservation is there: it will pay the farmer to conserve and to build the productivity of the soil he conserves—actually to build marginal land to higher productivity even while it is lying fallow.

Now, Doc, you and I know what most Americans do not know, that soil depletion even in this enlightened age is still tremendous. Well, this is the time to tell America—the time when Americans after a national lifetime of apathy and indifference to conservation will be eager to hear and to heed. The population explosion is getting big headlines—we've published perhaps a dozen major stories on it in this still new year of 1965. That publicity will continue with ever greater emphasis.

Therefore, Americans are willing to believe now that that vague possibility of a dimly distant future shortage is no longer vaguely possible and in a dim future, but is actually and alarmingly almost on us, no further away than tomorrow. We mustn't let an alarmed America buy phony panaceas when we know a real cure is at hand.

I've gone to this trouble to try to convince you of my enthusiasm and my humble support. I honestly think that properly spearheaded by some one outside their ranks, this theory can be sold to farm organizations. (What can even the Farm Bureau find wrong in it when it fits its own policies of Government hands off and voluntary cooperation by the farmer? Yet, I warn you, that will be your toughest hurdle for you'll need the cooperation of all, and so help me, I've never known them to agree on anything.)

I may be a nasty critic, but I'm an honest one; and here is one case where I'll help you all I can. The only class of people for whom I have a soft place in my heart is the farm class—the poor, downtrodden, godawfully efficient, helpless sons of the soil.

Respectfully,

TOM A. ELLIS,
Farm Editor.

THE JOPLIN GLOBE PUBLISHING CO.,
Joplin, Mo.

DEAR GENE: Thanks so very much for the book. I shall treasure it for years to come and it will always occupy a prominent spot in my library.

Mr. Hall's farm program, as outlined in the draft you were so kind to permit me to read, is like a fresh breath of air after being in a smoke-filled room from several hours. Some of the points have been incorporated in proposed farm legislation of the past, but I have never witnessed so many good and realistic ideas in one message, specially your additions.

The flexibility feature is particularly appetizing, and the element of choice it leaves for the producer. The soil restoration principle is the "gizzard" of the whole thing, and I hope that we have become enlightened enough in agriculture that this much must, not maybe, be done.

The element of self-determination is involved (alien to most farm programs both instituted into law and just discussed in past years) in which you state in your notes the farmer can make a judgment on balancing off the Government route with the free market, or enterprise, avenue.

I first thought the idea of unlimited tons grown on any number of acres was a bit prodigious, but the force of market factors would rectify that provision within reasonable bounds. The point you make in a scale of values (p. 3) as to potential yield and incentive for even higher restoration qualities of the soil is well taken and caught my eye. This is further broadened in the proposed year-to-year adjustment in Government payment rate given in section 4 on page 3.

The words "incentive," "encouraging," "restoration," "soil improvement" indicate good soil stewardship resulting from agricultural know-how and acumen—and Dr. Hall should be commended to be interested enough and concerned to a degree to go to farmers for ideas. It makes me think, possibly there is a chance of sanity in modern, Federal farm programs. The program drafted by the Congressman, with your addendums, is a giant stride in that direction.

You will note I have little to add to the draft of the fine program; and, this is simply because I endorse the principles embodied in the proposed program. Any changes that I would suggest would be minor in content.

The program as outlined, again in contrast to so much of the past, is farsighted, inclusive, and takes into consideration our responsibility for preserving the soil for future generations, at less cost by the by than current methods, now ranging over $7 billion.

Thank you Gene, for letting me look this over. I found it edifying, informative, revealing, and encouraging.

Lang Rogers inspected it, too, before I sent it back. And thank you again for your book. You must be (or should be) very proud.

Very truly yours,

BOB COOPER.

Mr. HALL. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and that all Members have 5 days in which to comment on this bill, if they so desire.

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

There was no objection.

Mr. TEAGUE of California. Mr. Speaker, will the gentleman yield?

Mr. HALL. I will be glad to yield to the gentleman from California [Mr. TEAGUE] who has had great experience on the Committee on Agriculture and in the farmlands of California.

Mr. TEAGUE of California. Mr. Speaker, I thank the gentleman very much for yielding. I want to compliment and commend the gentleman for his interest in still another field. The gentleman from Missouri, Dr. HALL, is certainly one of our most able Members. I had not realized before he had so much interest in and knowledge of the field of agriculture as he does. I have had a chance to make a preliminary review of this problem, and it seems to me this legislation has considerable merit. I thank him for bringing this to the attention of the Congress.

Mr. HALL. I thank the gentleman from California for his statement.

A REPORT ON CONSUMER CREDIT

The SPEAKER pro tempore. Under previous order of the House, the gentleman from California [Mr. HANNA] is recognized for 60 minutes.

Mr. HANNA. Mr. Speaker, we have taken this time to present to the House a report on consumer finance. As a member of the Subcommittee on Consumer Affairs of the great Committee on Banking and Currency, we have developed a growing conviction that all Members of Congress should be more fully informed on this subject. The many States which have provided for an Office of Consumer Affairs in recent years, and the action of our President in setting up such an Office in the White House is ample testimony that this field is commanding and receiving more attention from the executive branch. It should be of equal concern and receive as much consideration from the legislators.

In a recent release through the Editors' News Service, Mrs. Esther Peterson, Special Assistant to the President for Consumer Affairs, is quoted as saying:

> The most pressing need for the modern consumer is adequate and accurate information throughout our volatile marketplace, fuller and freer flow of information is a need of all segments.

Mr. Speaker, it is a need here in this body as well. The dynamic, dramatic growth of consumer finance and its importance to, and impact on, our economy must be better understood by all of us serving in Government. We entertain some small hope that our colleagues will find this report educational. We hold no expectation that the material will entertain.

SCOPE OF STUDY

Total consumer indebtedness includes four major components: First, short and intermediate term installment credit; second, short and intermediate term noninstallment credit; third, mortgage debt; and fourth, security loans and policy loans—loans secured by cash value of insurance policies.

The first two components are commonly referred to as consumer credit.

The first is consumer installment credit. All four are called total consumer debt.

Our primary concern will be with consumer credit. Further, there is a certain unavoidable emphasis on consumer installment credit since a great number of worthwhile consumer studies limit themselves to this more specialized area.

There is some treatment of the other components of consumer indebtedness. The supplementary file includes a section attempting to place total consumer debt into perspective vis-a-vis other national statistics. Also, a section in the second half of the presentation considers some problems in the mortgage field.

Statistics and all other material are usually as up to date as possible. However, when recent events were not crucial to a particular study and when analysis had been done last summer, the material was not brought up to date.

A. GROWTH OF CONSUMER CREDIT

First. Long-term credit growth:

The amount of consumer credit outstanding has grown from $8.3 billion in 1946 to $76.8 billion at the end of 1964. Since 1950, growth proceeded at a rate of nearly 7 percent a year. Growth in recent years—1955–63—has been slightly more rapid, averaging 7½ percent a year.

Installment credit, especially automobile paper—auto production was 4.1 percent of GNP in 1964; 7,892,000 cars—sparked the consumer credit growth in the early postwar years—1946–55—and totaled nearly three-fourths of total consumer credit in 1955. Since the mid-1950's, the growing importance of installment credit relative to noninstallment credit has continued, though this relative growth has been at a much reduced rate.

Consumer credit growth in part reflects the dynamic change and rapid growth in the whole economy. But consumer credit growth reflects more than general economic growth since long-term consumer credit growth has exceeded overall economic growth. Equivalent to 7.5 percent of the gross national product in 1950, consumer credit outstanding was equal to 12 percent of the GNP at the end of 1964. As shown in the supplementary files, however, this rapid growth of consumer credit has been matched since the mid-1950's by the expansion of total net private indebtedness.

Consumer credit has grown so quickly for a number of reasons. The best analysis of the reasons for this growth deal with the installment credit field. Reviewing this material is probably the most convenient method for understanding the long-term growth of all consumer credit.

Consumer installment credit grew because it filled a need. Products were being developed that were attractive to consumers and amenable to mass-production methods but too costly to be widely purchased without extensive resort to types of financing other than current income.

The automobile played a central role in the development of consumer installment credit. Its relatively high price and its great attraction for consumers stimulated installment selling. Even before World War II the first finance companies were organized to handle the consumer paper generated by automobile installment sales.

The spread of installment credit thereafter can be explained, to a great extent, in terms of its growing social acceptability as well as its practicability as a method of financing. Each use of installment credit made subsequent uses easier. Financial arrangements for the extension of such credit were gradually improved and acquired increasing respectability in the financial world. Similarly, each additional person using installment credit made it more likely that other people would use it.

Once proved successful for one type of product, installment credit was inevitably applied to others. Thus the growth of installment credit reflects not only the growth in sales of goods suitable for financing in this manner but also the successive inclusion in its orbit of one type of product and service after another. Other important influences causing growth of consumer installment credit have been changes in maturities and downpayments; in proportions of sales that involve credit; in finance, insurance, and other charges; and in renewals, refinancing, and defaults. For a more complete explanation, see the analysis of the types of consumer credit later in this paper. Also, see the Federal Reserve, "Consumer Installment Credit," volume I, part 1, chapter 7, and pages 142–143.

Second. Growth in recent years:

The current period of consumer credit expansion began in mid-1961. Growth since then through 1964 has totaled over $20 billion. This is the largest dollar increase on record for any single continuous period of expansion. But, since the rise started from a much higher base than did previous expansionary movements, growth so far has increased the outstanding debt by only one-third, as against an increase of nearly one-half in the 1954–57 expansion.

(A) Installment credit has continued to be the most dynamic segment of consumer credit. It has grown 39 percent since mid-1961. Yet, like total consumer credit, installment credit's growth has not percentagewise been as steep as in previous periods.

As chart I shows, the usual pattern of past expansions—a phase of very sharp acceleration in both gross and net borrowing, followed by a leveling off—has not developed in 1961–64.

The latest upswing in extensions has been much less steep than its predecessors. Being comparatively gradual, it has not run so far ahead of the corresponding advance in repayments as during the upswings of 1952–53, 1954–57, and 1959–60. The maximum quarterly rate of debt increase, shown in the second panel of the chart, has been only 3 percent this time compared with peaks of nearly 5 percent in 1959.

Also, the yearly average increase in debt since 1961 has been moderate in relation to disposable personal income. Though these have all been years of relative prosperity, the rate of net debt formation has not differed significantly from the average for the entire period since 1950, taking years of expansion and recession together.

In 1964 expansion in consumer installment credit was $5.65 billion. Although this is a large rise, it represents a leveling off after the record $5.7 billion rise in 1963. This leveling off for 1964 is due mainly to four factors typical of the wide range of conditions on which the growth of consumer indebtedness depends.

First, the rise in sales of durable goods has not been fully matched in gross extensions of credit. Second, there has been no repetition of the bulge in personal cash loans that occurred a year ago last summer after statutory loan ceilings were raised in a half dozen States. Third, the uptrend in the flow of debt repayments has accelerated. For the most part this is the result of the pattern of extensions over recent years. In addition, collection ratios in some lines improved with the strong rise in consumers' disposable income which was caused to a great degree by the tax cut. Fourth, the automobile strike in late 1964 curtailed new car sales in October and November, and consequently slowed the extension of automobile paper during that period.

(B) Noninstallment credit has shown an increase of nearly 24 percent since mid-1961. Single-payment loans show the most active growth in this sector. They comprised almost half the total growth in 1963 though they total only a little over one-third the aggregate noninstallment debt outstanding. In 1964, charge accounts registered an increase of $430 million, their largest increase in the last decade.

B. TYPES OF CONSUMER CREDIT

Time and space rule against undertaking an exhaustive analysis of the various major types of consumer credit. For a good history and analysis of the major types of consumer credit, see the Federal Reserve Board study. Rather, this report will limit itself to an analysis here of present developments. Some particular issues—retail charge plans, college loans, and automobile financing—are considered in the second half of this report.

Tables 2, 3, and 4 do provide a general annual breakdown of the various types of consumer credit—both their absolute sums and the percent they represent of total installment or noninstallment credit. These self-explanatory figures clearly show the major long-term trends in types of consumer credit.

Auto and GAF credit: This fall the Federal Reserve Board did some interesting studies of various types of consumer credit, studies based on figures which included the first two quarters of 1964. One area of analysis dealt with the role of installment credit in financing

sales of new and used passenger automobiles as well as sales of general merchandise, apparel, furniture, and household appliance stores. The nonautomotive lines mentioned are often referred to for convenience as the "GAF" group. from the initial letters of "general merchandise," "apparel," and "furniture."

TABLE II.—*Intermediate and short-term consumer credit, 1939–64*

[Estimated amounts outstanding, in millions of dollars]

End of year	Installment credit	Percent of total	Noninstallment credit	Percent of total	Total consumer credit	End of year	Installment credit	Percent of total	Noninstallment credit	Percent of total	Total consumer credit
1939	4,503	62.3	2,719	37.7	7,222	1952	19,403	70.8	7,998	29.2	27,401
1940	5,514	66.2	2,824	33.8	8,338	1953	23,005	73.6	8,238	26.4	31,243
1941	6,085	66.4	3,087	33.6	9,172	1954	23,568	72.3	8,896	27.7	32,464
1942	3,166	52.9	2,817	47.1	5,983	1955	28,906	74.4	9,924	25.6	38,830
1943	2,136	43.6	2,765	56.4	4,901	1956	31,720	74.9	10,614	25.1	42,334
1944	2,176	42.6	2,935	57.4	5,111	1957	33,867	75.3	11,103	24.7	44,920
1945	2,462	43.5	3,203	56.5	5,665	1958	33,642	74.5	11,487	25.5	45,129
1946	4,172	49.8	4,212	50.2	8,384	1959 [1]	39,245	76.1	12,297	23.9	51,542
1947	6,695	57.9	4,875	42.1	11,570	1960	42,832	76.4	13,196	23.6	56,028
1948	8,996	62.5	5,402	37.5	14,398	1961	43,527	75.5	14,151	24.5	57,678
1949	11,590	67.0	5,715	33.0	17,305	1962	48,034	76.0	15,130	24.0	63,164
1950	14,703	68.7	6,692	31.3	21,395	1963	53,745	76.9	16,145	23.1	69,890
1951	15,294	67.6	7,323	32.4	22,617						

[1] Includes data for Alaska and Hawaii beginning with January and August 1959, respectively.

NOTE.—Large "upswing" periods: 1947–50, 1952–53, 1954–57, 1959–60, 1961–63.

Source: Board of Governors of the Federal Reserve System.

TABLE III.—*Installment credit, by major parts, 1939–64*

[Estimated amounts outstanding, in millions of dollars]

End of year	Automobile paper	Other consumer goods paper	Home repair and modernization loans	Personal loans	Total installment credit
1939	1,497	1,620	298	1,088	4,503
1941	2,458	1,929	376	1,322	6,085
1943	355	819	130	832	2,136
1946	981	1,290	405	1,496	4,172
1947	1,924	2,143	718	1,190	6,695
1949	4,555	3,706	898	2,431	11,590
1950	6,074	4,799	1,016	2,814	14,703
1951	5,972	4,880	1,085	3,357	15,294
1952	7,733	6,174	1,385	4,111	19,403
1953	9,835	6,779	1,610	4,781	23,005
1954	9,809	6,751	1,616	5,392	23,568
1955	13,460	7,641	1,693	6,112	23,906
1956	14,420	8,606	1,905	6,789	31,720
1957	15,340	8,844	2,101	7,582	33,867
1958	14,152	9,028	2,346	8,116	33,642
1959	16,420	10,630	2,809	9,386	39,245
1960	17,688	11,525	3,139	10,480	42,832
1961	17,223	11,857	3,191	11,256	43,527
1962	19,540	12,605	3,246	12,643	48,034
1963	22,199	13,766	3,389	14,391	53,745
1964 [1]	23,255	13,599	3,364	14,902	55,120

End of year	Automobile paper	Other consumer goods paper	Home repair and modernization loans	Personal loans	Total installment credit
	Percent of total				
1939	33.3	35.9	6.6	24.2	100
1941	40.4	31.7	6.2	31.7	100
1943	16.6	38.3	6.1	39.0	100
1946	23.5	30.9	9.7	35.9	100
1947	28.8	32.0	10.7	28.5	100
1949	39.3	32.0	7.7	21.0	100
1950	41.3	32.6	6.9	19.2	100
1951	39.0	31.9	7.2	21.9	100
1952	39.9	31.8	7.1	21.2	100
1953	42.7	29.5	7.0	20.8	100
1954	41.6	28.6	6.9	22.9	100
1955	46.6	26.4	5.9	21.1	100
1956	45.5	27.1	6.0	21.4	100
1957	45.3	26.1	6.2	22.4	100
1958	42.1	26.8	7.0	24.1	100
1959	41.8	27.1	7.2	23.9	100
1960	41.3	26.9	7.3	24.5	100
1961	39.6	27.2	7.3	25.9	100
1962	40.7	26.2	6.8	26.3	100
1963	41.3	26.6	6.3	26.8	100

[1] May 1964.

TABLE IV.—*Noninstallment credit, by major parts, 1939–64*

[Estimated amounts outstanding, in millions of dollars]

End of year	Single-payment loans	Charge accounts	Service credit	Total noninstallment credit
1939	787	1,414	518	2,719
1941	845	1,645	597	3,087
1943	613	1,440	712	2,765
1947	1,356	2,353	1,166	4,875
1949	1,532	2,795	1,388	5,715
1950	1,821	3,291	1,580	6,692
1951	1,934	3,605	1,784	7,923
1952	2,120	4,011	1,867	7,998
1953	2,187	4,124	1,927	8,238
1954	2,408	4,485	2,003	8,896
1955	3,002	4,795	2,127	9,924
1956	3,253	4,995	2,366	10,614
1957	3,364	5,146	2,593	11,103
1958	3,627	5,060	2,800	11,487
1959	4,129	5,104	3,064	12,297
1960	4,507	5,329	3,360	13,196
1961	5,136	5,324	3,691	14,151
1962	5,456	5,684	3,990	15,130
1963	5,959	5,871	4,315	16,145
1964	6,206	5,099	4,520	15,825

Source: Board of Governors of the Federal Reserve System.

TABLE IV.—*Noninstallment credit, by major parts, 1939–64*—Continued

[Estimated amounts outstanding, in millions of dollars]

End of year	Single-payment loans	Charge accounts	Service credit	Total noninstallment credit
	Percent of total			
1939	28.9	52.0	19.1	100
1941	27.4	53.3	19.3	100
1943	22.1	52.1	25.8	100
1947	27.8	48.3	23.9	100
1949	26.8	49.0	24.2	100
1950	27.2	49.2	23.6	100
1951	26.4	49.2	24.4	100
1952	26.5	50.2	23.2	100
1953	26.5	50.1	23.4	100
1954	27.0	49.5	22.5	100
1955	30.2	48.3	21.4	100
1956	30.7	47.1	22.2	100
1957	30.3	46.4	23.3	100
1958	31.6	44.0	24.4	100
1959	33.6	41.5	24.9	100
1960	34.1	40.4	25.5	100
1961	36.3	37.6	26.1	100
1962	36.1	37.5	26.4	100
1963	36.9	36.4	26.7	100
1964 [1]	39.2	32.2	28.6	100

[1] May 1964.

Installment credit finances about 27 percent of the total consumer purchases in the GAF lines.

Given the average relationships between sales and credit movements that prevailed in 1948–62, the Federal Reserve Board obtained some "calculated" values for credit extensions in the present period. Comparison of the actual loan volume with the calculated figures reveals that credit was used less intensively in the first half of 1964 than in 1963, relative to sales. This appears to have been true for autos as well as for GAF lines, but especially for the latter.

In another study dealing with automobile installment paper, the Federal Reserve found that there is a more widespread use of automobile contract terms that are accepted as the maxima—for new cars: maturity over 30 months, value of the loan representing more than 90 percent of dealer cost; for used cars maturity period over 24 months, dealer-cost ratio over 90 percent—but that there is no substantial tendency to breach

these maximum limits. The reported percentage of contracts with maturities of more than 36 months, for example, is still well under 1 percent of the total, as it has been for years.

Personal loans: Personal cash installment loans have traditionally served to meet family emergencies such as illness or unemployment. The current trend, however, is toward the use of this type of credit for large expenditures of a more optional character. These include the purchase of household goods, as well as outlays for travel, education, and other personal projects and family occasions. Loans of this nature may now be more important in the total than are loans to cover emergency expenses.

During the summer and early fall of 1963 five States raised the maximum size of loans permissible under State small loan laws. During and immediately after the period when the changes occurred, the volume of personal loans increased sharply.

C. REPAYMENT BURDEN

The most frequently used index for assessing consumer debt burden is the level of consumer installment repayment relative to disposable income. With installment repayments reaching a record seasonally adjusted rate of $62 billion in 1964, repayments came to represent about 14 percent of disposable income—a record high.

The ratio moved above 12 percent on an annual basis for the first time in 1955, and during 1960 it passed 13 percent. It held at 13.6 percent through the first half of 1963 and at 13.8 percent in the latter half. In 1964, the initial effect of the tax cut last March was undoubtedly to reduce the ratio slightly. But with the total outstanding installment debt rising and with collection rates up as disposable income spurted, repayments quickly regained and increased their earlier relationship to income.

Factors causing this continued uptrend and possible future implications will be considered in the next two sections.

Ratio of installment credit repayments to disposable income

	Percent
1941	9.5
1950	8.6
1955	12.2
1960	13.2
1963	13.6
1964 (approximate)	14.0

Below is another helpful index. It considers all consumer credit outstanding—both installment and noninstallment—as a percentage of disposable income.

Consumer credit outstanding as percentage of disposable income

	Percent
1950	10.6
1955	13.9
1960	16.0
1963	17.3
1964	17.8

D. THE CONSUMER

Periods of rapid rise in consumer credit have always produced concern about the burden of this debt on the debtors and on the economy as a whole. There are, in fact, several kinds of burden that can be associated with consumer credit and it is important to distinguish among them, since they are of varying importance, have varying impact on the economy, and may call for different preventive or alleviating measures. For example, the burden that consumer credit places on a particularly unwary or unfortunate consumer should be differentiated from the burden it places on all consumers or the whole economy.

This chapter considers the burden placed on consumers in general. The next chapter deals with the consumer credit burden on the economy as a whole. The second half of the paper will be concerned with the burden on particular consumers or types of consumers.

A complete description of the general consumer population would require something approaching one of the Census Bureau's detailed descriptions of the whole population. A helpful general source: National Consumer Finance Association, Finance Facts Year Book. Fortunately, our needs are more limited. The burden consumer credit places on the general consumer population can be understood by seeking answers to three questions: First, how are consumers bearing the present credit burden? Second, why are they able to bear this burden without excessive difficulty? Third, what will this burden be like in the future? Note again that the best materials for analyzing the burden of consumer credit usually deal only with installment credit.

First. How are consumers bearing their consumer credit burden?

At present, the burden of repayments is being carried with little or no apparent rise in financial difficulties among marginal borrowers. In recent months the statistics of reported bankruptcies and delinquencies have taken a relatively favorable turn by comparison with 1963.

Consumer bankruptcies are not numerous in absolute terms and are geographically concentrated in a few States, but the general trend has been rather sharply upward for a decade or more. The sustained rise in the number of bankruptcy petitions that began in mid-1962 has slowed in recent quarters, however, and this spring a dip was reported for the first time in 2 years on a seasonally adjusted basis.

Delinquency rates on consumer loans at banks are dominated by cyclical conditions, but behind the cyclical swings that have occurred in the postwar period there was a broad downtrend through the mid-1950's. The present delinquency rate reported by a sample of banks is not far from the low 1957–59 average.

Reports on delinquencies on home mortgages suggest that consumers have met their repayment obligations about as regularly as a year ago, partly in response to more vigorous collection policies by many lenders.

Second. Why are consumers able to bear this burden without apparent difficulty?

An increase in aggregate consumer installment debt may be due to: First, debtors having borrowed larger amounts than earlier, and/or, second, an increase in the number of borrowers.

Much of the past rise in the ratio of installment credit repayments to disposable personal income can be explained by an increase in the proportion of consumers using installment credit. From 1952 to 1956, when the repayment-income ratio rose sharply, the proportion of spending units who reported owing some installment debt also rose—from 38 to 45 percent. See chart II. This proportion of spending units owing installment debt reached 48 percent by 1960, then declined to 46 percent in early 1962. From 1962 to 1963, there was a significant increase in the proportion of spending units with installment credit, with a higher proportion—50 percent—of spending units owing installment debt than ever before.

The latest figures of this type that I have are for 1963. The Survey Research Center of the University of Michigan surely has the 1964 figures and soon the ones for 1965. The trouble here is that the center delays publishing these figures for quite some time, revealing them only to their subscribers—it is quite expensive to subscribe. The center provides some immediate public releases, but they are too general to be very helpful. The Federal Reserve does have some arrangement whereby they receive reports relatively quickly. One might contact them. Specifically, call Mr. Harlow Osborne.

Ratio of annual installment debt payments to disposable income [1]

[Percent of all spending units]

	1954	1957	1959	1960	1961	1962	1963
Make installment debt payments	43	48	48	48	47	46	50
Payment-income ratio:							
Under 10 percent	15	15	17	18	18	16	17
10 to 19 percent	14	16	17	17	18	17	19
20 percent and over	13	15	13	12	10	12	12
Not ascertained	1	2	1	1	1	1	2
Make no installment debt payments	57	52	52	52	53	54	50
Total	100	100	100	100	100	100	100

[1] The numerator of the ratio for each spending unit is the annual installment debt payment rate of the spending unit as of January–February of the survey year (monthly payment multiplied by 12). The denominator is disposable income of the spending unit for the calendar year preceding the survey.

On the other hand, the proportion of individual spending units with a high debt-income ratio did not increase during the last decade. In the midfifties

this proportion was higher than 1962 or 1963. In all these years the great majority of debtors used less than 20 percent of their income to repay their installment debt.

The latest data, then, suggest that an increased number of borrowers not an increase in individuals' debt-income ratios was the major cause of the higher debt-income ratio for the whole consumer population. Individual spending units are no more burdened than in the past.

Third. What will this burden be like in the future?

Demographic trends are an important consideration here. Installment debt is far from being equally distributed among the American people. Whether a family buys on the installment plan or not depends primarily on its income and its age. Installment debt is a middle and upper-middle income phenomenon. It is also more prevalent among younger people.

As for the income characteristic of debtors, one finds that low-income people as well as high-income people buy less frequently on the installment plan than the middle-income groups. Low-income groups lack the needed background of assets, and so forth, to qualify for such credit and, furthermore, buy fewer of the durable goods for which one normally uses installment credit. High-income groups have their usually substantial liquid assets and do not need to resort frequently to installment credit.

Age is also an important factor. Older families use the installment plan less frequently than younger families who are starting households, raising children, and who have lower liquid assets. As table IV shows, in 1963 among families with children the head of which was under 45 years of age, 72 percent owed installment debt and 42 percent owed sizable installment debt. The indebtedness of all American families was much lower, 50 and 27 percent, respectively.

Relation of installment debt to income and stage of life cycle, early 1963

[In percent]

Spending unit income in 1962	Proportion of all units	Proportion owing installment debt in each group	Proportion owing installment debt of over $500 in each group
Under $3,000	26	32	9
$3,000 to $5,000	20	53	28
$5,000 to $6,000	12	57	32
$6,000 to $7,500	13	62	37
$7,500 to $10,000	14	63	41
$10,000 to $15,000	10	53	35
$15,000 and over	5	30	23
All units	100	50	27
Married with children, head under 45 years old	30	72	42

According to the Bureau of the Census projections for 1965 and 1970, the most rapid rate of growth in number of households will be in those whose heads are under 25 years of age. These are mainly the families that will be formed as the young people born during the 1940's reach marriage age. Such young families, as we have seen, are likely to be frequent users of installment credit since their needs for household goods and automobiles generally exceed their ability to acquire these goods for cash.

These demographic trends suggest, then, that the past major reason for increases in the repayment-income ratio—greater proportions of the total population using credit—will continue to play its dominant role.

Can we expect that a larger number of spending units will have heavy installment debt burdens? First, we have seen that not only do more younger households use installment credit than the average household but that a greater proportion of them use it intensively. So, the expected increase of younger households should mean that a larger proportion of total households will have high repayment-income ratios. This does reflect greater consumer irresponsibility, but is simply a product of the demographic trends. Later, when the proportion of younger families in the population stabilizes or declines, the demographic trends will push for a decrease in the proportion of households with high repayment-income ratios.

A second factor—credit use patterns—might encourage a growth of families with heavy installment debt burdens. In recent years consumers have been making increased use of revolving credit and similar installment plans to finance their purchases of nondurable goods and services. The success of these plans makes it seem likely that consumers will make still greater future use of these plans. The question becomes by just how much will individual spending units increase their credit use because of changes in credit use patterns. Families with limited holdings installment debt might increase their holdings somewhat. But, though these new plans have been in operation these last few years, the number of consumers burdened with heavy installment debt has not increased significantly—if at all. There seems, then, little reason to expect that the future should bring a major rise in individual spending units' relative holdings of installment credit as a result of changes in credit-use patterns.

The predicted future rise in the debt-income ratio for the entire consumer population, then, should be caused primarily by a greater number of units using credit, or increasing their now small holdings of credit. Consumers as a group appear generally to have avoided excessively large burdens of installment credit. Chapter 1 of the second half of this paper is closely related to this chapter. It contains a great amount of material about consumer ignorance of finance rates. One might read that chapter before continuing on to the next chapter. What increase there will be in the proportion of families with high repayment-income ratios should be primarily a result of the increasing proportion of younger families in the population—a temporary phenomenon.

E. CONSUMER CREDIT AND ECONOMIC INSTABILITY

There exists a notion, rather general in our economic textbooks, that business investment and the Government's economic policy represent the only major dynamic forces making for better or worse times. This notion must be contradicted.

The consumer sector exercises an important influence on what happens in our economy, and consumers do so to a large extent by making tangible investment expenditures on credit. Although consumers receive their income from the business and Government sectors, the rate at which they spend their incomes does not depend on their ability to buy alone. Willingness to buy and willingness to buy on credit, may increase or decrease independently of income according to consumers' attitudes and expectations.

Although the impact of consumer credit on the economy has not been generally appreciated in economic theory, there have been some excellent specialized studies of this impact. The best is that done by the Federal Reserve Board in 1957. See the Federal Reserve study, part I, volume I, chapters 11 and 13. Later research and economic events seem to confirm the general validity of these findings. Again these studies have been limited to installment credit, but the reader should remember that, as explained before, such a limitation is not too restrictive because of the "spillover effect" such analyses have on the field of total consumer credit.

1. GENERAL FINDINGS

A prime factor in business fluctuations: Although consumer installment credit has not been the principal cause in changes in the level of business activity, it has been a major factor behind such changes. The influence of consumer installment credit is probably equaled or exceeded by other credit-financed expenditures, such as those for business, plant and equipment, and for residential construction. However, these expenditures represent, in part, secondary responses to a rapid expansion of installment credit. In cases where changes in expenditures for durable consumer goods played a major role in the change in business activity, installment credit can be regarded as an important contributory factor.

A leading and amplifying force: Although not the principal factor in any cycle, consumer installment credit has been both a leading and an amplifying force in economic fluctuations. An impressive number of times credit extended appears to have moved ahead of other economic changes, that is, to have led at the turning points.

Time leads appear to have been longer in recoveries than in downturns. This differential experience may be due partly to the fact that consumer installment credit has been growing so strongly. But the lead record remains impressive even when allowance for growth is made.

A greater influence in booms than in recessions: The major influence of installment credit has been to add fuel to booms; it has less often been an aggravating factor during recessions. The Federal Reserve Board illustrates this with a number of periods of expansion in which installment credit buying contributed to a rate of sales of consumer durable goods that could not be sustained.

In expansion periods, easier terms in the form of longer maturities and lower downpayments have been an important stimulus. In periods of contraction, terms have been tightened less frequently and less than they were eased in preceding expansion periods. This is in line with the general tendency over the years toward more liberal installment terms.

Installment credit has also added to the overall credit demands during the major business booms. This has contributed to an expansion of bank credit and has intensified inflationary pressure.

Indirect influence by general credit market on installment credit: The evidence indicates that the influences of developments in the general credit market, including the effects of general credit and monetary policy, reach in some degree the consumer installment area. This response is most marked at the "wholesale" level and is evidenced by changes in prices, terms, and willingness with which funds are made available to borrowing-lending intermediaries as well as in changes in the availability of bank funds to their consumer credit departments.

At the retail level, concrete evidence of response in the quantity and terms of credit as a direct result of a change in general credit conditions is difficult to document apart from an apparent tendency for retail interest charges to rise, for standards of creditworthiness to stiffen, for downpayment-maturity requirements at least to hold the line, and for consumer lenders to cut back on their new business promotion efforts.

A recent study of new automobile finance rates suggests that general credit policy might have a greater impact on consumer automobile credit than is generally believed—Robert Shay, "New Automobile Finance Rates, 1924–62," 1963.

As the Federal Reserve Board noted in 1957:

> Unavoidably an important question must remain unanswered. That question is whether the response of the consumer installment credit area as a whole to changes in credit conditions, and in particular to general monetary restraint, is sufficient either in degree or in timing to facilitate a national economic policy directed toward sustained high and rising levels of activity without inflation.

2. THE RECENT EXPANSION PERIOD

Consumer credit's relatively moderate growth during the recent economic upswing suggests that at present it is not as an important element as it was during the 1954–57 expansion. However, this is definitely not to say that it is unimportant. Moreover, it may become more important as today's record-level consumer optimism promises increased consumer purchasing with consequent credit growth.

Some have already begun to fear unchecked credit growth. The Wall Street Journal recently called for a more restrictive credit policy—October 2, 1964, page 10.

In October 1964, the annual convention of the American Bankers' Association adopted a statement calling on monetary authorities to start bearing down promptly on the credit brakes to head off inflationary pressures—Wall Street Journal, October 29, 1964. Is this excessive concern? Possibly, but the destabilizing influence of consumer credit needs to be carefully watched, if not kept in check.

Robert A. Wallace, Assistant Secretary of the Treasury, disagrees. He believes that "the credit expansion of the past 4 years came as close to ideal as one could reasonably expect"—Consumer Finance News, December 1964.

If one does conclude that there is a need for some controls over consumer credit, the next question becomes: How?

3. SOLUTIONS

The effects of general credit and monetary policy, as we have seen, do reach in some degree the consumer credit field. But there exists a real question whether these tools are sufficient.

If these general tools are not considered sufficient, the next alternative is for standby selective controls of some sort. And here, real argument ensues. The advantages and disadvantages of different types of possible control are hotly debated. The United States does have some experience with credit control—regulation W—but this experience was of an ambiguous sort that only intensified the conflict. The Committee for Economic Development suggests one major disadvantage of selective controls:

> Regulation of consumer credit terms might contribute to cyclical stability, but it would require a large and complex administration to be fully effective. The benefits to stability promised by such a system must be weighed against the cost and inconvenience of installing and managing it.[1]

Economist Marcus Nadler presents a favorable, well-reasoned article that interested persons might read. It begins with a convenient, short section of summary and conclusions—Federal Reserve Board, in the work cited, part I, volume 2.

F. SOURCES OF FUNDS

To meet the varying needs of the consumer, several types of consumer credit agencies have developed in this country. Generally each differs from the others in origin, background, methods of operation, and objectives.

Rather than try to cover all these differences plus analyze the present status of these agencies, this report will briefly highlight the character of each agency and then suggest something about the present consumer lending picture. A more complete analysis of each agency can be found in the sources noted below—Federal Reserve, in the work cited, part I, volumes I and II; House Banking and Currency Committee, "Comparative Regulation of Financial Institutions," 1964. The accompanying file contains statistics showing the relative strength of these agencies over the years.

1. DESCRIPTION OF THE MAJOR CONSUMER CREDIT AGENCIES

Consumer credit agencies can be classified into two broad categories, financial institutions and retail outlets. Financial institutions, which currently hold about 88 percent of installment credit and about 37 percent of noninstallment credit, include commercial banks, sales finance companies, consumer finance companies, credit unions, and miscellaneous lenders. Retail outlets include department stores, furniture stores, appliance stores, automobile dealers, and other miscellaneous lenders.

Commercial banks: Commercial banks play a multifaceted role in the consumer credit field. They loan money directly to consumers, buy installment paper from retailers and others, and loan money to finance companies and retailers.

Consumer finance companies: They specialize in small personal loans, often on an unsecured or signature basis. These companies operate under State small loan laws permitting charges higher than those allowed under the general usury statutes.

A 1963 survey found that the major reasons borrowers sought loans from these agencies were consolidation of existing obligations—39 percent of the loans extended—automobile purchases and repairs, and travel and education.

Sales finance companies: These companies purchase installment paper from others, usually retailers, rather than extending credit directly to consumers.

Credit unions: Credit unions differ from other major types of consumer lending institutions in that they are cooperatives. The cost of credit union operations is usually well below that for privately operated lenders doing a similar business.

Other lending institutions: Industrial loan companies, savings and loan associations, and mutual savings banks are the other types of financial institutions that engage in significant amounts of consumer installment lending.

Retail outlets: Retail dealers originate most of the installment credit extended to consumers for the purchase of goods. Most dealers, however, do not hold the contracts until they are paid off, but sell all or part of them to financial institutions, usually a bank or sales finance company. See chapter in second half of paper on automobile financing. Currently, retail dealers hold less than 1½ percent of automobile credit outstanding and 43 percent of installment paper for "other consumer goods."

2. PRESENT LENDING PICTURE

The Federal Reserve Board summarized the present lending picture up to September 1963 this way:

> The various lenders' shares of total installment paper outstanding reflect in part the general competitive positions of the institutions themselves in obtaining and lending funds. They also reflect indirectly the relatively greater strength since mid-1963 of demand for auto and other consumer goods credit and the stability of demand for home maintenance and repair credit.

Thus the rise in auto loan volume—which temporarily declined in October and November because of the work stoppages—was especially important to the commercial banks, which have more than half of their consumer loan business in this category. The recent lack of growth in home repair and modernization lending partly offset this advantage.

[1] Committee for Economic Development, "Report on Money and Credit" (1961).

Bank credit: Among the immediate sources of consumer credit, banks have been playing a progressively larger role ever since the end of 1955—which was their low point for the decade. By mid-1963 their share of consumer installment paper outstanding had moved up 4 percentage points and amounted to 41 percent of the total. The same fraction continued through 1964.

Besides lending directly to consumers and buying installment paper from retailers and others, banks make a substantial indirect contribution to consumer credit by lending to finance companies and retailers. It is estimated that about 10 percent of all consumer installment credit is thus indirectly bank financed, as against 20 percent of the all-lender total in 1952.

Directly or indirectly the banks still provide more than half of all the funds used in consumer installment credit, though their share of the total has moved down in recent years from a high near 60 percent estimated for 1952.

Other credit sources: Consumer finance companies have retained their one-twelfth share of all installment credit outstanding this year. Credit unions have moved up a little, and now hold more than one-tenth of the total. Retailers have been financing less and less of their customers' credit purchases in recent years, and this trend continued through the latest period.

Sales finance companies, supplying credit through auto dealers, mail-order companies, and other retailers, hold about one-fourth of all consumer installment debt. Their share of the total has declined a little in recent years, but it leveled off in the latter part of 1963 and moved up fractionally in early 1964.

Sales finance companies have benefited recently from the strong demand for auto credit—in which they have specialized—even though they have not kept pace with the banks in the auto field. In addition they have increased their share of other consumer goods paper outstanding.

Finance company funds: In mid-1964 finance companies of all types taken together held about $19 billion of consumer installment paper. The companies had obtained a little over three-fourths of this sum through borrowing. This was about the same proportion as a year earlier, but up significantly from the 70 percent estimated for 1961 and 1962.

Finance companies have made increasing use of the commercial paper market in raising short-term funds in recent years, as nonfinancial corporations have made a rising volume of such funds available. The paper market offers flexible rates and maturity dates, without the need to maintain compensating balances such as many banks require against direct loans.

The competition for these corporate funds has stiffened, however, with the step-up in borrowing by the finance companies, the rising use of certificates of deposit, and the increase in the Treasury bill rate. Rates on directly placed finance company paper maturing in 3 to 6 months have risen by half in a 3-year period—from 2.50 percent in mid-1961 to 3.75 percent this summer.

3. A QUESTION FOR THE FUTURE

The future might hold a major change in the consumer credit lending field; namely, the full-scale entry of mutual savings banks and saving and loan associations. Of course, many are already in the field to a substantial degree. Several saving and loan associations, for instance, are reported to be financing consumer goods and services through the use of open-end mortgages. The fear of other consumer lending agencies, however, is that the savings and loan associations will greatly expand their activity.

Robert W. Johnson, speaking before the National Consumer Finance Association's annual convention documented a number of moves by savings and loan associations which indicated that they are now seeking to expand their activity—Consumer Finance News, December 1964, page 6. Moreover, he offered the reasons behind this action:

> Faced with a continued influx of funds from savings and from monthly payments on mortgages, the savings and loan associations will find their mortgage loan funds piling up as home demand slackens. It seems inevitable that they will turn to the field of consumer credit.

The policymaker will have to decide whether increased competition is desirable or not in the consumer credit field. One danger that should not be overlooked is the possibility of harmful competition results from the problem of allocation of joint costs. As Mr. Johnson points out:

> Inexperience, coupled with a desire to gain a foothold in the consumer credit field, is very likely to cause these new entrants to price their consumer credit on a marginal cost basis, or even below their marginal costs.

No conclusion is in order here except to call for some study of this potential problem. This problem was brought to this writer's attention too late to do anything but to pass it on.

PART 2: SOME SPECIFIC ISSUES

This half of the report seeks to highlight some specific issues—from proposed legislation to major abuses—in the consumer credit field. Each chapter provides some brief analysis and suggests the location of supplementary materials. Each can decide which issues he considers particularly important and then proceed from the material here to further investigation.

A. CONSUMER IGNORANCE AND THE TRUTH-IN-LENDING BILL

Later chapters in this report will highlight some credit abuses which demonstrate that the consumer needs to know more about borrowing in certain specific cases. But one should rightfully ask first: What about the general situation? How informed is the general consumer population?

The Michigan Survey Research Center made a study of people's knowledge of finance rates on automobile purchases. The results were mixed. Precise knowledge of rates was quite poor. Thirty-nine percent of those questioned had little idea of what the rates were. At least a third of those who gave a specific answer believed the cost was lower than it actually was. George Katona, director of the center, feels this ignorance exists largely because the cost of installment credit is not a major consideration for the consumer. The crucial question for consumers using installment credit for automobiles appeared to be the size of the monthly payment.

Katona feels that interest rates and the cost of installment buying play a role in a different context:

> While the size of finance charges is of little importance in the first major decision (should I, or should I not, buy?), it is a significant factor in a second decision: Where shall I make the arrangements for time payments? Recent studies indicated:
>
> 1. The majority of consumers are well informed about where one can arrange for the financing of the purchase of a car.
> 2. The majority of consumers are capable of discussing the respective advantages and disadvantages of making the financial arrangements at different places.
> 3. The majority of consumers believe that the cost of installment credit is substantially higher if one makes the credit arrangements through a car dealer rather than with a bank.[2]

In another study two economists came up with even more unfavorable results than the Survey Research Center. They found that when they asked people what finance rates they had paid on their past installment credit transactions: about 7 percent of the sample gave reasonably accurate estimates of the effective annual finance rates paid; 11 percent estimated the approximate add-on or discount rate; the remaining 82 percent were unable to give rate estimates of reasonable accuracy—Juster and Shay, "Consumer Sensitivity to Finance Rates," National Bureau of Economic Research (1964). Though the study is quite technical, the summary and conclusions are quite worthwhile and relatively easy reading.

However, like the Survey Research Center, these two economists also concluded that:

> Despite the lack of rate knowledge, consumers seemed to know that certain types of credit are more costly than others.

It appears, then, that consumers are woefully ignorant of actual finance rates, but that they usually know which are the most desirable credit agencies and types of credit.

The question for the policymaker to decide is: Just how much more knowledge do consumers need? We hesitate to give any set answer here since much of the basis for any answer is personal and nonobjective—and, hence, of little relevance to the factual nature of this report.

It is at this point that Senator DOUGLAS' oft-introduced "truth-in-lending" bill becomes a relevant consideration. The bill seeks to provide consumers with greater knowledge by requiring that all consumer credit contracts explicitly state the simple annual interest rate on the loan. What have been the predicted major consequences

[2] Testimony of George Katona before U.S. Senate Committee on Banking and Currency, on S. 750 (truth in lending), p. 1489, 1963–64 hearings.

of this form of increased consumer knowledge. Proponents probably correctly believe that this bill will enable consumers to shop around for the best terms, to be more aware of what they are committing themselves to. The abuses mentioned in later chapters will supposedly be much less likely to occur.

Others warn, however, that increased consumer knowledge might have major disadvantages. George Katona believes:

> The most potent argument against the bill consists of the possibility that there would be a shock effect following its introduction. I believe that the bill, if enacted, would not depress the volume of installment buying permanently (because * * * the motives for installment buying are powerful and are not dependent on costs). Nevertheless, the disclosure of the true cost of borrowing might result in an unexpected shock for some would-be purchasers of durable goods with adverse consequences on the rate of purchases in the period immediately following the enactment of the bill.[3]

Economists Juster and Shay find that there would be increased consumer response to finance rates if these rates were specified in the credit contract. Disagreeing with Katona, they felt that disclosure should lead to a long-term slowdown in credit growth.

Specification of simple annual interest rates might lead, then, to major short-term maladjustments and a possible longrun decline in consumer credit. These possibilities need to be evaluated further.

Passage of the Douglas bill would have two other major consequences, usually considered advantageous. First, it might contribute to economic stabilization. The cost of credit is a stabilizing force in the economy. High credit costs in boom periods restrain credit purchases; low costs in periods of slack encourage credit buying. Yet the stabilizing effect of changes in credit costs depends on awareness by consumers that the changes have occurred. If buyers are ignorant of the true costs of credit, they are less subject to influence by cost changes.

Secondly, full disclosure of the consumer credit finance charges will also serve to invigorate competition among lenders. When borrowers are able to compare terms, sellers of consumer credit will be under more pressure to match their competitors' offers. This competition might be particularly useful in preventing fraud and deception.

B. LOW-INCOME GROUPS

Low-income groups appear to suffer under a credit system in which they are often literally exploited—see David Caplovitz, "The Poor Pay More," 1964. Also, some January 1965 articles in the New York Times claim that gangsters are much involved in these questionable lending practices. Yet, any attempt to improve their situation must realize that low-income groups present a unique credit problem. The credit system in fact—unethical and illegal as it might be—allows them to obtain credit when most legitimate credit lending agencies declare them "bad risks" and refuse to extend them credit. As one observer notes, "Society now virtually presents the very poor risks with twin options—of foregoing major purchases or of being exploited."

The longrun solution to this problem is obviously to end poverty. But this solution is far enough in the future that the policymaker must provide more immediate help. Given the basic needs of these people and our society's emphasis on consumption, it would be impossible to make low-income groups forgo major purchases until that faraway time when they might join the ranks of the middle class.

The best temporary solution appears to be action to minimize the most undesirable practices of the credit system faced by the low-income groups. Better laws and law enforcement offer some hope. Probably most important is the need to educate these people so that they understand the use of credit, the opportunities they have to obtain it, and their legal rights in regard to it.

C. AUTO FINANCING

This chapter is concerned with two particular issues in the automobile finance field: First, evidence of a takeover of automobile dealerships by finance companies, and second, dealers' reserves and kickbacks.

First, Edivence of a takeover of automobile dealerships by finance companies. We have found that evidence is either lacking or negative on the question whether finance companies are taking over automobile dealerships.

Evidence is lacking to the degree that we could not find material which showed finance companies buying car dealerships outright or exerting greatly expanded control over them. Of course, since dealers are quite dependent usually on outside credit to help them purchase their cars and to handle customer credit contracts, they have to pay much attention to the desires of their lenders. But this has always been so.

What evidence that was discovered seems to discount increased finance company control. First, since 1955, commercial banks and credit unions have expanded relatively their holdings of automobile installment paper, mostly at the expense of the sales finance agencies. Certainly credit unions and probably commercial banks are less likely to take over automobile dealerships owing to the very characteristics of these two lenders —although one should note that automobile dealers now hold a smaller percentage of installment paper than in the past, this must be taken in the context that their holdings have always been minimal in the last decade—3.6 percent of the total in 1955, 1.4 percent in 1963.

Second, the opportunity for sales finance companies to extend their influence seems further limited by the fact that automobile installment credit extensions appear to be rising a little less in the last year than would be calculated from past sales history. The more cash involved in sales the greater should be the dealer's independence.

Finally, we have a purely impressionistic belief—that is, cannot find concrete supporting evidence—that a good deal of lender competition exists today—competition which would give dealers greater flexibility in bargaining with lenders.

One related problem which might be further investigated deals with the captive finance companies of major automobile manufacturers. The captive finance companies—best example, GMAC—certainly help manufacturers control their dealerships. Historically, of course, new car dealers have been servile to wishes of the major manufacturers. One notes with interest that Chrysler Corp. announced last July that it will establish a credit company to finance dealer and consumer car and truck purchases. To be known as Chrysler Credit Corp., it will operate at both whosesale and retail and will end reliance on independent finance companies, making the parent corporation more competitive with other major manufacturers.

Second. Dealer's reserves and kickbacks. A consumer may finance his automobile purchase in two ways. First, he may arrange the terms of his credit contract with the automobile dealer who normally will sell the contract to a credit agency which collects the indebtedness. This is called sales, or indirect financing. Second, the borrower can arrange his credit directly with the credit agency, which is termed direct financing. Our interest is in the first category, indirect financing.

In indirect financing, after he has sold the customer's contract to a credit agency, the dealer has no further contact with the customer unless he has accepted some liability for the customer's fulfilling the contract terms. The dealer liability may range from full endorsement of the customer's note—full recourse—to no endorsement whatsoever of the customer obligation—no recourse.

What is of importance here is that the finance rate at which the credit agency discounts when purchasing contracts from the dealer is normally below the rate charged the auto purchaser, the difference accruing to the dealer. The size of the difference—called the "dealer share" or "dealer's reserve"—is affected by competitive forces as well as by the extent of the dealer liability for the borrower's repayment. Yet, although the size of the dealer share of the finance rate is affected by the degree of risk assumed by him, the fact that nonrecourse contracts pay a share to the dealer indicates that the payment reflects more than contingent liability. The dealer makes, in fact, a profit off the finance charges.

Along the same line, the purchaser is usually required to insure the automobile against physical damage during the life of the contract. The dealer frequently acts as an insurance agent for sales finance companies with wholly owned insurance subsidiaries, and when licensed as an agent, he may receive a commission—currently about 20 percent of the premium—for providing this service. So, the dealer again stands to gain from the credit contract.

Some justification is offered for this method of operation. First, since the dealer combines the cost of acquiring

[3] Testimony of George Katona, op. cit., p. 1491.

credit customers with the costs of acquiring automobile customers, it is likely that a substantial portion of the dealer share of the finance rate may be attributed to the dealer's strategic position as a middleman between the credit buyer and indirect financing agencies. Second dealers nowadays are likely to consider their return from finance charges as part of their overall income and, were this income eliminated, customers might have to pay more for cars through either higher prices or lower trade-in allowances.

Yet, one might ask with some justification whether customers should be sold finance packages that include double profits—for both dealer and credit agency.

This dealer practice apparently is on the increase in the last two decades. In his exhaustive analysis of new automobile finance rates from 1924 to 1962, Economist Robert Shay found that the bulk of the finance rates charged consumers between the low 1936–38 level and that which existed in the late 1950's "appears to have been attributable to a rising dealer share of the finance rate"—Robert Shay, "New Automobile Finance Rates, 1924–62," National Bureau of Economic Research, 1963.

In 1958–59—the last years of this part of his study—Shay estimates that the dealer's share of finance rates on paper handled by the four largest sales finance companies was 23 to 24 percent.

D. MORTGAGE LENDING

Mortgage lending is usually considered separately from consumer credit. However, the volume of mortgage loans and its rapid growth give rise to some problems which might be of some interest.

First, the number of foreclosures on nonfarm residential properties appears to be steadily increasing over the long run. For example, of total FHA-insured mortgages on one- to four-family nonfarm homes, 1.08 percent were foreclosed in 1963 versus 0.28 percent in 1960—see supplementary file. There seems to be no rigorous analysis of the reasons for this rise, but the upswing does suggest a possible deterioration in the quality of mortgage credit.

Second, consumers appear to be increasingly mortgaging their homes to obtain funds for travel, education, or purchase of consumer goods. This reflects a wise policy in the sense that needed funds can usually be obtained through mortgages at an interest rate well below other types of consumer credit. But, is it desirable that consumers shoulder heavy mortgage indebtedness simply to finance present consumption of often questionable value?

Third, there are increasing reports of heavy lender competition in the mortgage market which can encourage risky lending practices.

FDIC Chairman Joseph Barry expressed the concern of many when he stated:

> In terms of customary past standards there has been a relative deterioration in the quality of (mortgage) credit extended.[4]

[4] Wall Street Journal, Oct. 2, 1964, p. 10.

A fourth problem in the mortgage field deals with closing costs. Mortgage lenders are required to state the interest rate on each mortgage and the costs—"closing costs"—of making the loan. However, those costs which are not considered "incident" to making the loan often need not be included in the computation of the interest rate, though the borrower pays them anyway. The amount of many of these charges and whether they are included or not in the interest rate computation are matters which vary from region to region, and from agency to agency. See FHA study of closing costs included in the supplementary file.

Possibly some uniform policy might protect the borrower from excessive closing costs and also help him know just what rate of interest he is paying.

E. COLLEGE LOANS

It appears that the rapid expansion of private loan programs for college students is not without its problems. The President's Consumer Advisory Council recently declared that it was disturbed by the very high interest rates charged for college loans by some financial institutions and, especially, by the failure to disclose rates forthrightly. In a later interview, one of the Council members, Richard L. D. Morse, referred to a loan program offered students by a well-known finance company. The full charge, including insurance, amounted to 45 percent a year. Counting only interest itself, the rate was still 14.4 percent.

Possibly the recent expansion of the National Defense Education Act Government loan program, will reduce the area of opportunity for unscrupulous private lenders. But, surely, investigation of this undesirable lending practice would be helpful.

Some material can be found in the 1964 Senate hearings on the Higher Education Student Assistance Act of 1965, a bill introduced by Senator HARTKE.

The Consumer Advisory Council has recommended that: First, colleges and universities be more cautious in associating themselves in any way with such private loan programs; and second, the Special Assistant to the President for Consumer Affairs be made responsible for publishing a careful analysis—including disclosure of loan cost and simple annual interest rate—of the existing major loan programs for students.

F. RETAIL INSTALLMENT SALES

Totaling $7.1 billion at the end of 1964, consumer installment credit at retail outlets—excluding automobile dealers—has doubled since 1955, a growth rate even faster than the growth of total consumer installment credit. Retail installment credit includes as its major components both the conventional installment plans and revolving credit accounts.

In revolving credit plans, a customer buys items by charging them to his own credit account which he continually replenishes by payments of a fixed monthly sum.

Throughout the Nation, service-charge rates on revolving credit accounts and conventional installment accounts appear to be consistent, the rate being a charge of 1½ percent on the monthly account balance. On an annual basis, this represents a service charge of 18 percent a year. This high charge raises real questions about retail installment credit.

First, are these charges justifiable? The National Retail Merchants' Association had done what appears to be an objective study of the costs to retail stores of customer credit services—see a copy of the report in the supplementary file.

The study findings indicate that providing credit in the department store field—the study was limited to this field—is a costly undertaking which offers no profit per se. Credit, a losing business venture itself, could only be justified as a selling tool. The individual consumer and general public might wonder if a "selling tool" need be so expensive.

Of course, the consumer has certain rights to buy goods on terms that he desires. This brings us to the second question, "Does the consumer really appreciate the cost of retail installment plans?" The hearings on the truth-in-lending bill revealed as great a consumer ignorance about this type of credit as about any other. Because of the often relatively small sums involved in retail installment credit, the consumer usually pays little heed to service charges.

In brief, then, are the rapidly growing high cost retail installment credit plans justifiable? And, if so, should not the consumers somehow be made more aware of the high service charges?

G. BANKRUPTCIES AND GARNISHMENTS

Bankruptcies and garnishments are relevant considerations in this report for two reasons: First, they often provide a rough measure of the quality of consumer credit; and second, they represent a serious problem for the consumers involved.

First, bankruptcies. Personal bankruptcy filings totaled over 155,000 for fiscal year 1964, a jump of nearly 60 percent above fiscal year 1960—see complete figures in the supplementary file. California has far and away the most filings—24,641 in fiscal year 1963.

As a measure of the quality of consumer credit today, this rapid rise in individual bankruptcy filings is not overly disturbing. The trend has been sharply upward for a decade or so. Besides, there are so many influences on the number of filings other than individuals' credit burden that it is impossible to relate with much accuracy the trends in filings to the quality of credit. For example, changes in State laws and procedures covering wage garnishment, collection practices, and personal exemptions can affect the rate of bankruptcy filings. Indeed, States with the highest incidence of filings reveal major differences in consumer credit conditions.

If one were to use the number of filings anyway as an indicator of general credit quality, recent events would suggest that there has been no deterioration in the quality of consumer credit.

The Federal Reserve Bulletin of September 1964 points out:

> The sustained rise in the number of bankruptcy petitions that began in mid-1962 has

slowed in recent quarters, however, and this spring a dip was reported for the first time in 2 years on a seasonally adjusted basis.

Bankruptcies become a very serious concern, however, when one considers them from the standpoint of the individuals involved. Bankruptcy proceedings are an expensive and socially painful process. Further, the proceedings often do not relieve the individual of his unbearable obligations. One wonders why more is not being done to counteract or at least investigate the rapid rise in the number of people who find it necessary to file bankruptcy petitions.

Efforts to improve the consumer credit market might be one means of alleviating the problem. Assistant Attorney General Leo Loevinger noted in 1962:

It is reasonable to believe that the misuse of consumer credit has contributed to this rise in the bankruptcy rate and that the misuse of consumer credit is encouraged by the present practice of keeping the consumer in the dark as to the true cost of credit.

Second, garnishments. Garnishments and wage assignments are dealt with by State laws, but the wide-scale abuse of these procedures makes them a national problem.

Subject to varying State legal requirements, a lender who is unable to collect on debts owed him can in most States collect the money by forcing his borrower's employer to deduct some sum from the employee's paycheck. The real trouble here is that employers upon receiving garnishee notices will usually dismiss the employee if the employee does not get the notice withdrawn immediately. Employees would rather do that than be faced with the costly clerical work of making deductions—see the 1963–64 hearings on the "truth in lending" bill before the Senate Banking and Currency Committee, page 24.

General figures on the extent of this problem would provide some index of the quality of consumer credit. However, we were unable to obtain such general statistics, if they exist at all. The problem does appear to be widespread. One Chicago study found that 3,000 workers a year in the city faced garnishment actions.

Surely, some review of the problem is needed, to aid those borrowers who are being hurt by present practices. Possibly, model legislation might be recommended. Better consumer knowledge of the costs of credit would probably help alleviate the problem.

H. STATE LAWS—AND WHY FEDERAL LEGISLATION?

Consumer credit is subject to both Federal and State regulations. Federal regulations include some control over advertising—FTC—and control over the lending practices of banks which are members of the FDIC or the Federal Home Loan Bank Board. It is the States, however, who do most consumer credit regulation. Yet, even in States with the most progressive credit legislation—New York and California are among these States—great inadequacies still remain in the laws. One glance at the great number of existing abuses in the consumer credit field reveals that present legal protection of the consumer leaves much to be desired.

Some recent events suggest that State laws are probably in line for thorough analysis and revision. The American Bar Foundation should have now completed or should be just completing a 2-year study of consumer credit. The study should suggest model legislation or at least the areas of need for legislation. Likewise, the National Conference of Commissioners on Uniform State Laws announced last June that it was beginning "an exhaustive study of the entire field of consumer credit for the purpose of drafting comprehensive uniform or model State legislation."

Yet, all this must be taken with a grain of salt. Although the American Bar Foundation and certainly the National Conference on Uniform State Laws carry a good deal of influence with State governments, the model legislation even when developed will have to follow a long and rough road before being enacted—if it ever is.

Investigation and possible legislation on the Federal level, therefore, seem imperative. While there is no valid case for limiting Government efforts in consumer credit to the State level, there is a strong case for further Federal action. First, the Federal Government has some jurisdiction in the field. Through its control over interestate commerce and over most banks and through its many other powers, the Federal Government has the power and consequent opportunity to alleviate many of the abuses that exist. In regard to Federal labeling or disclosure laws, Senator DOUGLAS points out that we already have the pure food and drug acts, the wool and textile products labeling acts, the automobile price disclosure act, and the SEC full disclosure legislation.

Second, the States have often failed to do the necessary job of preventing the abuses that exist.

Third, the Federal Government has the clear responsibility for promoting economic stabilization. Credit regulations can be a major means of fulfilling this responsibility.

SUMMARY AND CONCLUSIONS

PART I. AN OVERVIEW

A. Consumer credit outstanding has grown at a rapid rate in postwar years, easily exceeding overall economic growth. Installment credit expansion has sparked the growth. The present period of rapid expansion dates from mid-1961, and, though large, is not the steepest growth on record. For a number of reasons, credit growth in 1964 leveled off after record gains in 1963.

B. Installment credit extensions relative to sales in 1964 appear below what one would expect from past experience. Automobile paper terms are tending to become more liberal, but the trend is still limited.

C. Installment credit repayments as a percentage of disposable income reached a record high of 14 percent in 1964.

D. At present, it appears that the increased credit burden is being carried with little or no apparent rise in financial difficulties among marginal borrowers. Most of the increase in the burden can be explained by an increase in the proportion of consumers using installment credit, not by an increase in individuals' debt-income ratios.

The impending large growth in young households, who are big users of installment credit, and changes in the credit-use pattern lead one to expect a renewed rise in the proportion of consumers using installment credit and the proportion with high-repayment-income ratios. Both of these factors should contribute to a rise in the repayment-income ratio for the population as a whole.

E. Consumer credit has a major impact on the economy. It is a prime factor in business fluctuations, acting as a leading and amplifying force. Developments in the general credit market, including general credit and monetary policy, affect consumer credit in a number of ways. But, the question still remains whether present credit and monetary tools are as significant or timely an influence on consumer credit as the policymaker would desire. Some have proposed further controls of a standby, selective nature.

F. There are many different types of credit lending agencies and their importance fluctuates over time. A major problem facing these agencies today is the threatened full-scale entry of savings and loan associations into the consumer credit field.

PART 2: SOME SPECIFIC ISSUES

A. Consumers appear woefully ignorant of actual finance rates but usually do know where to shop for credit and the types of credit to seek. The policymaker must decide just how much more knowledge consumers need.

Senator DOUGLAS has a proposal to provide consumers with much greater finance rate information. His proposal has a number of definite advantages but there is also the possibility that its provisions might cause serious "shock" effects in the short run and may even slow credit growth in the long run.

B. Low-income groups now face a unique credit problem—be exploited or forgo major purchases. Neither alternative, of course, is desirable. Some solution is needed.

C. Evidence is either lacking or negative on the question whether finance companies are taking over automobile dealerships. There is much evidence, on the other hand, that dealers are making substantial profits on the installment financing of automobile purchases.

D. Analysis of the mortgage market reveals a number of important problems. The number of foreclosures on nonfarm residential properties is rapidly increasing. Consumers appear to be using mortgage funds for new—and possibly questionable—purposes. Conpetition which might be excessive is appearing in the lender market. Finally, the whole problem of closing costs needs to be investigated.

E. Abuses in private college loan programs and the high "service charges" on installment credit accounts at retail outlets need consideration.

F. The increasing number of bankruptcies and garnishment actions call

more than ever for a major investigation. These two matters often involve much personal suffering.

G. State laws regulating consumer credit are often quite inadequate and need to be revised. The Federal Government can and should play a more important role in the consumer credit field.

PROTECTION OF U.S. WALNUT TIMBER

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Pennsylvania [Mr. DENT] is recognized for 30 minutes.

Mr. DENT. Mr. Speaker, I appear here to add my voice to those of the American Walnut Manufacturers Association and others who are gravely concerned over the recent order of the new Secretary of Commerce, Mr. Connor, terminating the order of February 14, 1964, for the protection of the rapidly diminishing supply of U.S. walnut timber by slowing down export and domestic consumption of walnut logs.

I first learned of the situation created by export and import policies of this product and other hardwoods that lend themselves to the production of veneers, furniture, and other highly prized and exclusive wood products as chairman of an ad hoc committee that studied the "Impact of Imports and Exports upon U.S. Employment and Unemployment."

Prior to this and up until my election to the U.S. Congress I was a great believer in and follower of the so-called free trade movement. The idea that trade could have a serious effect upon the daily lives of many persons and a direct effect upon our total economy was never considered by myself and I venture to say hundreds of public servants and even millions of everyday Americans.

While I am no longer a free trader, as I understand this type of a person to be, I am a believer in the free exchange of goods and services between nations on an equitable and livable basis. I do not lay all the blame for our economic disease of unemployment at the door of our trade policy but I say that it is responsible for the major part directly and the rest of it indirectly.

Simple arithmetic and eighth-grade education tells us that you cannot ship raw materials to competitors who sell back to your own market or to your foreign market, yet in many cases they do both.

We will learn this the hard way. I dare say that most of our business and industrial leaders already know this simple economic fact but it is worth repeating, "you cannot sell wholesale, and buy back retail, and stay in business."

That is what we are doing with our great and exclusive walnut industry. American walnut trees take from 60 to 100 years to mature into the most valuable of all fine woods and yet this Nation thinks no more of this great natural and exclusive resource than it does of ordinary easy to get products that are available almost anywhere in the world.

It takes over 60 years to produce one American walnut tree. It just cannot be done simply by planting and waiting. It takes, Mr. Speaker, and Members of the House, a reminder from the poet Joyce Kilmer when he penned his poem "Trees"—"Only God can make a tree." I have never asked why this country was blessed with the only source of this great resource but perhaps it is one of the mysterious ways set up in order that every nation has something of its own.

When I first heard of the question raised on the walnut situation during the hearings on Mr. Connor's confirmation by the Senate, I addressed the attached letter to the new Secretary:

JANUARY 23, 1965.

Hon. JOHN T. CONNOR,
Secretary of Commerce,
Washington, D.C.

DEAR MR. SECRETARY: I am sorry to have to make my acquaintance with you by way of a petition, but since matters are as they are, I have no choice.

I do hope we can get together at some early date on matters of such nature as trade, customs, and quotas.

Recently, during the hearings before the Senate committee, on your confirmation, the matter of walnut exports was unexpectedly worked into the proceedings.

As chairman, I headed an ad hoc committee that studied the question of imports, exports, and American jobs. Our report and hearings are available.

The problem of walnut and other hardwoods was given quite a detailed study and, I believe, this led directly to the hearings starting in 1963 which finally ended in the issuance of Bulletin No. 888 establishing a system of quotas and limits externally and internally for walnut harvesting and production.

I will not waste your time with details since I am sure both sides, the foreign interests and the domestic association will give you the details and figures.

Personally, I've tended to follow the line of protectionism in competitive products both as to export as well as import. While this may be an old-fashioned and out-of-date theory, I can't help but remember vividly my own coal, glass, and tool steel production in my district and the chronic unemployment due in a large measure to fixed U.S. costs against fluid and unrestricted foreign production costs.

It was clearly pointed out in the matter of walnut logs that unless a two-way covenant of restriction were imposed, this type of wood would soon be beyond help as a job-sustaining commodity.

I remember well the statement by the then Secretary, Luther Hodges. While he was an avowed freetrader, he had to make the following observation in fairness to the seriousness of the problem. Secretary Hodges said:

"We will keep a close watch on all phases of this program to see that our objectives are not frustrated, for example by a rise in exports of walnut veneer in substitution for exports of logs."

I understand from the industry that while our free-trading advocates have as their goal a world free of greed, want and tariffs as a means to world peace, we still have among us some persons who want profit in any way they can get it.

And so, Mr. Secretary, the great advocates of free trade are doing exactly what Secretary Hodges anticipated and warned against. They are increasing the export of walnut veneer manufactured here, but for purposes contrary to the needs of the industry and the U.S. economy.

All I ask is that you give full consideration to this problem, and please keep in mind that while I am opposed to free trade in products that create unemployment in any nation where imports kill off domestic industry, I propose and have always supported free and unrestricted trade within trade zones of equal cost and production standards.

I favor continuation of Bulletin No. 888 with a further classification of our position on veneers.

I do hope we can keep in mind the need for conservation of the American product—one of the few truly American industries.

With every kind regard, I am,

Sincerely yours,

JOHN H. DENT,
Member of Congress.

Mr. Speaker, one would hate to believe that the Secretary so new in his new position would really believe that a condition of 50-percent success—counting export cheating by foreigners which is acknowledged in the following correspondence by the Secretary himself—in a voluntary program he would kill the program.

What the Secretary is saying is that if a patient is dying and an operation to save his life has only been 50 percent successful with a few errors in the operating room—export of veeners—that it is no use trying to save the patient—stop all treatment. Now he really does not mean that—at least I hope he does not.

On February 24, 1965 I again wrote to the Secretary as follows:

FEBRUARY 24, 1965.

Hon. JOHN T. CONNOR,
The Secretary of Commerce,
Washington, D.C.

DEAR SECRETARY CONNOR: Sorry, I just received your note on export controls on black walnut.

I understand the decision has been made and all restrictions have been lifted.

I wonder if your investigation disclosed how much walnut veneer was made in the United States by foreign producers after they used up their export quota. It could be important.

With every kind regard, I am,

Sincerely yours,

JOHN N. DENT,
Member of Congress.

In response I received the following letter:

THE ASSISTANT SECRETARY OF COMMERCE,
Washington, D.C., March 3, 1965.

Hon. JOHN H. DENT,
House of Representatives,
Washington, D.C.

DEAR MR. DENT: Secretary Connor has asked me to answer your letter February 24, concerning the amount of walnut veneer made in the United States by foreign producers after they used up their log quotas.

We are unable to correlate the timing of veneer production with the date on which individual export quotas granted to the same companies were exhausted by actual shipments. I assume, however, that your question primarily relates to the net increase during the last year of veneer exports by foreign interests who may also have had log export quotas.

From confidential reports submitted to the Department, we estimate that walnut veneer exports in 1964 were approximately 520,000 board feet higher than in 1963. Of that amount approximately 390,000 board feet were exported partly or wholly by foreign-owned concerns which may also have had log export quotas under the control. These 390,000 board feet represent less than

10 percent of the roughly 4.5 million board feet by which domestic walnut consumption during the past twelve months exceeded the 15 million board feet target figure.

Thank you for your letter.

Sincerely yours,

THOMAS G. WYMAN,
Domestic and International Business.

Now, my fellow Representatives, I can understand the Secretary's precise and to the board foot knowledge of domestic consumption but is it not farfetched to say that he has no figures except confidential figures on the exports of veneers that are used in U.S. quotas.

First of all why confidential, why not public? Who gave these figures in confidence? My father always warned me against persons who whispered in my ear confidentially.

I am convinced that the whole effort in the walnut problem has been made to take off controls come hell or high water. It does not matter to some people whether the walnut industry burns or dies by drowning. Frankly, I am afraid it will succumb to suffocation.

Another interesting point to be considered by all of us is that the walnut industry is being penalized for the "big sale" increased production, creating more jobs and adding to the gross national product.

Where, oh where, is there any logic or commonsense in such a situation. Certainly there is economic sense.

On one hand we are spending billions for upgrading our workers, rehabilitating depressed areas, pushing for a growth in the gross national product and in this case we are told "you are a bad boy—you got better than 100 percent in effort." No fooling, is this the same Nation that passed the poverty bill, Appalachia, the wheat and farm subsidies?

In the walnut industry you are penalized if you produce more than you are allowed not because you create a surplus; no, according to the Secretary's letter there is a danger of exhaustion of supply of raw material, but simply because we have to give foreigners part of our limited supply. This is different in the sugar business.

In the farm industry they are paid to keep producing even if the bins are full and we cannot even give the surplus away. It is true, there is some measure of control but it does not take a lifetime to grow a new crop. So controls are an assurance of income not curtailment of needed products.

Mr. Connor's first reply in the form of his release of February 12, 1965, expresses the most illogical and frustrating of all the reasons for leaving our walnut reserves unguarded against the profit pirates of the international trade world. Let me quote a statement made by Mr. Connor:

Notwithstanding the industries' commitment to adopt one thirty-sixth inch as the commercial standard for veneer thickness, this was never done. After some weeks, the veneer cutters did begin to slice a thinner veneer, which they reported as one thirty-sixth inch but which field surveys have shown to average about one thirty-fourth inch. (Furniture manufacturers protested they could not use this thinner veneer, and for a long time failed to do so.) We now find that domestic consumption of logs for the control year has exceeded the 15 million board foot target by over 4.5 million board feet. On this ground alone there is sufficient basis for not continuing the controls, since the condition for their continuance was not fulfilled.

The situation does not seem to involve the possible extinction of the walnut resource. On the contrary, walnut trees are constantly being planted and constantly maturing. Demand is for the moment exceeding new growth, but market factors will undoubtedly bring about a balance, ultimately, between consumption and growth. Among the important factors which could help to reduce domestic log consumption, for example, are not only price shifts, but increasing use of substitute materials.

It does not seem to matter to the Secretary that the veneer makers have to sell their product and the buyers balked for a long time. The Secretary should understand that selling drugs on a doctor's prescription with a captive patient is a lot different than selling in a competitive market with or without the doctor's orders. This coupled with the export of veneers by foreign agents buying for foreign uses adds to the overrun.

The moral of this is that if you cannot get walnut, you can use synthetics. Was not it Marie Antoinette who said, "Let them eat cake."

Let us go further and read a little more from this release of the new Secretary of Commerce.

We now find the domestic consumption has exceeded the board foot target by 4.5 million feet. On this ground alone, there is sufficient basis for not continuing controls, since the condition for their continuance was not fulfilled.

Funny how he slips over the fact that while there was an overrun for perfectly logical reasons in any industry, there was a cutback from the year before by U.S. cutters of the same amount over 4 million feet.

Frankly, it begins to appear as though Mr. Connor's drug experience is coming into play and the American people are going to be given a dose of his potent tranquilizers so they will not feel or even mind when they lose their shirts or pants are taken off.

For me to waste your time and mine with the figures showing the decline of the source walnut trees would be presemptious. I therefore want to cover the parts of the story that affect you and me and representatives of the people of the American economy as it represents the welfare of our people present and future.

Certainly the loss of the walnut veneer industry would only be a drop in the bucket. With only 2,000 employees and a payroll of about $12 million, it is a peanut industry with the minds of our "think big and abroad" crowd. When you figure the 100 persons in the average walnut veneer plant it makes the industry a prime candidate for oblivion.

Incidentally this fits the overall goal of our trade policy as expressed by George Ball in the fight to pass the Trade Extension Act of 1962 when he said that we may as well face it, certain U.S. industries were expendable and would have to be replaced by more sophisticated productions.

Connor suggests the same thing, "use substitutes." Marie Antoinette substituted cake.

However, Marie found out, and George Ball will find out sooner or later, that substitutes never replace originals, they just displace them.

Now, Mr. Speaker, I am not foolish enough to think that the walnut industry's demise will bankrupt the Nation. It would not but it will play hell with 2,000 families in the industry, the producers and their investments. It will certainly affect the welfare of the communities involved by way of taxes, economic growth and above all, will take from 6,000 other Americans the source of their incomes.

We will soon be called upon to work for the passage of a new Fair Labor Standards Act. It is needed and I support the effort. I do so, however, with my eyes open. I know it brings this industry closer to a serious situation since our fair labor standards are not exported with our logs but their labor standards are imported with the products they make from our logs.

Funny thing how a farmer thinks it is great to sell a walnut tree to a Japanese veneer cutter for more money than he can get from a U.S. veneer producer, but thinks nothing of asking the veneer people to pay taxes to subsidize his wheat crop, while he demands that Congress refuse admittance of competitive wheat at any price especially below his guaranteed subsidized price.

Maybe the answer lies in what a liberal, progressive, and high Government official once proposed to me as the answer.

He suggested we subsidize all products, including veneers of course, to export at a loss to the producer, pay the producer a "farm-type subsidy" buy up the surplus products and by this method keep everybody working and paying taxes to keep the plants running.

There is no question but what this would give us our share of the foreign market for veneers and of course sheds full of walnut since our U.S. furniture makers would be out of business unless we gave them an equalizer price subsidy such as we have given the U.S. textile industry so that he could compete with foreign producers.

Incidentally, figures now show that all the textile industry subsidy plan did was to give the textile industry a guaranteed profit.

Now these remedies sound fine but basically they are as unsound as trying to reach the moon on a broom carrying a slicing machine to bring home cheese out of which the moon is made—or is it?

While the U.S. veneer industry use of logs increased 3.18 times during the 6-year period between 1954 and 1960, the export of logs increased 1,700 times.

If we had at least limited exports to our own increased use it would have saved 8 million feet of prime walnut new logs. No person buying will see this

much new walnut in this lifetime under our present operations.

The use of walnut is unlimited; only the supply determines its production of goods for use of the people.

The double standards of our trade policy will eventually spell the downfall of this Nation as both a trading nation and as producer of processed and manufactured goods.

Already we have become dependent upon foreign sources for much of our everyday consumer needs.

It is no laughing matter when 97 percent of all the fine china sold in the United States last year was imported, when great numbers of American kids ride, skate, swim, spin, jump, dance, listen, eat, drink, write, play games, clean their teeth, comb their hair, and everything but breathe with foreign-made products.

I challenge any Member of this Congress to take a family Christmas shopping list and try to fill it without losing his temper or at least his patience.

I was under the erroneous impression that the purpose of all governments, and especially ours, was to make our Nation strong and independent. Independence does not mean isolationism anymore than stopping the export of an expendable natural resource is a violation of fair trade relations.

Perhaps to you the relationship between the majestic and enduring American walnut tree and the everyday cutthroat competition of world trade is a figment of my imagination. Not so; and the facts will prove my contention that the American walnut tree is symbolic of all our trade agreements where we as a nation put the profit and the balance of trade above and beyond the true needs of the community and its peoples.

Let us look at the American walnut tree. After 60 or more years it is cut down and prepared for shipment. It can go two routes; to a foreign country or to a domestic processor. If we ship it overseas—the logger gets paid, the owner gets paid, the transportation gets paid, and finally, if it by accident happens to be an American ship, the sailors get paid.

From the stump to the faraway place, the U.S. economy benefits to the tune of about $300 and this is from prime veneer logs. Much less will be realized from the run-of-the-mill-type logs. You can bet the foreign buyers with their wage and tax cost differentials select only the best logs for their export.

Let us take a look at what happens when the logs are shipped to an American mill. All the above get paid except the shipping line. However, the transportation from the veneer mill to the furniture plant and other users more than makes up this loss, which is only a loss if shipped American. All of you know how slim our chances are of having logs shipped to Japan and other countries via U.S. ships. Of course, if under the AID program, maybe we will have a 50–50 chance.

Now that we are even, insofar as U.S. economy is concerned, let us go further with our U.S. veneer produced from a U.S. walnut tree with U.S. labor.

The logs shipped to a U.S. mill are processed along with other woods used in making veneers or are shipped as veneer for other manufacturers who use the veneer as a veneer without backup lumber. In either case the jobs provided are the same. From the veneer plants it moves to the furniture, cabinet, and panel manufacturers. The cuttings not suitable for veneers are shipped for stair rails, trim, frames, and other items that are fast disappearing from the American scene.

Now, when you realize that only 2 percent of veneered walnut furniture is walnut, and the balance other woods, you realize that for every walnut log consumed by our furniture industry it takes 49 other type trees to meet the needs of the industry.

What does this mean to the U.S. community? It simply means that for every logger that gets a job from an exported tree, 50 other American loggers lose 3 jobs. There is no argument in the claim that if we were not exporting the one logger would lose his job because every person except perhaps Secretary Connor knows that domestic and world demand for American walnut furniture far exceeds the supply.

Let us step further and figure how much the export logger contributes to the doctors, nurses, barbers, retailers, clothingmakers, car producers, farmers, workers in heavy and light industries making radios, TV's, air conditioners, and on and on and on.

And last but not least, how much does the export logger contribute to schools, churches, hospitals, spectator sports, charities, and on and on and on.

Let us look at figures that might help us grasp the situation. In 1961–62 we exported 8.5 million board feet of walnut, sold cut 17.5 million feet in our domestic market.

In 1963 we reached 14.3 million feet export and 23.5 million feet domestic. In 1964, without controls, the normal growth use factor would have forced U.S. producers to produce 26 million feet and the exporters using the same ratio of growth would have gone to 18 million feet.

However, in 1964 even with a voluntary cutback on thickness plus a charge against the United States for exported veneer we were forced to cut back to 7.3 million feet export logs and 19.5 million feet domestic.

If we did not have controls and if we had not allowed export of logs plus export veneer, the entire cutting of American walnut would have only met the needs of our own market. This certainly proves we have and are exporting jobs, wages, salaries, and service industries' earnings with every log we ship out.

Let us look at the next step that took place after only 1 year of controls. The exporters, the people who claim they are so necessary in our economy, had such a demand for veneer they contracted for veneer made here. However, they had the joker up their sleeves and export veneers were reduced to one-fiftieth of an inch thickness.

U.S. producers had to battle American users of veneer to try to sell our veneers cut to one thirty-sixth inch thickness in place of the one twenty-eighth inch formerly the standard for walnut veneers.

Foreign furniture makers thus make up for their higher priced veneers because they get more facings for their furniture and the unsuspecting buyer gets hooked.

The facts are there for all to see. We do not need to export logs. We can and do export furniture but you can see what is going to happen in this area of export trade with the ceilings off on walnut log export.

The wily and foxy trade boys would not quit right away but I will predict the end of the veneer export business and soon the furniture will go down the same drain.

The argument of the Secretary that this free sale and export of logs will help Appalachia is just so much hog wash. One good furniture plant will hire more people, contribute more to the economy than all the logs cut in Appalachia. If you want to help Appalachia, let Bendix start making their Japanese radios in Pennsylvania; let Studebaker go back to Indiana; let the Americans start drinking from glasses made in West Virginia, Ohio, and Pennsylvania; let the dinnerware makers in the pottery areas put the plates on our dinner tables; let our textile makers make our cloth; let our transistor and electronics workers put the guts in our TV's, tape recorders, and PA systems; let steel workers make our steel and our coal miners heat our homes, produce our power, and heat our institutions along with our domestic gas and oil producers.

Let Americans produce for our own uses, let our farmers produce our food and those of us working in our factories will pay them for full production and they can give away their surplus to needy people overseas to help them get on their own two feet.

That is where we all end up, on our own two feet as peoples and as nations; if not, we will all end up on our backs—there is no in between.

You try to sell a free trader the proposal that he run his home on the same theory and you will find out how he is with his own job and his own family's welfare.

I find that when I scratch a free trader with foreign competition he bleeds and screams louder than any protectionist I know.

One wonders how the same government could issue one order restricting sugar export sales that had not even taken place with a worldwide supply sufficient for all needs while in the same breath using the same provision of GATT, article XX(g) in the 1947 agreement to wipe out export restrictions on walnut, a short-supply resource and affecting no other countries' exports since we alone produce American walnut logs.

Testimony before the Hartke committee shows the double talk used to accomplish this, by no means an amateur trick.

You are not interested at this moment in the export of dollars but let me quote from a nationwide foreign products sales group. This will give you some idea of

how the free-trade boys operate. They claim to be freetraders for the good of mankind—maybe they are, more power to them if they are—but I am of the opinion that mankind as they see it is the man who faces them when they shave.

Here is a little advertising that accompanies an offer to sell the following items:

1. Electric powered 8 mm. movie cameras—no winding—drop in loader—black and white or colored—for $4.40.

2. Jeweled calendar watch—Swiss movement—tells time and date—sweep second hand—gift box—water resistant—anti-magnetic—stainless band steel back—for $2.33 plus 11 cents for expansion band.

3. Tape recorder—4 transistors—complete with built-in powerful dynamic speaker—records—plays back, erases—rewinds includes microphone, battery, tape, reels, etc.—for $6.70.

4. Electric razor—product Swiss craftsmanship—shaped to shave the heaviest beards—maker guarantees full 2 years—complete with cord—head guard and brush—for $1.70.

These are only four of hundreds of import bargains you can get to make fantastic profits of over 200 percent if you want to go into business. Here are a few more:

Australian wool sweater	$2.00
Transistor radio	1.70
Cigarette lighter	.17
Electric carving knife	1.50
Binoculars	1.20
Teakwood chest	.90
Derringer pistol	5.74
Star sapphire ring	6.00
Electric hair dryer	1.37
Electric train set	1.36

Impossible—that is what you think. I thought so too, but I investigated further and then I came across the real free trade clincher.

This is the sales pitch showing you why it can be done, why it is being done, why we are losing our walnut industry and why we lost Studebaker, Bendix, Bell and Howell, and the hundreds of free and independent American firms that under the guise of helping our neighbors are bleeding our own Nation white; they are taking the gold out of our economic bloodstream and our kids will have limited choices of a career. They can go to school for life under subsidy, they can produce protected subsidized products, they can get a job in government, or they can inherit or marry accumulated wealth.

Of course it would not hurt if you happen to own some good export-import stock or invest in oversea American-owned facilities.

This is all good for a few but I guarantee the rest of us will be pretty much in the same ruts of poverty, not the same kind of poverty we are attempting to cure now, but a different type.

One of our first signs of the new poverty will be when we are told "to have only as many children as we can afford." From there on it is your guess as good as mine, maybe the child we did not have would have been Columbus or Einstein or Michaelangelo or for that matter you or me.

Sorry, if I get a little away from my import bargains and and how it is possible so I will close by quoting verbatim from the man's sales pitch which I have for your inspection, if you will not or cannot believe me:

HERE'S WHY IMPORT PROFITS ARE FANTASTIC—YOU CAN CASH IN ON THESE LOW LABOR COSTS AND POCKET THE DIFFERENCE

Compare the high cost of domestic labor with recent oversea costs:

Overseas labor costs so little

	Per hour
United States	$2.80
Japan	.56
Holland	.58
Italy	.65
Belgium	.73
Switzerland	.77
Great Britain	.80
West Germany	.85

Every dollar you spend for labor on overseas products is worth $4 here. According to reports furnished by the U.S. Department of Commerce and other reliable sources, the recent average price of skilled labor in various countries does not exceed the amounts shown above. Compare the U.S. cost of $2.80 with 56 cents an hour in Japan, or in other countries. It's easy to see why import pays so well. Compare the costs of Swiss watches, German tape recorders, Japanese transistor radios, hundreds of other imports, with the same domestic merchandise. There is no comparison. And often, the imported product has much more painstaking handwork.

My fellow Members of Congress, need I say more—this importer agent has said it much more eloquently than I could have and besides he knows what he is talking about. "It is good for business—his business."

ISSUES IN VIETNAM

The SPEAKER pro tempore. Under previous order of the House, the gentleman from New York [Mr. ROSENTHAL] is recognized for 60 minutes.

Mr. ROSENTHAL. Mr. Speaker, for the past several months I have been deeply concerned about Vietnam. As a member of the Foreign Affairs Committee of the House, I have had an opportunity to examine the issues which are at the source of the crisis and have come to appreciate their complexity. Like many of my colleagues, I have regarded it as important to respect the Executive's primary responsibility in foreign affairs. I have been moved by the President's awesome burdens in this field. I recognize his greater command of information.

But I suggest that we in positions of national trust cannot remain silent in the face of growing national anxiety. We have a responsibility to thoughtful and open debate about Vietnam. I respectfully suggest that it is wrong to maintain that in our democratic society we will do our country a disservice by discussing our present course of action. The absence of forthright dialog actually calls into question our national vitality and the strength of our representative institutions. It is clear to me that the people of this country are disturbed over the events in Vietnam. They want to hear debate, lest they be cut off from their leaders and the important decisions on foreign policy.

During the vibrant period from 1947 to 1949, when the groundwork for our postwar military and diplomatic policy was established, debates in Congress were frequent, spirited, and enlightening. They contributed to the formation of the Marshal plan and the Truman Doctrine. Why are so few voices raised now, when nothing less than our future commitment to Asia and world peace are at stake? To urge debate in Congress is not to suggest that the legislative body make foreign policy. It is to expose a maximum of ideas, a variety of thinking, to the open air. We owe it to our constituents to express our views, however mistaken we may sometimes be. I rise to speak today, then, out of a commitment to a free discussion of one of the vital questions facing the American Nation.

It seems clear that, when the administration decided to extend the war in Vietnam to the north, it knew the risks involved. The administration chose to undertake a policy, the consequence of which was, at best, uncertain. Indeed, on a number of occasions, the President himself suggested that nobody could predict the future with confidence. It was his judgment, however, that forces on the other side—in Peiping, Moscow, Hanoi, and the Vietcong—had to be convinced of our irrevocable commitment to South Vietnam and our refusal to be coerced into withdrawal. This constituted the broader political grounds for our decision to bomb the north.

Diplomatically we were determined "to do something to the other side we could stop doing" to improve the prospects of a settlement. I fear that what began as a principle for improving our bargaining position has simply become a blueprint for the escalation of the limited Vietnamese war into a general Asian war.

It has been 2 months since we began bombing North Vietnam on a regular basis. By this time, one administration spokesman was reported to have said in February, the Communists should by now have backed down. But they show no signs of doing so. On the contrary, their will to fight appears to be stiffer than ever and we have acquired no perceptible military advantage. As a consequence, I believe it is important to evaluate the effects of this policy in an effort to improve our posture in the future.

The real issue as of today looks to me like this. The bombings have produced very little.

A UPI news release follows:

SAIGON.—American military authorities here believe the war for control of South Vietnam remained at a stalemate during March, despite the intensification of airstrikes in the south and raids against the north.

Moreover, an American military spokesman said, "There certainly has been a continuation of infiltration in March," although the announced intention of the air raids against North Vietnam was to convince the Hanoi regime to halt the infiltration of men and arms into the south.

The spokesman said the number of American bombing strikes against Communist concentrations inside South Vietnam doubled in March as compared with previous months.

In spite of this increased use of airpower, however, the Government just managed to hold its own in the provinces outside those immediately surrounding the capital.

The point at which they would have forced Hanoi to negotiate—if, indeed, Hanoi does exercise its will over the Vietcong—without triggering direct Chinese or North Vietnamese intervention has continued to elude us. We seemed to have failed to take into account the deep resources of Asian patience. Meanwhile, we have risked greater escalation and ignored viable alternative policies. There are at least some reports which indicated North Vietnamese interest in useful negotiations. Our bombing may be suppressing that interest by making it impossible for North Vietnam to negotiate in honor.

Has the bombing then been in any way successful? Did the north really want to negotiate from the outset, as some have suggested? Was Ho Chi Minh himself anxious to negotiate, actually waiting to see the Chinese contention that America was a paper tiger proven wrong? Have the North Vietnamese been preoccupied with intraparty squabbles between moderates and Maoists and hence completely precluded from settling on any single policy? Have the Russians been quietly biding their time waiting to see us call China's bluff?

These questions and many others hold the key to our future in Vietnam. Our policy has acknowledged their validity but I construe President Johnson's remarks about the difficulty of predicting the future to mean that we may not really know the answers. Without knowing the answers myself, I see us involved in a frustrating war without apparent policies for resolving it. Something must be done and I would like to propose some alternatives to our current course.

At the beginning of any analysis, we must acknowledge that we are not fighting a monolithic Communist enemy in Vietnam. We face rather a complex, divided alliance, as much preoccupied with its own incoherence as it is with waging war on its enemies. That these divisions are the consequence of conflicting objectives has rendered even more difficult our devising a logical policy for dealing with our adversaries. But we must still devise a policy.

We think we understand the intentions of the Soviet Union, one member of the Communist alliance. Russia, it now seems clear, is unhappy at the extension of Chinese revolutionary influence into southeast Asia. Though I am not deceived by Soviet objectives, I think it is indisputable that Russia does not want a general nuclear war.

We are less clear about the nature and intentions of Communist China. Are the Red Chinese nationalists before Communists?—Asians before nationalists; is there no single answer? Perhaps by adopting prudent policies we can encourage them to be what we want them to be, which is—as a minimum—peace-loving.

Even if there is some truth in the argument that, as of now, the Chinese are primarily Asian expansionists, it does not follow that their expansionism is like Germany's in the 1930's or Russia's in the 1940's. Chinese interest and influence in southeast Asia—cultural, political and racial—is centuries old. It bears little resemblance to Russia's concern with, let us say, Berlin, or Nazi Germany's ambitions in the Balkans. Mao's revolutionary guerillas are vastly different from Hitler's Wehrmacht or Stalin's Red Army. We do not confront them in the same way. Mao's revolutionaries fight with ideological weapons, with which we oftentimes do not know how to deal.

However noble our motives and however reprehensible theirs, they use, along with a dose of terrorism, hope and the promise of a better future. Why have we—heirs to Wilsonian idealism and a great revolutionary tradition—forgotten how to use the weapons of that tradition? We know what China is—in reality, a threat to the aspirations of the southeast Asian countries. But we have failed to exploit that threat and have instead put ourselves, in the minds of many Asians, into the positions not of defenders of independence but of neocolonial aggressors.

We have also failed to exploit effectively the strains within the Communist alliance. We have an investment in Russia's strategy of peaceful coexistence. But we have played into Chinese hands by making it appear as if death-lock struggle is the reality of world affairs. We have not sufficiently encouraged the development of a pluralistic world communism of Titoist states balancing the two giants. Though military establishments since Caesar have operated on the principle of divide and conquer, we have not sufficiently promoted such divisions.

Ironically, our Vietnamese policy, while contributing to Communist unity, imposes enormous strains on our own alliance. Prime Minister Wilson, himself at work on creating a great society, faces increased dissension in his own party. De Gaulle's France, long a proponent of a negotiated settlement in southeast Asia, recognizes in our predicament a repetition of their own troubles of 10 years ago. We demand and receive the ostensible support of our allies. But we do not have their confidence. There is intense concern, deep skepticism, over our bombings. Will they force Hanoi to give up or will they escalate the conflict into general war? I do not suggest that this country base its policies on world opinion or the private doubts of our allies. I merely argue that these components cannot be ignored.

Our friends and allies, world opinion generally, and my own constituents have a right to expect clarification of our goals in southeast Asia. They urgently desire that we take the lead in seeking an honorable settlement in Vietnam. I do not accept the argument that we compromise our negotiating position by clarifying our goals. I think we suffer from a diplomacy of silence. I see no reason why this country cannot afford to talk openly and directly. The climate of distrust and suspicion—created by questionable military tactics and ambiguous diplomatic objectives—is hardly conducive to peace.

President Johnson opened a new chapter in our southeast Asian diplomacy at his March 20 news conference. His words deserve careful attention and highest praise:

> The real goal of all of us in southeast Asia must be the peaceful progress of the people of that area. They have the right to live side by side in peace and independence. And if this little country does not have that right then the question is, What will happen to the other hundred little countries who want to preserve that right? They have a right to build a new sense of community among themselves. They have a right to join, with help from others, in the full development of their own resources for their own benefit. They have a right to live together without fear or oppression or domination from any quarter of this globe.

The question now being asked throughout the world is: How do we recognize and provide for the honorable realization of these rights?

In my view, we must offer to North Vietnam an alternative to its present situation in southeast Asia. Those forces in that country which fear domination from China must be shown that there is an alternative other than domination from the West. We have to make it clear that Americans are prepared to feed Asians rather than fight them, clothe Asians rather than bomb them, and teach Asians rather than gas them. And we must show that we will promote and support a system of security in that area which counterbalances the threat of China.

No one should pretend for one moment that such a promise has a strong chance of realization. American presence in southeast Asia is as unnatural and resented as Chinese influence is historic and preponderant. Revolutionary communism, at least in its early stages, is often an attractive path for aspiring nations. But it is clear that America can produce no better policy than one which seeks to promote an independent southeast Asia with an ideology and diplomacy of its own.

There is a chance to take the first step toward this goal right now. Ho Chi Minh is an old Bolshevik, to whom Mao is as much a menace as America. He has carefully built up an industrial base which he is not anxious to lose. He has interests in trade arrangements with the economically complementary south. He is attracted by fuller diplomatic recognition. The prospects of growth through development aid and participation in regional economic plans is more compelling than the protracted attrition of the past 20 years. Ho Chi Minh is an old man, desirous of seeing some general advancement for his country after 20 years of war.

To offer him an alternative to Chinese domination, the United States must overcome an enormous legacy of resentment and hatred. Unless our offers of assistance are above suspicion, they will not succeed. We must be prepared, for example, to join in informal cooperation with Russia in formulating plans for the economic development of southeast Asia. Such coordination, besides promoting stability in southeast Asia, will improve relations with the Soviet Union. It will help isolate China and certain Chinese

influence. It will advance the prospects for a system of international cooperation to assist in the development of the poorer regions of the world. I think it is crucial that this country make a commitment to a new deal for southeast Asia. We will, thereby, open up the doors to honorable negotiations for peace in Vietnam.

I urge, as a first step, that the United States cease, for the time being, its bombing raids in the north. At the same time, we might informally request from Hanoi a significant reduction of the incident level in the south. What I suggest is not a total cease-fire. This country will be able to continue its air reconnaissance, intelligence, and antiguerrilla political pressure. Hanoi will probably be unable to prevent isolated incidents of banditry and some insubordination in the Vietcong. But my plan represents a start.

This is diplomacy by mutual example—a process already begun between the United States and Russia by President Kennedy. There is no reason why such diplomacy cannot be extended to Asia. A temporary cessation of bombing will allow Hanoi to receive and initiate peace overtures without appearing to be under coercion. This country would be taking no irrevocable steps. Nor would such action compromise any particular military strategy since, for the most part, the bombings have always been political and psychological in character.

To the argument that such a move would demoralize the South Vietnamese Government, it can fairly be answered that this country has tolerated the impossible behavior of South Vietnamese governments for long enough. Sooner or later, even Saigon must come to accept peace.

During a period of a temporary military moratorium, the United States could pursue a full diplomatic offensive, in an atmosphere of open conversation. Channels heretofore closed might be opened. Proposals for settlement previously repressed might now be considered. And the talents of the country's and perhaps the world's most skilled political negotiator—Lyndon B. Johnson—could be released in pursuit of a settlement honoring this country's commitments, respecting Asian sentiments, and promoting world peace.

Mr. Speaker, I fear we are in danger of becoming the victims of our own diplomatic rigidity. I respectfully call for a policy of flexibility, a policy that will recognize peace within a framework of world security as our goal. I submit that there is more than one way to achieve that goal. I call upon those responsible for formulating our foreign policy to consider every possible alternative to bring the war in Vietnam to an honorable conclusion.

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

Mr. ROSENTHAL. I yield to the gentleman from Hawaii.

Mr. MATSUNAGA. I wish to commend the gentleman from New York for bringing to the attention of the Congress his thoughts on a vital issue which appear to have been seriously considered. I, too, was somewhat disturbed by the action that the President had taken in Vietnam and raised some questions during the briefing at the White House on March 2 with the President and the Secretary of State. At that time I was assured that every diplomatic channel is being kept open, in line with the suggestion that the gentleman has made, that we may negotiate for peace. The question is, with whom do we negotiate? It takes two to negotiate. We have been assured by the administration that it has made every effort to negotiate. But the only reply it has received from North Vietnam is a complete denial of any direction of or connection with the guerrilla warfare going on in South Vietnam. Under such circumstances, while I heartily agree with the gentleman now in the well of the House, that every effort toward a negotiated peace ought to be exerted, the question still remains, with whom do we negotiate?

Mr. ROSENTHAL. I would call the attention of the gentleman from Hawaii to an interesting piece of news that just now came across the Associated Press ticker. It is marked "bulletin." It says: "United Nations, U.N. Secretary General U Thant was reported to have received a message from Red China's Premier Chou En-lai today suggesting that a solution to the Vietnam conflict was up to the parties directly involved."

This is, to me, somewhat interesting. Whether it is credible I would not even offer a suggestion. But there are many countries in the world—Poland, Switzerland, England, France, India, Canada—who are willing to act as middleman between the United States and Hanoi. Certainly, we have the burden of openly suggesting to the world that we are willing to negotiate with Hanoi to see if this matter can be ended. If the Communists come forward and say they are not interested, and if they say, "We do not want to negotiate—we want to pursue this matter because we are winning the war," then our conscience is clean. We can pursue them with our bombers or with whatever military policy is necessary with all the vigor at our command.

I merely say that a major effort on our part must be made before any large-scale escalation can be allowed.

Surely Russia and China have differences of opinion. There is, I believe, a conflict between them. I do not believe that Russia wants China to get into this thing in Vietnam.

Our moral obligation to ourselves and the next generation is to make a massive effort to negotiate in an honorable fashion. Perhaps we can say we will take a week off from bombing the north, or 2 weeks off, or whatever it may be.

If we are not willing to participate in at least a first step toward negotiation, then we must, of course, suffer the consequences.

Mr. MATSUNAGA. The gentleman is not suggesting that every effort is not now being made by the administration?

Mr. ROSENTHAL. I am sure that efforts are being made, but perhaps those efforts would be more fruitful with a reduction in bombing.

I, too, have been with the President and the Secretary of State and others.

It may be that there is another alternative. Perhaps if we stopped bombing for 2 weeks and announced that to the world, starting tomorrow or the next day, then we could put the burden on the other side, and they would have to carry the burden in the court of world opinion.

We must remember that we are really a great power, compared to the North Vietnamese. We can eliminate them in 12 hours any time we want. I believe that the fact that this has not happened is an indication the President has shown great restraint.

Mr. MATSUNAGA. Again I commend the gentleman in the well for having given such considerable thought to this matter. I hope that his thoughts will be conveyed to the administration and that perhaps at a conference table, even with the President, his suggestion may be discussed.

Mr. ROSENTHAL. I thank the gentleman for his participation.

Mr. TEAGUE of California. Mr. Speaker, will the gentleman yield?

Mr. ROSENTHAL. I am happy to yield to the gentleman from California.

Mr. TEAGUE of California. To me it is interesting that this apparent lack of full confidence in the President and the way he is handling this most difficult and complex problem in Vietnam comes from a Member of his own party rather than a Member of the opposite party.

Mr. ROSENTHAL. Let me say at that point, there is no lack of confidence in the President at all. I am offering two suggestions.

First, there may be other alternatives, perhaps, from the ones the President's advisers have suggested to him.

Second, as I indicated in my opening remarks, I welcome this kind of discussion and dialog.

I have no lack of confidence. I suggest that, in my judgment, the President is one of the most skilled negotiators in the world. I urge him to put these talents to use in a field which requires all the skills at his command. I am offering a suggestion. I have not, by any manner of means, indicated I lacked confidence in the President.

Mr. TEAGUE of California. Perhaps I was incorrect in my interpretation. I realize the gentleman said some very complimentary things about the President. I got the impression that by raising this point and making these suggestions, the gentleman had some belief or some fear that perhaps the President was not handling the situation in Vietnam as he should.

Mr. ROSENTHAL. That is not the case. I am suggesting there might be other alternatives. Perhaps this idea has come up before, within the President's council of advisers.

The fact that this suggestion comes from a Member of Congress—and other Members of Congress indicate similar thoughts—merely indicates that these things should be put on the table.

I welcome the gentleman's participation. I am certain it was not inspired by any partisan consideration in any way at all.

The point is that this kind of open discussion between the gentleman from California and myself and between the gentleman from Hawaii and myself is really a healthy thing. We have less information than the Executive has. We have less experience and skill. Yet, sometimes even a novice can come up with an idea which has merit.

That is the principal reason for my taking the floor today.

Mr. EDWARDS of California. Mr. Speaker, will the gentleman yield?

Mr. ROSENTHAL. I yield to the gentleman from California.

Mr. EDWARDS of California. I compliment the gentleman from New York for taking this time this afternoon and offering his very thoughtful remarks on this difficult subject which plagues all Americans and indeed the entire world. By our having what we believe is an intelligent, thoughtful dialog on this immensely difficult subject, we do not indicate in any way that we do not have the highest respect and admiration for our President.

But this is the nature of our way of life. It is the nature of our free society, where our citizens, certainly not excepting Members of Congress, can stand up and discuss the great issues of the day. President Johnson would be the first one to want us to have such a discussion.

Now I would like to ask the gentleman from New York a question. He recently mentioned that the administration has come up with some affirmative suggestions, insofar as the problem of southeast Asia is concerned, so that the other side would know what kind of a world we have in mind for them in the event that hostilities cease and agreement can be reached. I am sure that the gentleman from New York and indeed all of the Congress would applaud the President's support of the Mekong River Basin program. This program of the United Nations which is supported by 25 nations is an example of the type of project which could assist these underdeveloped nations of southeast Asia on the road to economic viability. As the gentleman from New York knows, this project involved Cambodia, Laos, Thailand, and Vietnam and could be to these nations what the Aswan Dam is to Egypt and the Volta River Dam is to Ghana. It seems to me that this kind of affirmative approach to the Vietnam program would be a considerable help in arriving at a satisfactory solution.

Once again I want to thank the gentleman from New York for yielding to me, and I assure him of my appreciation for his remarks.

Mr. ROSENTHAL. Mr. Speaker, I thank the gentleman for participating in this discussion. I know that the gentleman is aware of the fact that tomorrow night at 9 o'clock the President is going to speak on national radio and television from Johns Hopkins University. I am hopeful that he will amplify American policy in southeast Asia. It may be his remarks tomorrow night will be the beginning of a major peace offensive. There is nothing wrong in that. It is the man with all of the strength who can in good grace say to the other fellow, "Well, we can stop fighting." They know as well as we do that they do not measure up in the balance of power. There is no contest between us. But certainly the gentleman from California knows as well as I do, that the major threat to this society is a nuclear confrontation. Nobody really wants that. Maybe the Chinese would like to have some action along those lines, but so long as we in this Congress participate in making every effort to assure that this civilization is not ended by that kind of a confrontation, then we have done our job, and I think part of that job is once in a while talking about it as we are doing here today.

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

Mr. ROSENTHAL. I will be happy to yield to the gentleman from Wisconsin.

Mr. KASTENMEIER. Mr. Speaker, I would like to join my colleague from California [Mr. EDWARDS], in complimenting the gentleman from New York in making his presentation. I think it is a notable contribution to the dialog on this subject. I know in my own mail from home in the comments there and in the editorials in the newspapers and from a questionnaire that I have sent out it tends to suggest a consensus which would certainly support some of the provocative and, I might say, forward looking ideas that the gentleman has presented here today in connection with a peaceful resolution of a very painful choice for you and the President and our Nation and indeed the world. I want to thank the gentleman for his contribution this afternoon.

Mr. ROSENTHAL. Mr. Speaker, I thank the gentleman.

STATEMENT ON FILING OF BILL ON TAX-EXEMPT MUNICIPALS

Mr. TEAGUE of California. Mr. Speaker, I ask unanimous consent that the gentleman from Massachusetts [Mr. KEITH] 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 California?

There was no objection.

Mr. KEITH. Mr. Speaker, today I have filed legislation which will put a stop to certain abuses in the area of municipal industrial financing. The bill amends the Internal Revenue Code of 1954. It denies to a corporation a deduction for payments—rental, lease, and so forth—made to municipalities on industrial plants financed by tax-exempt obligations. It also denies a deduction for interest payments made on mortgages which are so financed.

Under the code, the Federal Government does not tax the income received by the holder of a municipal obligation. This is as it should be in order to protect the fiscal independence of local governmental units from control by the Federal Government. However, in recent years, there have been permitted, in a number of States, an extension of municipal financing into new areas. In 28 States, it is now permissible for a municipality to issue an obligation—generally a revenue bond—in a few States they can be backed by the general credit of the municipality—and to use the proceeds for the purchase and construction of industrial sites. The procedure then is to lease or make some other arrangement with an industrial firm to use the facility.

Many communities using this type of financing do so in order to attract new industry. It has become a competitive proposition in some areas. The proceeds are never intended to be used for a bona fide governmental purpose, but solely to enable the community to offer a better "deal" to a corporation. The municipality permits its governmental tax exemption to be used for the expansion of a private company.

Mr. Speaker, in my view, such use of municipal financing is not in accord with the original intent of the exemption. This financing was to be used for genuine municipal projects, not for the benefit and subsidization to private industry.

In most cases, it is not a question of financial need as far as the corporation is concerned. Some of this country's largest and most financially stable corporations have become involved in this type of financing with a municipality.

Mr. Speaker, in a speech delivered on December 1, 1964, to the Investment Bankers Association, Mr. Frank L. Magee, chairman of the executive committee of the Aluminum Co. of America, indicated the dangers involved in continuing on the present course of abusing the exemption. I quote from his speech:

> First off, I believe municipal industrial financing is an abuse of the right of municipalities or States to issue tax-free bonds when these bonds are issued primarily for private benefit * * * this could well serve as the opening wedge for the Federal Government to eliminate the Federal income tax exemption for all State and municipal bonds * * *.
>
> A second danger I see in municipal industrial financing is that it is unfair to industrial neighbors and especially to other companies in a competitive industry.
>
> A third danger I see in the use of municipal industrial financing is the threat of Government ownership of industrial facilities.

I firmly believe that Mr. Magee knows from where he speaks. He heads one of the most prominent industrial establishments in the United States. As firm believers in an unsubsidized private enterprise system, I agree with him that there is no need for healthy and growing companies to force municipalities into providing financing for their private use.

It might be asked, Mr. Speaker, why I am favoring this approach, denying a tax deduction to the private company occupying industrial plant financed by tax exempt bonds, rather than removing the Federal tax exemption for such bonds. The reasons are these: My bill does not deny tax exemption to interest on bonds issued by a State or local government, which would be objectionable to local

governments and to many organizations which recognize that tax exempt local government credit should not be used for the benefit of private companies. My bill would close the tax loophole by denying a Federal tax deduction to the private company which otherwise would benefit by the misuse of the tax exemption of a local government. This approach will not raise the constitutional issue of determining whether the obligation was incurred for a genuinely governmental function. The unfair advantage of a corporation being financed through municipal bonds would be removed.

Mr. Speaker, I firmly believe that if we are to stem the headlong competition that is now going on in this field, the Congress must act soon to insure the integrity of the original tax exemption. It must be available for genuine municipal or governmental projects. We should not allow this distortion of the exemption to continue. I urge my colleagues to join me in support of this legislation.

A MORE EFFECTIVE VOTING RIGHTS LAW

Mr. TEAGUE of California. Mr. Speaker, I ask unanimous consent that the gentleman from Massachusetts [Mr. KEITH] 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 California?

There was no objection.

Mr. KEITH. Mr. Speaker, I today have the privilege of joining the distinguished minority leader and ranking minority member of the Committee on the Judiciary in sponsoring a bill which is the product of their leadership and experience and the efforts of many other able Republican Members of the House, the Voting Rights Act of 1965.

This proposal is offered as a comprehensive and effective substitute for the administration bill, which has been recognized from the outset to be a proposal handicapped by many serious deficiencies and omissions and which, it is widely agreed, dangerously oversteps constitutional bounds.

The Ford-McCulloch bill, to which I am proud to add my name, is a fair and speedy remedy to racial discrimination in voter registration, and it will effectively insure the constitutional right to vote without overturning other important constitutional principles, and without penalizing areas which are not guilty of discrimination.

Its enactment would give us the tools to terminate unreasonable standards for registration and voting without interfering with the reasonable requirements and constitutional prerogatives of the various States.

I ask that the text of the bill, as I have today introduced it, be reprinted in the RECORD at the conclusion of my remarks. In brief terms, it would provide for the appointment of a Federal examiner when the Attorney General receives 25 or more complaints from residents of a county alleging denial of the right to vote on account of race or color. The examiner would be empowered to disregard literacy test requirements for persons who possess a sixth-grade education, or more, and could administer such tests for those not possessing this minimum education, so long as it was fair and reasonable.

Unlike the administration bill on this vital subject, our bill would reach discrimination wherever it exists, and would not, for example, exclude the entire State of Texas from its jurisdiction—a widely noted oversight in the administration-supported bill.

Our bill would also avoid the arbitrary percentage formula, whereby only those States and their subdivisions having literacy requirements where less than 50 percent of the voting-age population registered or voting in 1964 would be affected by the proposed law. This would mean that we would miss serious pockets of discrimination on the one hand, and on the other would unfairly penalize other areas where, perhaps, apathy, one-party domination or deceptive census figures may account for low registrations.

The Federal examiner under our proposal would be appointed by the Civil Service Commission. He would immediately determine whether complainants are qualified to vote. The States could challenge these determinations to a Federal hearing officer, also appointed by the Civil Service Commission, within 10 days. The hearing officer could be required to render his decision within 7 days.

Determination by the hearing officer that 25 or more persons are denied suffrage because of race or color establishes a "pattern" or practice of discrimination under the bill. Immediately thereafter additional Federal examiners and hearing officers would be appointed as necessary to register all other persons within the county who may be subject to discrimination.

All persons found qualified to vote would be entitled to vote. Those who are challenged would be allowed to vote provisionally until the appeal is decided by the hearing officer and court.

The administration bill does not provide the authority for provisional voting, which is included in our bill to encourage prompt determination of appeals.

The administration bill would eliminate literacy tests in some States, no matter how reasonable or how fairly applied, and would prohibit the future adoption of literacy test requirements by other States.

This is unnecessary and it goes too far. There is no reason for the Federal Government to attempt to invalidate the laws or ordinances of a State or local government in contravention of established constitutional principles. There is nothing evil or illegal about a literacy requirement, so long as it is not in violation of the 15th amendment—so long as it does not involve an element of discrimination, intimidation, or coercion.

This new bill deals with the fundamental problem of physical and economic coercion and intimidation, and in addition it provides for civil and criminal penalties against those officials who engage in such activities.

In conclusion, this bill offers a constitutional, comprehensive, prompt and effective remedy for disenfranchisement because of race or color. It is a strong and sound bill and in my opinion it is more thoughtfully drafted than the administration bill. It deserves enthusiastic, nonpartisan support.

Mr. Speaker, I insert the text of this bill at this point:

H.R. 7196

A bill to guarantee the right to vote under the 15th amendment to the Constitution of the United States

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act shall be known as the "Voting Rights Act of 1965."

SEC. 2. (a) The phrase "literacy test" shall mean any requirement that a person as a prerequisite for voting or registration for voting (1) demonstrate the ability to read, write, understand, or interpret any matter, or (2) demonstrate an educational achievement or knowledge of any particular subject.

(b) A person is "denied or deprived of the right to register or to vote" if he is (1) not provided by persons acting under color of law with an opportunity to register to vote or to qualify to vote within two weekdays after making a good faith attempt to do so, (2) found not qualified to vote by any person acting under color of law, or (3) not notified by any person acting under color of law of the results of his application within seven days after making application therefor.

(c) The term "election" shall mean any general, special or primary election held in any voting district solely or in part for the purpose of electing or selecting any candidate to public office or of deciding a proposition or issue of public law.

(d) The term "voting district" shall mean any county, parish, or similar political subdivision of a State in which persons, acting under color of law, administer the registration and voting laws of the State.

(e) The term "vote" shall have the same meaning as in section 2004 of the Revised Statutes (42 U.S.C. 1971 (e)).

SEC. 3. (a) Congress hereby finds that large numbers of United States citizens have been and are being denied the right to register or to vote in various States on account of race or color in violation of the Fifteenth Amendment.

(b) Congress further finds that literacy tests have been and are being used in various States and political subdivisions as a means of discrimination on account of race or color. Congress further finds that persons with a sixth grade education possess reasonable literacy, comprehension and intelligence and that, in fact, persons possessing such educational achievement have been and are being denied or deprived of the right to register or to vote for failure to satisfy literacy test requirements solely or primarily because of discrimination on account of race or color.

(c) Congress further finds that the requirements that persons as a prerequisite for voting or registration for voting (1) possess good moral character unrelated to the commission of a felony, or (2) prove their qualifications by the voucher of registered voters or members of any other class, have been and are being used as a means of discrimination on account of race or color.

(d) Congress further finds that where in any voting district twenty-five or more persons have been denied or deprived of the right to register or to vote, as determined in section 6, there is established a pattern or practice of denial of the right to register or to vote on account of race or color.

SEC. 4. (a) Whenever the Attorney General certifies to the Civil Service Commission (1) that he has received complaints in writing from twenty-five or more residents of a voting district each alleging that (i) the complainant satisfies the voting qualifications of the voting district, and (ii) the complainant has been denied or deprived of the right to register or to vote on account of race or color within ninety days, and (2) that the Attorney General believes such complaints to be meritorious, the Civil Service Commission shall appoint an examiner for such voting district.

(b) A certification by the Attorney General shall be final and effective upon publication in the Federal Register.

(c) The examiner shall examine those persons who have filed complaints certified by the Attorney General to determine (1) whether they were denied or deprived of the right to register or to vote within ninety days and (2) whether they are qualified to vote under State law. A person's statement under oath shall be prima facie evidence as to his age, residence and his prior efforts to register or otherwise qualify to vote. The examiner shall, in determining whether a person is qualified to vote under State law, disregard (1) any literacy test if such person has not been adjudged an incompetent and has completed the sixth grade of education in a public school in, or a private school accredited by, any State or Territory, the District of Columbia, or the Commonwealth of Puerto Rico, or (2) any requirement that such person, as a prerequisite for voting or registration for voting (i) possess good moral character unrelated to the commission of a felony, or (ii) prove his qualifications by the voucher of registered voters or members of any other class.

(d) If the examiner finds that twenty-five or more of those persons within the voting district, who have filed complaints certified by the Attorney General, have been denied the right to register or to vote and are qualified to vote under State law, he shall promptly place them on a list of eligible voters, and shall certify and transmit such list to the offices of the appropriate election officials, the Attorney General, and the attorney general of the State, together with a report of his findings as to those persons whom he has found qualified to vote. For those persons, possessing less than a sixth grade education, the examiner shall administer a literacy test only in writing and the answers to such test shall be included in the examiner's report. The examiner shall issue to each person appearing on such a list a certificate evidencing his eligibility to vote.

(e) A finding by the examiner that twenty-five or more of those persons within a voting district, who have filed complaints certified by the Attorney General, have been denied or deprived of the right to register or to vote and that they are qualified to vote shall create a presumption of a pattern or practice of denial of the right to register or to vote on account of race or color.

(f) Unless challenged, according to the provisions of section 5, any person who has been placed on a list of eligible voters shall be entitled and allowed to vote in any election held within the voting district unless and until the appropriate election officials shall have been notified that such person has been removed from such list in accordance with section 10. If challenged, such person shall be entitled and allowed to vote provisionally with appropriate provision being made for the impounding of their ballots, pending final determination by the hearing officer and by the court.

(g) No person shall be entitled to vote in any election by virtue of the provisions of this Act unless his name shall have been certified and transmitted on such list to the offices of the appropriate election officials at least forty-five days prior to such election.

SEC. 5. (a) A challenge to the factual findings of the examiner, contained in the examiner's report, may be filed by the attorney general of the State or by any other person who has received from the examiner a certified list and report of persons found qualified to vote, as provided in section 4(d). A challenge shall be heard and determined by a hearing officer appointed by and responsible to the Civil Service Commission. Such challenge shall be entertained only if made within ten days after the challenged person is listed, and if supported by the affidavit of at least two persons having personal knowledge of the facts constituting grounds for the challenge, and such challenge shall be determined within seven days after it has been made. A person's fulfillment of literacy test requirements, if not disregarded by the examiner as provided for in section 4(c) shall be determined solely on the basis of answers included in the examiner's report.

(b) A petition for review of the decision of the hearing officer may be filed in the United States Court of Appeals for the circuit in which the person challenged resides within fifteen days after service of such decision by mail on the moving party, but no decision of a hearing officer shall be overturned unless clearly erroneous. A challenge to a listing made in accordance with this section shall not be the basis for a prosecution under any provisions of this Act.

SEC. 6. Upon determination by the hearing officer that twenty-five or more of those persons within the voting district, who have been placed on the list of eligible voters by the examiner, have been denied or deprived of the right to register or to vote and are qualified to vote, such determination shall establish a pattern or practice of denial of the right to register or to vote on account of race or color. The establishment of a pattern or practice by the hearing officer shall not be stayed pending final determination by the court.

SEC. 7. (a) Upon establishment of a pattern or practice by the hearing officer, as provided in section 6, the Civil Service Commission shall appoint additional examiners within the voting district as may be necessary who shall determine whether persons within the voting district are qualified to register and to vote. In determining whether such persons are so qualified the examiners shall apply the same procedures and be subject to the same conditions imposed upon the initial examiner under section 4(c), except that a person appearing before such examiner need not have first attempted to apply to a State or local registration official if he states, under oath, that in his belief to have done so would have been futile or would have jeopardized the personal safety, employment, or economic standing of himself, his family, or his property. Such examiner shall in the same manner as provided in section 4(d), certify and transmit lists of persons and any supplements as appropriate, at the end of each month, to the office of the appropriate election officials, the Attorney General, and the attorney general of the State, together with reports of their findings as to those persons found qualified to vote.

(b) Persons placed on lists of eligible voters by examiners shall have the right to vote in accordance with the provisions of section 4(f) and 4(g).

(c) Challenges to the findings of the examiners shall be made in the same manner and under the same conditions as are provided in section 5.

(d) The Civil Service Commission shall appoint and make available additional hearing officers within the voting district as may be necessary to hear and determine the challenges under this section.

SEC. 8. (a) Whenever a person alleges to an examiner within twenty-four hours after the closing of the polls that notwithstanding his listing under the provisions of this Act he has not been permitted to vote or that his vote was not properly counted (or not counted subject to the impounding provision, as provided in this Act), the examiner shall notify the United States attorney for the judicial district if such allegation, in his opinion, appears to be well founded. Upon receipt of such notification, the United States Attorney may forthwith apply to the district court for an order of contempt. Whoever, acting under color of law, fails or refuses to permit a person to vote, notwithstanding his listing under this subsection, or fails or refuses to properly count such person's vote, or intimidates, threatens, or coerces, or attempts to intimidate, threaten or coerce such person for the purpose of preventing such person from voting under the authority of this Act shall be fined not more than $5,000, or imprisoned not more than five years, or both.

(b) Whoever, acting under color of law, within a year following an election in a voting district in which an examiner has been appointed (1) destroys, defaces, mutilates, or otherwise alters the marking of a paper ballot cast in such election, or (2) alters any record of voting in such election made by a voting machine or otherwise, shall be fined not more than $5,000, or imprisoned not more than five years, or both.

(c) The district courts of the United States shall have jurisdiction of proceedings instituted pursuant to this section and shall exercise the same without regard to whether an applicant for listing under this Act shall have exhausted any administrative or other remedies that may be provided by law.

SEC. 9. Consistent with State law and the provisions of this Act, persons appearing before an examiner, shall make application in such form as the Civil Service Commission may require. Also consistent with State law and the provisions of this Act, the times, places and procedures for application and listing pursuant to this Act and removals from eligibility lists shall be prescribed by regulations promulgated by the Civil Service Commission. The Commission shall, after consultation with the Attorney General, instruct examiners concerning the qualifications required for listing.

(b) Notwithstanding time limitations as may be established under State or local law, examiners shall make themselves available every weekday in order to determine whether persons are qualified to vote.

SEC. 10. Any person whose name appears on a list, as provided in this Act, shall be entitled and allowed to vote in the election district of his residence unless and until the appropriate election officials shall have been notified that such person has been removed from such list. A person whose name appears on such a list shall be removed therefrom by an examiner if (1) he has been successfully challenged in accordance with the procedure prescribed in sections 5 and 7, or (2) he has been determined by an examiner (a) not to have voted or attempted to vote at least once during four consecutive years while listed or during such longer period as is allowed by State law without requiring reregistration, or (b) to have otherwise lost his eligibility to vote: *Provided, however,* That, in a State which requires reregistration within a period of time shorter than four years, the person shall be required to reregister with an examiner who shall apply the reregistration methods and procedures of State law which are not inconsistent with the provisions of this Act.

SEC. 11. Examiners, appointed by the Civil Service Commission, shall be existing Federal officers and employees who are residents of the State in which the Attorney General has issued his certification. Examiners shall subscribe to the oath of office required by section 16 of title 5, United States Code.

Examiners will serve without compensation in addition to that received for such other service, but while engaged in the work as examiners shall be paid actual travel expenses, and per diem in lieu of subsistence expenses when away from their usual place of residence, in accordance with the provisions of the Travel Expense Act of 1949, as amended. Examiners shall have the power to administer oaths.

SEC. 12. The provisions of this Act shall be applied in a voting district until, within any twelve-month period, less than twenty-five persons within the voting district have been placed on lists of eligible voters by examiners.

SEC. 13. (a) All cases of civil and criminal contempt arising under the provisions of this Act shall be governed by section 151 of the Civil Rights Act of 1957 (42 U.S.C. 1995).

(b) Any statement made to an examiner may be the basis for a prosecution under section 1001 of title 18, United States Code.

SEC. 14. There are hereby authorized to be appropriated such sums as are necessary to carry out the provisions of this Act.

SEC. 15. If any provision of this Act or the application thereof to any person or circumstances is held invalid, the remainder of the Act and the application of the provision to other persons not similarly situated or to other circumstances shall not be affected thereby.

TELEPHONES ARE NO LONGER A LUXURY

Mr. TEAGUE of California. Mr. Speaker, I ask unanimous consent that the gentleman from Ohio [Mr. STANTON] 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 California?

There was no objection.

Mr. STANTON. Mr. Speaker, the President, in the state of the Union message, declared that he will submit to the Congress, during this session, legislation incorporating a "substantial cut in excise taxes." Luxury items such as jewelry and furs are most often mentioned for consideration.

However, Mr. Speaker, I submit that taxes on nonluxury items should certainly be given priority in any anticipated tax cut. Foremost of these nonluxury items is the present unfair excise tax on communications. To millions of Americans the telephone is more of a necessity than a luxury. Eighty percent of Americans now have telephone service. Eighty-six percent of these households have incomes of less than $10,000 and 20 percent are in the so-called "poverty group" with incomes of less than $3,000. Since nearly half of the revenue from this tax comes from business users, its elimination would mean lower prices for essential products and services. Therefore, I have today introduced a bill which would put more money into the pockets of U.S. consumers; initially through lower telephone rates and indirectly through lower prices. This is most important at a time when the Congress is considering legislation to take more money out of the pockets of millions of Americans through increased social security taxes. Therefore, I feel that this legislation is not only long overdue, but at this particular time is more vital than ever before.

My bill, Mr. Speaker, would repeal the excise tax on all communications. At the present time this tax is levied at the rate of 10 percent on general and toll telephone service, telegraph, cable and radio messages and leased wires and at 8 percent on wire and equipment service. The tax on telephone service was levied during the war to discourage use of the overloaded communications network. However, this tax is still in effect even though the wartime emergency has long since passed and it is the only household utility still subject to such a tax.

At a time when the Congress is giving consideration to a reduction in excise taxes we should give first priority to removal of the communications tax. We must delay no longer in removing these unfair and economically self-defeating taxes. Their repeal will give our citizens relief from this discriminatory tax and will give our economy a boost by putting more money in consumers' pockets. Mr. Speaker, I urge all Members who are concerned about this matter to support such a tax cut. I know that I will receive great support from the Honorable FRANCES P. BOLTON who has already introduced similar legislation.

The Congress has a moral obligation to the people to eliminate these "temporary" taxes levied for a special purpose so long ago. It is my hope that this session of the 89th Congress will fulfill this obligation by enacting my bill.

THE THREAT OF MANDATORY CONTROLS ON U.S. PRIVATE FOREIGN INVESTMENT

Mr. TEAGUE of California. Mr. Speaker, I ask unanimous consent that the gentleman from Missouri [Mr. CURTIS] may extend his remarks at this point in the RECORD and include extraneous matter.

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

There was no objection.

Mr. CURTIS. Mr. Speaker, an article in the March 24 Wall Street Journal discusses present administration thinking about ways to stiffen the now voluntary controls on U.S. business' direct private foreign investments.

In spite of reports that the voluntary approach seems to be working, Government planners are suspicious that, for several reasons, voluntary controls will cease to be adequate.

One fear is that businessmen, seeing the early effectiveness of the voluntary program in its first months of operation, will relax and begin to make large foreign investments without first consulting the Commerce Department, which is charged with administering it.

Another fear is that prominent firms will break line and make large investments which will loose a plethora of similar investment moves by other firms.

Both situations could conceivably occur, because Commerce Secretary Connor recently announced his decision to rescind the requirement for companies to obtain Commerce Department clearance for investments of over $10 million.

Secretary Connor should be commended for his effort to make this restrictive program administratively reasonable and palatable to the firms being imposed upon.

For there is no doubt that these controls on the legitimate transactions of U.S. businesses with oversea interests is opposite to the high tradition of U.S. international monetary policy. After World War II the United States pioneered in the creation of the International Monetary Fund, the International Bank for Reconstruction and Development, and the General Agreement on Tariffs and Trade—institutions that were to stand as the three pillars of an international trading and financial system characterized by the freest possible flow of goods and funds throughout the world.

Now, in 1965, U.S. Government planners are thinking of requiring Government licensing for new private foreign investments, and imposing tax measures that would increase the cost of capital used for foreign investment. These pernicious administrative devices, imposed in lieu of sound domestic monetary policies, would further impede U.S. earnings from foreign investments and further damage U.S. prestige as the world's financial leader. They recall the statement in the minority report of the Joint Economic Committee that "the President's program has created fears that White House requests for voluntary restraint will lead to compulsory controls should compliance not be forthcoming."

It is essential that existing controls be removed at the earliest possible time. New, mandatory foreign investment controls must not be considered, or imposed.

Under unanimous consent I place the article referred to in the RECORD at this point:

DOLLAR CONTROLS: NEW, COMPULSORY CURBS ON INVESTMENT ABROAD MIGHT BE SOUGHT LATER—LICENSING, RESTRICTIVE TAX ARE POSSIBLE IF FIRMS LOSE ZEAL FOR VOLUNTARY SYSTEM—INDICATION OF EARLY SUCCESS

(By Richard F. Janssen)

WASHINGTON.—Suppose President Johnson's gentle wand of "voluntary cooperation" by business fails to lastingly stem the balance-of-payments tide—what sort of rod should he wield instead?

The question is one that administration officials are loath to discuss openly, lest it suggest a lack of faith in their current efforts to hustle businessmen onto their gold-saving bandwagon.

But even now some officials fear their early success may be so dramatic that business zeal for restraining dollar investment abroad will wane dangerously next fall. And officials think they must somehow keep companies cooperating for at least 2 years. "If you want to have nightmares," confides one, all that's needed is to worry that one major company will "do exactly what you don't want," prompting the others to break ranks and spend dollars freely abroad in defense of their overseas interests.

So the idea of having some sort of compulsory measure in reserve is already a live one, being tentatively and privately discussed as long-range planning. To some Presidential advisers, the most logical next step would be to control American investment overseas through Federal licensing: projects ruled not in the national interest

would be thumbed down. Others argue a restrictive tax would be better. Federal Reserve Chairman Martin talks openly of much tighter credit to hold investment dollars at home through higher interest rates, an approach apt to spark White House opposition as needlessly damaging to domestic economic growth.

EARLY SIGNS OF SUCCESS

The arguments may never have to be resolved, of course. So far, nearly all the obvious evidence is that the voluntary restraint program announced last month is succeeding. Since it took effect, Treasury Secretary Dillon told the House Banking Committee yesterday, there are "indications we are not running any deficit at all" and are running "possibly even a surplus" in the U.S. balance of payments. Early reports show banks dutifully avoiding foreign borrowers and both banks and corporations pulling back dollars from short-term investments overseas. Business leaders are praising the voluntary approach and Commerce Secretary Connor, its chief apostle, is all but boasting that victory is assured.

But Mr. Dillon has cautioned that "two swallows don't make a summer," and certain shreds of evidence aren't considered very reassuring. Many executives, it's reported, are sidling into Government offices offering "alibis" instead of pledges; a big aluminum company argued that it has to operate close to supplies of its raw material, bauxite, and to cheap hydroelectric power, both of which it says it can find only abroad. Some companies are seeking to bargain before making any promises, saying that if they're expected to buy up fewer companies abroad, antitrust enforcement should be eased so that they can buy up more companies at home.

Arguing it would risk disclosing business secrets, executives have beaten down Mr. Connor's request for advance reports on specific investments abroad; he's said to agree that by "being gentler" he will win a better response. "I hope he's right," another strategist adds a bit nervously.

BEHIND SOME CUTBACKS

Whether they're backing down or not, officials have been going out of their way to assure businessmen in recent days that they never intended an actual cutbacks in "direct investment" in foreign subsidiaries and factories this year below last year's $2.2 billion. All that's wanted, it's said, is to avoid letting such outlays climb again in 1965, after last year's $400 million rise.

Certainly, authorities are becoming reluctant to take all the cooperation pledges and progress reports at face value. Some companies can boast sharp curtailment of capital outflow since the President's February 10 announcement of voluntary controls only because they rushed unusually large sums abroad in anticipation of it, they say. Other companies which have backed out of commitments to expand abroad had a change of heart for purely business reasons, it's suspected.

The voluntary approach is the subject of grumbling in labor circles; moreover, critics say it amounts to letting business go on pretty much as usual while unions are under strong administration pressure to restrain wage demands in order to keep U.S. goods competitive abroad. To some small businessmen, complains the National Federation of Independent Business, any restrictions on investment abroad will only impel big U.S. companies to gobble up more firms at home, dealing "a severe blow to freedom of enterprise."

Paradoxically, the widely expected early demonstration of success in greatly slowing or even reversing the dollar outflow could in itself undermine the voluntary approach, one official worries. "The real problem may be that voluntary restraints work too well," he says; "by summer or fall the figures may look so good that everybody relaxes and we're right back where we were before."

FEARS OF BACKSLIDING

Most of the confidence that ultimate success will be adequate centers on banks' performance in curbing dollar loans abroad. "With banks we have a secret weapon—the Federal Reserve," one strategist smiles. Not only are banks accustomed to honoring the wishes of the Board running their portion of the program, but the bankers know the Board has an economic sanction over individual banks that the Commerce Department doesn't have over individual businesses; any recalcitrant bankers are apt to encounter a chilly reception, it's explained, the next time they must turn to their district Federal Reserve bank to borrow. If the banks show signs of backsliding, officials suggest, the only need may be to revive the preaching.

Mr. Connor's corporate campaign is ranked outside his own department as unlikely to prove equally enduring. It's true some outside officials are heartened now to find a number of companies expanding overseas with high-cost foreign borrowings rather than dollars, and others planning to dispatch sums for dollar investment over several years as needed rather than all in one lump. But these skeptics figure that after a year or so, executives will be chafing to proceed with postponed foreign projects.

It's increasingly clear, one official says, that the biggest help on the corporate front will be the initial impact of pulling dollars back from short-term European securities and the lingering but less dramatic benefit of not pouring fresh funds into such investments. There wouldn't be much of this without the threat of sterner moves in the background, one official contends, saying matter of factly: "Part of the incentive businessmen have to cooperate with us is that they know we can work out something less pleasant if they don't."

This prospect may also spur Government administrators to try to make the voluntary controls work. Incoming Treasury Chief Fowler is expected, if anything, to push harder than Mr. Dillon for success of the present system, for fear that the alternative of tighter money might hurt economic growth.

That stronger medicine will be used if the dollar drain fails to respond to voluntary restraints is almost a foregone conclusion. It has become perfectly clear, Treasury Secretary Dillon said recently, that the willingness of foreigners to hold additional dollars is nearing an end. Not only are foreigners edgy about how their holdings of some $25 billion tower over the U.S. gold stock of less than $15 billion, but they complain that dollars piling up in their banks are fueling inflation in their own countries and that the outflow from the United States symbolizes an often unwelcome increase in U.S. corporate influence over their businesses.

But almost any sterner steps, administration officials fret, would pose both political and economic perils. As one official sees it, to go beyond the present voluntary measures to compulsion might force President Johnson to take the line that, in effect, businessmen are a bunch of "blackguards" who ignore patriotic appeals. Though officials feel sure he would speak more softly than that, they fear any tougher restraints would seriously weaken current good feeling between the White House and corporate executive suites.

JOHNSON-MARTIN RIFT?

This alone could damage the economy, some analysts say, since businessmen have often cited their rapport with Mr. Johnson as one reason why their domestic expansionary mood is persisting so long. Any open rift between the President and Federal Reserve Chairman Martin could prove unsettling, they add, wondering how it could be avoided if the President stuck to his "easy money" convictions at a time when Mr. Martin found it necessary to tighten the credit supply. A big enough boost in interest rates, both camps concede, could indeed dampen domestic economic growth; the issue is whether it would do more harm than good.

If a real crackdown on corporate investment abroad does come, some Johnson advisers say it should be built on the framework provided by the Commerce Department's voluntary approach. At present, Mr. Connor is asking some 600 companies with sizable foreign dealings to report quarterly on their progress in pulling more dollars from abroad or reducing their dollar outlays overseas. Originally, he also planned to ask businesses to consult with him individually on any plan to invest $10 million or more in an industrialized foreign country; thus he and his staff would have had a chance to tell each cooperating company whether a particular venture would be in "the national interest" or whether they would rather see it postponed or pared. This idea has now been shelved as "unnecessary and unwise."

But if Congress agreed, the advance-notice idea could be revived—and capped with a decision on whether the company should receive a license to move investment dollars out of the country. Some White House confidants would extend the licensing system to all foreign borrowing in the U.S., though reluctantly, if something more must be done. "There's no use in plugging only one hole in a dike that has six holes," one says. Some officials also contend that this general compulsion might appear as a lesser evil to American bankers and businessmen who worry that both foreign and domestic competitors may take advantage of their own present willingness to cooperate in a purely voluntary program.

PROBLEM OF INEQUITIES

Other administrators shudder, however, at the thought of having to decide that one company, and not its rivals, should be allowed to buy a subsidiary in Belgium or to build a new plant in France. Anxious managements might be able to muster strong political pressure for a "yes" decision, it's said, making life more difficult for the besieged bureaucrats and adding to the inevitable inequities.

Deterring corporate dollar outflows through tax penalties appears much more attractive to some influential planners. The existing interest equalization tax would be their model. It's geared to add 1 percentage point to the annual interest cost a foreign borrower must pay here, discouraging some foreigners from tapping the U.S. money market through securities sales or loans but leaving the final decision up to prospective borrowers and lenders.

A similar levy on direct dollar investment abroad would also avoid detailed Government decisionmaking, its adherents argue, and offer a bonus besides. A natural selection process would take place, they say, as a company decides the extra cost of investing abroad would be worthwhile only when the project promises unusually large and early profitability. Thus, the U.S. balance of payments would not only benefit from a reduced outflow of dollars for direct investment but from the maximum return of profits later, the reasoning goes.

One possible method gaining some favor is to build such a tax right into the interest equalization law by ending its present exclusion of direct investment; under the law, a direct investment is one in a foreign company at least 10-percent controlled by the American investor. Less popular, so far, is a suggestion that some tax break be given to companies that cooperate; it smacks of just paying them to be public spirited, one official complains.

PROFESSOR MACHLUP ATTACKS ADMINISTRATION'S PROGRAM TO CURB CAPITAL OUTFLOWS

Mr. TEAGUE of California. Mr. Speaker, I ask unanimous consent that the gentleman from Missouri [Mr. CURTIS] may extend his remarks at this point in the RECORD and include extraneous matter.

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

There was no objection.

Mr. CURTIS. Mr. Speaker, in his recent testimony before the Senate Banking and Currency Committee, Dr. Fritz Machlup, professor of economics and international finance at Princeton University, was highly critical of the administration's so-called voluntary controls on private oversea investment. He strongly feels that the administration's hostile and indignant reaction every time a foreign government converts some of its dollar holdings into gold, coupled with its constant talk of the need to restrict capital outflows, creates unwarranted fears abroad about the dollar's integrity. These expressions of fear and alarm inevitably communicate themselves to foreign governments, which, in turn, then feel it would be prudent to convert even more dollars into gold.

Thus, Dr. Machlup recommends that we must be "more astute in persuading people here and abroad that their expectations or fears are unfounded." We must "reverse" the unfavorable expectations which the administration itself has done so much to create. This cannot be accomplished, he claims, by reinforcing the two kinds of fear that motivate much of the outflow of capital—the fear that the dollar may be devalued and the fear that the transfer of funds abroad may be restricted by direct controls.

The fear of devaluation has intensified, he believes, largely as a result of continued reluctance to remove the 25-percent gold reserve requirement for Federal Reserve notes. Dr. Machlup believes this strengthens the feelings of many foreigners that we are not prepared to use all our gold in defense of the dollar's external value.

Secondly, signs of reluctance or indignation to sell gold on demand causes foreigners to feel that we consider such outflows as weakening our position. As Dr. Machlup remarks, "If my banker frowned and sighed whenever I cashed a check, I would certainly not wish to keep my deposit with him. We ought to give up our gold not with reluctance and apprehension, but with an air of friendly nonchalance."

Instead of discouraging foreign gold purchases, Dr. Machlup feels we should take the opposite tack and invite dollar holders to buy as much gold as they wish. At the same time, he says, "we should insist that no one hold dollars just to accommodate us; dollars should be held only by those who really prefer interest-bearing dollars to sterile gold."

Professor Machlup goes on to cite a recommendation from the minority views in the 1962 annual report of the Joint Economic Committee, which suggests that the United States eliminate its guarantee to purchase "gold from foreigners at $35 an ounce or at any other predetermined price." In the minority view, the "termination of the guarantee to buy at a fixed price would be likely to sharply reduce (gold) speculation and, at the same time, stimulate a return of sizable amounts of gold to the United States." Dr. Machlup believes that such a policy would "forcefully increase" the willingness of foreigners to hold dollars instead of gold.

The introduction of governmental restrictions on the outflow of capital and the introduction of guidelines have both promoted fear of even more restrictions in the future. To "remove" this fear, we should try to assure businessmen that there would be neither direct controls or restrictions, nor any moral suasion, neither any obligation to make reports on foreign transactions, nor any publicity about nonconformance with official directives." If we succeed in doing these things, he believes, we should see a flow of funds returning from abroad.

In conclusion, Dr. Machlup believes that "guidelines" and exhortations for voluntary cooperation are tantamount to direct Government control. "Not since the NRA in 1933," he states, "has this country attempted in peacetime to transform the managements of private business into the lengthened arms of Government." If a corporation fails to cooperate with the administration's dictums, it becomes subject to criticism and adverse publicity. And corporate management, as Dr. Machlup notes, fears adverse publicity more than a fine of a few thousand dollars.

Under unanimous consent I place Professor Machlup's testimony in the RECORD at this point:

STATEMENT OF DR. FRITZ MACHLUP, PROFESSOR OF ECONOMICS AND INTERNATIONAL FINANCE, PRINCETON UNIVERSITY

(Before the International Finance Subcommittee of the Banking and Currency Committee, U.S. Senate, Mar. 17, 1965)

I suppose that we all have learned that no one can forecast the balance of payments of next year or any future period. Too often have the attempted forecasts by Government departments or private experts proved wrong. While we can usually know in what direction a particular event, measure, or change will affect the external balance, there are too many variables involved to permit reasonably accurate predictions of the net outcome. Our inability to predict does not reduce the significance of research and analysis in international finance. There are enough important connections and relations about which we know a good deal and may learn more.

THE SIZE OF THE DEFICIT

One thing that many have had a hard time understanding but have finally learned is that the accounting balance of payments may be calculated in many different ways and, hence, that the size of the surplus or deficit is not uniquely determined. In order to distinguish balances measured by different arrangements of accounts and items, experts have proposed a bewildering nomenclature by adding to the "current balance" and the "capital balance," a "basic balance," a "regular-transactions balance," an "official-settlement balance," an "overall balance," an "exchange-market balance," and a few more. While this may confuse the layman, it helps to make it clear to him that he cannot comprehend the issues involved.

There was a controversy between two administrative departments because the most widely publicized balance showed a greater deficit than would be shown under a different arrangement of accounts. In particular, if increases in dollar holdings of private foreigners were included in the regular capital balance as an inflow of foreign short-term capital, rather than treated as a way of financing a deficit of U.S. payments, the reported deficit would look much less threatening. The sound and fury about this issue is understandable only if one believes that important decisions in international finance are influenced by reports about the exact size of the U.S. deficit. Personally I doubt this. But those who believe it point to the fact that liquid dollar holdings by private foreign individuals, firms, and banks now amount to about $14 billion. The U.S. deficit in the years in which these holdings were built up would have been that much smaller had it been calculated by the method used by most European governments. Again, I do not think that statistical reporting or accounting procedures can ultimately affect the actual flow of funds among nations.

The greatest surprise to the layman comes with the statement that a deficit in the U.S. balance need not indicate anything about the position of the U.S. dollar and that, for example, the same deficit may at one time be a welcome relief of a world dollar shortage, but at another time an embarrassing deterioration of a dollar glut. The layman's shock can be mitigated by telling him that the demand for dollars to hold—the demand, that is, by private foreign parties and by official foreign authorities for liquid dollar assets in the form of balances with American banks or securities of the U.S. Government—cannot be seen from any accounting statement. There is dollar shortage when foreign authorities buy dollars with great eagerness and there is dollar glut when they buy dollars with reluctance; the balance of international payments may be exactly the same in both situations. And just as there can be dollar shortage with a deficit in U.S. payments, a dollar glut may exist with a surplus. The first situation, dollar shortage despite a U.S. deficit, existed in the early 1950's; the latter situation, dollar glut despite a U.S. surplus, may arise when the U.S. attains a surplus in its balance of payments while foreign parties, official or private, still feel that they hold more dollars than they want.

THE COMPOSITION OF THE DEFICIT

The worst misses in governmental forecasting were due to the fact that the officials concentrated on particular deficit items and believed that the deficit would disappear or decrease if these items were chopped down. But, alas, the balance of payments has behaved like the mythical Hydra growing more ugly heads for each head successfully chopped off.

In 1958 the "overall balance on regular transactions" showed a deficit of $3.5 billion. From that year to 1964, merchandise exports increased by $8.8 billion, private incomes from foreign investment increased by $2.5 billion, the sum of sales of goods and all services increased by $13.3 billion, military expenditures were reduced by $600 million, and the entire balance on current transactions improved by $5.8 billion. Yet the deficit in 1964, measured the same way as in 1958, was still over $3 billion.

Evidently the strong improvement of the current balance was offset by an increase in the deficit of the capital balance. The increase in net capital outflows looks especially bad if most of the inflow of foreign short-term capital is excluded from the net capital balance—and, as we know, the Commerce Department reports do not include the acquisition of liquid dollar assets by foreigners in the regular capital balance. But in any case, looking only at the movements of private U.S. capital, the changes in recent years

are quite conspicuous. Comparing the same 2 years as before, the outflow of private U.S. capital increased from $2.9 billion in 1958 to $6.2 billion in 1964; that is, by $3.3 billion.

It may be tempting to take a sharp sword and chop off this particular head of the Hydra. Can it be done without causing substitute heads to grow? No one can be sure. It is quite possible that a forced reduction in the deficit on capital accounts will cause a reduction in the surplus on current accounts. If every dollar that is forcefully kept from being sent abroad for direct investment, portfolio, or other long-term investment, or for acquiring various kinds of short-term assets, were invested in the United States, in addition to what would be invested in any case, we should expect a deterioration of our current balance. On the other hand, if the dollars which are kept at home (because of the wishes of our Government) are then kept idle, or are kept from being created by the banking system, then the improvement in the capital balance need not cause a deterioration of the current balance. (Some analysts of "feedback effects" ask themselves what the foreigners do with the money they receive and cannot do if they do not receive it, but fail also to ask what the Americans do with the money which they are prevented from transferring.)

The interrelationships between the different accounts of the balance of payments are rather complicated, but this is no excuse for disregarding them altogether. Too often must we see that some of our official experts fail to anticipate these interrelations. The belief, for example, that a reduction in direct investments abroad will fully be reflected in an improvement in the balance of payments is naive.

My diagnosis, after examining the various items in the outflow of capital, leads me to the conclusion that a reduction of some items would lead to a reduction in the surplus on current account, whereas a reduction of other items would not affect the current balance. We shall come back to this point after looking at the breakdown of the U.S. capital account.

OUTFLOWS OF PRIVATE U.S. CAPITAL IN 1964

The statement of the Secretary of the Treasury before this subcommittee on March 9 gives, in table 8, the data on the outflow of U.S. private capital during 1964, both for the first three quarters (January to September) and for the entire year. It is important to note that the outflow picked up considerable momentum during the last quarter.

Direct investments had been $1.5 billion during the first three quarters. The figure for the year is $2.2 billion. This means that the outflow on this score was $700 million during the fourth quarter, which is an annual rate of $2.8 billion, or an increase of 40 percent over the annual rate of the first three quarters.

The purchase of foreign securities was $200 million in the first three quarters, but $700 million for the entire year. Thus, the outflow on this account was $500 million during the last quarter, which is an annual rate of $2 billion, compared with an annual rate of less than $267 million during the first three quarters. The increase is 650 percent.

Other long-term capital outflows were $800 million in the first three quarters and $1.3 billion for the entire year. This means an outflow at an annual rate of $2 billion during the last quarter, compared with an annual rate of $1.06 billion during the first three quarters. The increase is 89 percent.

The short-term capital outflow was $1.4 billion in the first three quarters, but $2 billion for the entire year. This means an annual rate of $2.4 billion during the last quarter, against $1.9 billion during the first three quarters. The increase is 26 percent.

It stands to reason that this enormous gain of momentum in the last quarter of the year cannot be entirely due to seasonal factors but occurred chiefly under the influence of expectational factors, probably in increased fear of a devaluation of the dollar and a fear of restrictions on the transfer of funds.

If it is true that the increase in capital outflow was motivated by expectational factors, one could draw the following inferences:

(1) Wrong expectations can often be reversed by pronouncement and actions that demonstrate the expectations to be unjustified.

(2) If expectations are reversed, not only will further capital outflow motivated by the wrong expectations be stopped, but capital may start flowing in the opposite direction.

(3) If a capital outflow is not expected to last but likely to be reversed, it would be inappropriate to desire a real adjustment of the balance of payments, that is, an adjustment of the flow of goods and services to the flow of capital.

REAL ADJUSTMENT VERSUS COMPENSATORY CORRECTION

Analysts of the balance-of-payments situation have long used the dichotomy between "adjustment" and "financing" a surplus or deficit. It is analytically more appropriate to distinguish three types of changes in the balance of payments: real adjustments, compensatory corrections, and temporary financing.

Real adjustments reduce or remove an imbalance through changes in relative incomes, prices, and resource allocations. Compensatory corrections reduce or remove the need for real adjustment in the long run, either through changing the current account by means other than the forces of real adjustment or by changing donation accounts and capital accounts. Temporary financing accommodates the excess demand or excess supply in the foreign exchange market until real adjustment is either accomplished or made unnecessary.

Most serious students of international economics adhere to the classical view that the current account should be made to adjust to the balance on capital account. To attempt the opposite, that is, to correct the flow of capital to match the balance in the flow of goods and services, is usually ineffective or inefficient. An exception to this rule, however, may be recognized with regard to purely speculative capital movements that are likely to reverse their direction in due course. Thus, if we believe that a large part of the present deficit on capital account is only temporary and reversible, then we should not insist on a real adjustment of the balance of payments. It would be wasteful to force a flow of goods and services to match a flow of funds that can be expected to be reversed in the near future.

The implications of these general statements for our analysis of the outflow of U.S. private capital are the following: To the extent that the capital outflow is induced by differences in the marginal productivity of investment here and abroad, we should not interfere with such outflow but should instead facilitate real adjustment of the current balance. To the extent, however, that the capital outflow is motivated by reversible expectations, we should not insist on a real adjustment but should instead promote the reversal of the expectations.

REVERSING THE EXPECTATIONS

We have not been very astute in persuading people here and abroad that their expectations or fears are unfounded. On the contrary, our behavior has been designed to reinforce the two kinds of fears that motivate the outflow of capital, the fear that the dollar may be devalued, and the fear that transfers of funds abroad may be restricted. Let us discuss what we have done to increase these fears and what we might do to reduce them.

The fear of devaluation

(1) Instead of freeing all our gold for export, that is, for the repurchase of our dollar liabilities, we have taken only a half measure and have left on our statute books the requirement of a 25-percent gold reserve for Federal Reserve notes. This strengthens widely held expectations to the effect that we are not prepared to use all our gold in the defense of the external value of the dollar.

(2) Whenever certain foreign monetary authorities have announced that they would use some of their dollar holdings for purchasing gold from us, we have responded with a frown. Yet, any reluctance or sign of indignation about an outflow of gold strengthens the belief of the people that we consider this as a weakening of our position. If my banker frowned and sighed whenever I cashed a check, I would certainly not wish to keep my deposit with him. We ought to give up our gold not with reluctance and apprehension, but with an air of friendly nonchalance.

(3) Our attitude concerning our gold holdings should change completely: We should invite all reluctant holders of dollars to come and buy as much gold as they wish; we should insist that no one hold dollars just to accommodate us; dollars should be held only by those who really prefer interest-bearing dollars to sterile gold.

(4) This preference for dollars over gold could be forcefully increased if we accepted the suggestion made in the minority views on the Annual Report of the Joint Economic Committee, 87th Congress, 2d session, 1962. According to this suggestion, the United States should eliminate its guarantee to purchase gold from foreigners at $35 an ounce or at any other predetermined price. In the minority view, the termination of the guarantee to buy at a fixed price would be likely to sharply reduce (gold) speculation and, at the same time, stimulate a return of sizable amounts of gold to the United States. If there is serious doubt that gold can always be sold to governmental and monetary authorities, the speculators' risk of loss from holding gold may be too great and he may convert it into dollars.

(5) A more effective policy for reversing expectations concerning the future of the dollar would be the acceptance of a plan which I presented in 1960. It consists in a gradual lowering of the price of gold, say, by 1 percent every quarter of a year. I shall refrain from discussing it at this point, because I know that the resistance to it cannot be overcome.

The fear of restrictions

While we have done badly regarding the fears of devaluations, we have done even worse concerning the fears of restrictions. In fact, we have created and promoted such fears.

(1) From some semiofficial quarters the possibility of governmental restrictions on the outflow of capital was suggested a few months ago. This was incredibly stupid.

(2) We have actually introduced "guidelines" and "challenges" which, if they are not regarded as restrictions, are widely considered as the first step toward restrictions.

(3) To reverse these fears we ought to tell every businessman that he should use his funds wherever business interests indicate. If we could possibly assure businessmen that there would be neither direct controls or restrictions nor any moral suasion, neither any obligation to make reports on foreign transactions nor any publicity about nonconformance with official directives, we would soon see a flow of funds returning from abroad.

RADICAL CHANGES IN OUR SYSTEM

Again and again in recent years have we heard warnings against "radical changes" of our monetary and economic system. All sorts of plans have been criticized and rejected on this score. There have been warnings against the complete removal of the gold-reserve requirements, against floating and even against a little more flexible exchange rates, against changes in the price of gold, against an international central bank and even against modest extensions of powers of the International Monetary Fund, etc., etc. I submit that any or all of these changes would be less radical than the change promulgated during the last 2 weeks in the issuance of "guidelines" by the Federal Reserve Board and the "challenges" to private business by the Secretary of Commerce. Not since the NRA in 1933 has this country attempted in peacetime to transform the managements of private business into lengthened arms of the Government. By calling on the business community—even if this is confined to 600 business firms—for voluntary cooperation we have taken an enormous step away from our system of free enterprise.

Protestations to the effect that these guidelines and exhortations are not prohibitions or binding regulations reveal a lack of understanding. Some think there is a great difference between outright prohibition of certain transactions under the threat of legal sanctions and mere exhortation against these transactions under the threat of publicity in the case of nonconformance. In actual fact, corporate management is more afraid of a threat of adverse publicity than of a fine of a few thousand dollars. Hence, I submit that the guidelines and the "program of voluntary cooperation" are in effect restrictions and regulations of private banking and private business. That there was no outcry against this radical change of our system of free enterprise indicates the degree to which our people's belief in fundamental values of our economic system has weakened and the belief in the benefits from a system of public regulation has grown stronger.

My lament for free enterprise will not strike many sympathetic chords. It will probably be regarded as an expression of the nostalgia, if not hysteria, of an old-fashioned libertarian. I am painfully aware of this. But my warnings against our present policy are not merely on these general grounds. They are also on the ground that our policy will be effective only if the adverse expectations about the future of the dollar are reversed—and in this case the interference with business decisions would be superfluous. Indeed, the reversal of expectations would be much more easily achieved if government did not feel compelled to resort to measures involving moral compulsion.

I conclude that the measures are either not necessary or futile. Their quick repeal would be more helpful than the most punctilious voluntary cooperation would be. For such cooperation cannot last if it becomes too expensive.

CONCLUSION

Where does all this leave me? Although I repeat that most forecasts of balance of payments are worthless, I shall attempt a diagnosis of the present situation.

The deficit of our capital balance includes large amounts of speculative, reversible movements. In my judgment the reversible portion is large enough for us to rely on this correction as one that would make further adjustments of the balance on current account unnecessary.

The reversible flow of capital depends on expectations regarding the future value of the dollar as well as the freedom of transferring dollars back and forth without any restrictions or inhibitions. If favorable expectations could be created on both these scores, I would be quite optimistic about the disappearance of the present dollar glut without resort to policies injurious to our economy or the world economy.

A STAMP IN COMMEMORATION OF CHARLES PROTEUS STEINMETZ

Mr. TEAGUE of California. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. PIRNIE] 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 California?

There was no objection.

Mr. PIRNIE. Mr. Speaker, Friday, April 9, 1965, is an occasion of high significance, in my estimation, for it marks the hundredth anniversary of the birth of a man genius—a man of great heart and great mind—in the person of Charles Proteus Steinmetz, electrical engineer and inventor extraordinary.

During this entire week in my home city of Utica, N.Y., a centennial celebration is being conducted to pay honor to the memory of this man who, though gone, will not be forgotten. The pages of American biography contain nothing surpassing in dramatic impact the tale of Steinmetz' rise, from crippled eccentric and political rebel, to community leader and a man of exceptional civic value.

Born in Breslau, Germany, April 9, 1865—the son of a government railway employee—Steinmetz was from birth malformed, and when he reached full height he was scarcely 4 feet tall.

Excluded by physical condition from the enjoyment of many of the pastimes and companionships of normal childhood, Steinmetz turned with intensity to the world of books and ideas. The result of his efforts in this respect were truly amazing. Entering the University of Breslau, at the age of 17, he showed at once the most extraordinary grasp of mathematics, and a phenomenal knowledge of the stars. Before leaving the university he had written a treatise on astronomy which was adopted as a school textbook.

Politics was another field of concern to Steinmetz, who bitterly assailed the suppressive policies of the German central government. In the year 1888, shortly before he was to have received his Ph. D. degree, he published a series of political articles which so incensed the governmental authorities that he had to flee to Switzerland to escape imprisonment. The following year, in 1889, he came to the United States, here to continue his scientific work in a land where political freedom was recognized as equal in importance to technological progress.

Arriving in New York City, ill, penniless, deformed in body, and without prospect of employment, he would have been refused admission by the immigration inspectors had it not been for the strenuous and enthusiastic intercession, in his behalf, by an American friend. Enchanted by the country, at first sight, Steinmetz took out citizenship papers immediately, and set forth to prove his mettle in the land of opportunity.

Employed initially by a Yonkers firm manufacturing electrical apparatus, he was soon in command of an experimental laboratory. From this vantage point he developed several new concepts, his first major achievement being a valuable improvement on an alternating current single-phase motor, to which he applied the principle of hysteresis loss, or the loss by heat resulting from the magnetization of iron. The law of hysteresis sprang from this improvement. From that day forward every electric motor has been produced on the basis of Steinmetz' law which is, briefly, that every time the magnetization doubles the hysteresis trebles.

At the International Electrical Congress in Chicago, in 1893, Steinmetz announced another discovery: a new and simpler formula for altering current calculations which he described more fully in his work, "Theory and Calculation of Alternating Current Phenomena," published in 1897. As in the case of the announcement of Steinmetz' first great discovery, the second was also embraced by the scientific world, virtually without dissent.

In 1892 the General Electric Co. acquired certain patents of Rudolf Eickenmeyer, by whom Steinmetz was employed at the time. In consequence of the transaction, Steinmetz now became a member of the staff of General Electric. When the company moved its engineering department to Schenectady, in 1894, Steinmetz went along with the move, and thereafter, until his death, remained a resident of that fair city.

In the months that immediately followed, the General Electric engineering department began taking giant strides in the field of experimentation and discovery, especially in building alternating current machinery and designing alternating current systems, for which it won a reputation for reliability.

Steinmetz quickly became head of the General Electric calculating department and then, in 1910, head of the consulting engineering department, which he organized, and chief consulting engineer. The company gave him unrestricted latitude in his electrical experiments and researches, and authorization to draw as much salary as he wanted for his personal use. In response, Steinmetz revolutionized the method of electrical research by substituting laboratory methods, based on fixed mathematical principles, for the old practice of developing a theory and then building a model to test it. Nearly 200 patents testify to the resources of his inventive genius.

Of all Steinmetz' inventions the most valuable, perhaps, are the following: an arc lamp, patented in 1901, with enough special features to entitle the inventor to a certificate of merit from the Franklin Institute; a number of induction, polyphase, and other motors, generators, and dynamos; the mercury arc rectifier, and a system, patented 1905–10, of long-distance electrical transmission, embracing a solution of some of the most perplexing high voltage problems in the industry.

For 20 years Steinmetz conducted a study of transient electrical currents, with the object of developing effective lightning arresters. Meanwhile, he was turning out published material to an astonishing extent, enabling him to capture the imagination of everyone in his field. Nor was that all. In 1912 Steinmetz was appointed president of the board of education by the mayor of Schenectady—a position he was to hold through several succeeding city administrations, until his death, in 1923. In addition, he also served as president of the common council from 1916 to 1918, and as chairman of the city planning and park commission.

Charles Proteus Steinmetz was a man of many extraordinary notions, which rendered him eccentric in dress and habit. But when it came to thought and the utilization of knowledge, in the public interest, few others were a match for this most remarkable man. It is to the everlasting honor of the city of Schenectady that Steinmetz—one of the outstanding men of genius over the past century—should have graced the city with his presence.

I would like, at this time, to recommend the issuance of a postage stamp honoring the name and achievements of Charles Proteus Steinmetz—a wizard of electrical engineering, a genius of great magnitude, a warmhearted, courageous, all-around citizen, whose name stands forth as worthy of the highest honors that we, his fellow citizens, can possibly bestow.

NEW ENGLAND GOVERNORS STRESS NEED FOR WOOL IMPORTS QUANTITATIVE RESTRICTION

Mr. TEAGUE of California. Mr. Speaker, I ask unanimous consent that the gentleman from New Hampshire [Mr. CLEVELAND] 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 California?

There was no objection.

Mr. CLEVELAND. Mr. Speaker, the six Governors from New England met in Washington today to discuss regional problems with the Federal executive departments and with their delegations to Congress.

One of the leading subjects of their concern is the problem of low cost woolen imports, which are taking a heavy toll of jobs in New England.

Governor John Chafee of Rhode Island made the presentation of the problem on behalf of the Governors and I include the text of his excellent statement.

This problem is of extreme importance to New England and New Hampshire. I have stressed them repeatedly in the past and done everything in my power to publicize them, to bring to the attention of the Congress and to seek remedial action at the Federal level. It is my earnest hope that the Congress will follow the suggestions of the six Governors who, incidentally, are evenly divided between the two parties.

The text of the statement follows:

PRESENTATION BY GOVERNOR JOHN H. CHAFEE OF RHODE ISLAND

FOREIGN IMPORTS

Low-cost imports are damaging to several New England industries but probably none is as hard hit with such grievous results—because of the many workers involved—as the woolen-worsted industry. In the past 10 years imports have soared from less than 5 percent to nearly 25 percent of domestic consumption. In Rhode Island alone this has cost us 50 mills and 15,000 jobs in that 10-year period. It's as equally serious in the other States with more closings in the offing if import relief is not obtained.

Wages in the countries which manufacture worsted-woolen imports vary from 9 cents to 73 cents per hour as compared with the U.S. average of $1.80 per hour in this industry.

On September 28, 1964, when visiting Providence, President Johnson said: "I share with our late, beloved President Kennedy the view that wool textile and apparel imports must be kept at reasonable levels. We have been trying to work out effective arrangements with other wool textile producing countries. Two missions have been sent abroad for this purpose in recent months. Thus far a multi-nation meeting has not been convened. But we intend to continue our efforts vigorously. I can assure you that we shall work hard at this problem. I consider it essential that the wool textile industry be restored to good health."

What the woolen-worsted manufacturers seek is an international agreement on quotas similar to that which the cotton industry has. This has been a major factor in the increased strength of that industry.

To get quotas on woolen-worsted imports requires executive department action. It is hoped the New England delegation will press the President on this matter as time is of the essence. These mills need relief very soon.

CLEVELAND HAILS NEW ENGLAND EDUCATION CENTER PLANNED AT UNIVERSITY OF NEW HAMPSHIRE

Mr. TEAGUE of California. Mr. Speaker, I ask unanimous consent that the gentleman from New Hampshire [Mr. CLEVELAND] 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 California?

There was no objection.

Mr. CLEVELAND. Mr. Speaker, it is a great pleasure to congratulate the University of New Hampshire, its president, Dr. John W. McConnell, and its board of trustees for their planning and foresight, which culminated today in the announcement of a large grant from the W. K. Kellogg Foundation.

This grant of $1.8 million to construct a New England Regional Center for Continuing Education on the university's campus in Durham is a dramatic, pioneering step in regional cooperation. Using the new center at Durham as a hub, the six New England State universities will devote their resources to comprehensive planning to meet the major industrial, agricultural, maritime, transportation, recreational, and economic problems of New England.

The project is described fully in the following press release issued here today. I am inserting it in the RECORD because it is the beginning of a unique development in interstate regional planning. I commend it to my colleagues as an example of how citizens in New England are moving to help themselves with traditional imagination and independence.

WASHINGTON.—The W. K. Kellogg Foundation will provide $1.8 million to the New England State universities to help build, equip, and operate the New England Regional Center for Continuing Education at the University of New Hampshire in Durham, N.H.

The Kellogg Foundation and the six New England State universities announced plans for the unique center Tuesday. The facility will enable New England's 11 million people to pursue cooperative action on regional problems.

Plans for the center were outlined at a meeting here of the six New England Governors, the region's congressional delegation, and a number of educational leaders.

Although the Kellogg Foundation has helped establish centers for continuing education at seven other universities in the United States and England, the New England center at Durham would be the first to join several universities in the service of a major geographical region.

Established in 1930, the Kellogg Foundation has awarded $125 billion for projects in agriculture, education, and public health. Since establishing the initial center at Michigan State University, it has helped create centers at the Universities of Chicago, Georgia, Nebraska, Oklahoma, Notre Dame, and at Oxford (England).

The significance of the facility was stressed by Dr. Hollis A. Moore, Jr., director of Kellogg's Division of Education, who said: "The proposal is a pioneering venture: the first regional center for continuing education established on a base of interuniversity cooperation. In addition, the center has been planned with a very strong emphasis on the international dimension of continuing education. Both of these were persuasive factors in our favorable response to the proposal."

A small permanent staff, augmented by specialists in various subject areas from the cooperating universities, will devise and conduct the center's adult continuing education programs.

New Hampshire Gov. John W. King, speaking on behalf of the New England Governors, expressed pleasure with the Kellogg Foundation's commitment to the regional education venture. He said the project was dramatic evidence of education's interest in the political and social development of the region, and would make a significant contribution to the area's concern for human needs.

Sinclair Weeks, a member of the University of New Hampshire's Board of Trustees and a former U.S. Secretary of Commerce, said:

"New England's tradition is in reliance on State government and local resources to meet the needs of today's complex society. This calls for strenuous efforts in adult education so that we may develop better understanding and promote active interinstitutional and interstate cooperation in solving regional problems.

"The center will greatly facilitate New England's growth in quality of educational leadership, and will for the first time make the region's total resources—government, business, industrial and educational—available to a greater number of persons."

Through workshops, institutes, conferences and other informal study programs ranging from 1 day to several weeks in length, the center will stress activities that:

Give breadth to continuing education programs which supplement and complement

those offered by New England's individual educational institutions.

Focus on the problems of individual States from a regional perspective, thus strengthening all New England.

Supplement formal study programs within the New England State universities by developing a reservoir of competent specialists in social, economic and political areas, and by providing continuing education for faculty members in their respective academic disciplines.

The objective will be to provide "an excellent, regionally oriented adult education program, through the pooling of resources, which none of the individual institutions could alone support."

Dr. John W. McConnell, president of the University of New Hampshire, told the group:

"Although the center will be an integral part of the University of New Hampshire's program, its ultimate goal is to provide the opportunity for all New England institutions of higher education, both public and private, to fulfill their simultaneous responsibilities toward State, regional, National, and even international aspirations.

"We envision programs which not only will give new emphasis to the service function of the land-grant university philosophy, with application to both urban and rural problems, but programs which will also stimulate an entirely new concept of 'service,' with instruction and research carefully integrated."

The planners of the center have already submitted more than 36 specific recommendations for programs in regional and international areas. The suggestions have been culled from conferences over the past 18 months with educational, governmental, and industrial leaders throughout the Nation.

Programs promising immediate gains in operation cooperation among the six States include suggestions that the center help develop a regional strategy for agricultural extension work, rather than the present State-by-State approach.

Long-range goals will include programs contributing to the economic revival of New England.

In the area of international studies, the planners propose an Atlantic community studies program which would develop short courses, conducted by international representatives in various fields, to acquaint American opinion leaders with programs and policies of the evolving relationships among European and other North Atlantic countries, Canada and the United States.

The Kellogg Foundation's gift includes $1.2 million to help the University of New Hampshire with initial construction of the center. An additional $600,000 will be shared by the six State universities as seed money to finance the development of experimental programs during the center's first 3 years of operation.

The University of New Hampshire will raise an additional $1.4 million from private sources including approaches to other foundations, through its Centennial Development Fund drive, and will seek a $500,000 legislative appropriation to complete first-phase construction.

The center itself will function under the policy direction of a proposed New England Regional Council on Continuing Education, through which each of the six States will contribute operating funds for the center and its programs.

In a complex of buildings to be erected on a site close to the heart of the UNH campus, the center will include:

A learning center, containing a variety of different-sized classrooms and auditoriums equipped with modern instructional aids, offices, and studios for New Hampshire's educational television station (WENH-TV).

A group of six housing units, each named for one of the New England States, to provide overnight accommodations for up to 244 persons attending the center's program.

A large dining facility to be operated in the manner of a New England inn.

An administrative building which will provide headquarters offices for New England regionally oriented organizations.

Next stage in development of the center will be the preparation of architectual drawings and specifications for the various buildings. Construction may get underway in Durham in late summer. No target date has yet been set for opening of the center's programs.

NORTHEAST AIRLINES: NEW ENGLAND GOVERNORS VOW TO MAINTAIN FIGHT

Mr. TEAGUE of California. Mr. Speaker, I ask unanimous consent that the gentleman from New Hampshire [Mr. CLEVELAND] 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 California?

There was no objection.

Mr. CLEVELAND. Mr. Speaker, at the legislative conference of New England Governors with their congressional delegations today, Gov. John H. Reed presented a fine statement of New England's determination to preserve the strength of Northeast Airlines. This is the only major trunkline airline based in New England and it is an essential part of our economy. I endorse Governor Reed's statement wholeheartedly and offer it at this point for the RECORD:

I appreciate having this opportunity to briefly outline the current status of the air transportation situation as it affects our New England region. As we are all aware the New York-Florida route case of Northeast Airlines has now been returned to the U.S. Court of Appeals in Boston following the third denial on March 5 by the Civil Aeronautics Board of the airline's request for a permanent route certificate.

The matter of the New York-Florida renewal case of Northeast Airlines has for a number of years been one of utmost concern to the Governors of the New England States.

As far back as 1961, the Governors supported the airline's petition for permanent certification and called upon the Civil Aeronautics Board to establish adequate air service in the New England States.

It has been the firm opinion of the Governors that the New England area, especially northern New England, should be served by an airline with the established capability to provide direct flights between our region and points to the south.

We have always believed that the best interests of the region could be served by the granting of Northeast Airlines' application for permanent certification.

The New England Governors, meeting in Boston on December 9, 1964, passed a resolution reaffirming this position and stressing the importance to all New England residents that the total service of the airline be maintained.

We believe that the latest majority decision of the Civil Aeronautics Board, like the previous decisions, has been based on outdated statistics.

I am of the opinion that a rehearing is essential to a fair determination of the Northeast Airlines case. The two minority members of the Board agree with this position. The effect of losing the Florida route would be so severe upon Northeast Airlines that any final decision must not be based upon arbitrary findings.

Northeast Airlines is the only major trunkline airline based in and serving our region. It has long and valiantly attempted to provide adequate service against almost impossible odds. The airline is the only one operating in the State of Maine. Our larger airports are now receiving better service than in the past and we expect smaller airports, as they are improved, to receive better service from Northeast.

Northeast Airlines is now providing my own State with service to Boston, New York, Philadelphia, Washington and Florida. We believe it is imperative to our industrial and recreational growth to maintain this service.

I have, therefore, in the past and will continue in the future to fight for the survival of Northeast Airlines whose very life depends upon being permitted trunkline capabilities.

Northeast Airlines' problem is of concern to all of New England and I respectfully request the Members of the New England congressional delegation to give it the studied consideration which its seriousness demands.

The loss of Northeast Airlines would be a tragic economic blow to our region. Hopefully, strong and united support of the airlines now will prevent any such eventuality.

NO JUSTIFICATION FOR PRESIDENTIAL COMMISSION TO INVESTIGATE CLOSING OF VETERANS HOSPITALS

Mr. TEAGUE of California. Mr. Speaker, I ask unanimous consent that the gentleman from Ohio [Mr. AYRES] 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 California?

There was no objection.

Mr. AYRES. Mr. Speaker, there can be no justification for a presidential commission to investigate the closing of many veterans hospitals except that it might provide the administration with a scapegoat. Certainly if such a commission might be deemed of importance, it should have been created before the Veterans' Administration made its ill-considered and cruel decision to close these facilities.

The chairman of the Veterans' Affairs Committee immediately called for exhaustive hearings on the necessity of this drastic action. Fifty competent witnesses were heard and the result must have been evident to all—the administration's action was in complete error.

The proceedings by the House Veterans' Affairs Committee and its determination to rectify this grave error was transmitted to the White House. It was only then that the heartless rule was admitted to have possible error and the commission was created. This attempt to circumvent the House Veterans' Affairs Committee is purely political in intent and is a face-saving gesture.

The House Veterans' Affairs Committee has always acted in a nonpartisan manner. At the outset of the just completed hearings, I assured the administration that I would abide by the evidence brought before us. That evidence left no doubt but that the ruling closing these hospital facilities was without justifiable basis.

I intend to ask House Veterans' Affairs Committee Chairman OLIN TEAGUE to submit the lengthy and comprehensive testimony of our witnesses to the presidential commission. On this testimony alone, the commission will be able to see the complete error of the administration hospital closing order.

The President can relieve the anxiety of thousands of veterans and their families by taking immediate action in rescinding the original hospital closing order. This matter is of too great an importance to lend itself to any political window dressing. The hospital closing order should be declared null and void now.

TO CREATE A NATIONAL CEMETERY IN OHIO

Mr. TEAGUE of California. Mr. Speaker, I ask unanimous consent that the gentleman from Ohio [Mr. MINSHALL] 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 California?

There was no objection.

Mr. MINSHALL. Mr. Speaker, there has been no consistent effort to keep up with the growth of the veteran population in providing adequate national cemeteries for eligible veterans and their dependents.

The bulk of the 98 national cemeteries in the United States and Puerto Rico were established for Civil War dead. Only 17 were created after 1900. Only a few of them—Arlington and the cemeteries located near Denver, Minneapolis, St. Louis, and Portland, Oreg.—have adequate acreage to meet long-range future needs. The State of Ohio, with its huge veteran population, has no national cemetery at all.

A Disabled American Veterans survey reveals that location of present cemeteries is unfavorable for many veterans. Certainly this is true in Ohio. Last year the Ohio veteran death rate was 811 per month, an increase over the 770 per month average in 1963. As age takes its toll that figure will increase yearly.

We give those who serve in our Armed Forces, and their dependents, the legal entitlement to burial in a national cemetery. It is certainly thwarting the intent of that benefit if we do not also provide them with adequate cemetery space which is geographically in attune to present-day veteran population.

The bill I am introducing today to create a national cemetery in Ohio is identical to one introduced recently by my good friend, the Congresswoman from Ohio, FRANCES P. BOLTON. Hopefully, this evidence of concern and support will help spur the Committee on Interior and Insular Affairs to action on this and many other pending bills of like nature.

NEW YORK CITY IN CRISIS—PART XXXVI

Mr. MATSUNAGA. 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 Hawaii?

There was no objection.

Mr. MULTER. Mr. Speaker, I commend to the attention of our colleagues the 36th part of the continuing series on New York City in Crisis which has been appearing in the New York Herald Tribune.

This installment concerns a study of the city's industrial and manufacturing problems. It appeared in the Tribune on February 24, 1965:

FOR NEW YORK, ANOTHER GRIM REPORT

(By Barry Gottehrer)

At a crowded public hearing on the 1965–66 executive capital budget yesterday, Mayor Wagner accused a civic leader of being misinformed—only to learn shortly thereafter that it was he—and not the civic leader—who was misinformed.

The fireworks centered around the controversial and long-awaited Arthur D. Little study of the city's extreme industrial and manufacturing problems and preceded only by a few hours the sudden release—of the report.

The 97-page report titled "A Program To Meet New York City's Industrial Problems," warned that "unless the industrial environment of New York City is revitalized, the city will face continued loss of job opportunities in manufacturing (76,000 between 1958–63) and related activities, further decline in the tax base (from 1954 to 1962, the city's property tax revenues increased only 35 percent while general expenditures increased 56 percent); and increasing deterioration and blight of industrial space with hazardous conditions of employment and uneconomic operations.

The study also said that, unless New York City strengthens and broadens its industrial program, it will continue to lose companies in increasing numbers to other cities and States actively seeking new industry.

The study called for the establishment of a public development corporation (consisting of both city officials and private citizens) that would borrow funds to undertake construction of a major development (including rehabilitation) and would lease low-cost space to attract industry to the city.

The study also concluded that the city needs an industrial development program with three elements:

1. Financial assistance capable of implementing diverse projects.

2. Immediate and long-range research and planning activities to identify appropriate economic activities for the city, to insure the most efficient expenditure of time and effort on projects with long-range value.

3. Direct service activities for existing and new agencies.

Yet the release of the report was overshadowed by the one-scene drama, set in the second-floor Board of Estimate hearing room in city hall yesterday, and its aftermath.

Here's the way the drama unfolded:

John M. Leavens, executive director of the Citizens Budget Commission, speaks: "In April 1964, the city planning commission commissioned Arthur D. Little, Inc., to do a study on the feasibility of making a fresh start on the industrial redevelopment in New York City. The final report was delivered in December 1964. Since then, as far as the public is concerned, the report has been rigorously suppressed by city hall * * *."

Mayor Wagner speaks: "This report is not being suppressed by city hall. There has been no suppression at all * * *. Some of our commissioners, who have studied the report already, have some grave questions about it. * * * The fiscal commission (a temporary citizens' group named by the mayor to study the city's financial crisis) is studying it right now and I told Earl Schwulst (board chairman of the Bowery Savings Bank and chairman of the special commission) that we would not release the report until they finished studying it."

Mr. Leavens: "It is my understanding that the fiscal commission finished studying the report and returned it to your office 2 weeks ago."

Mayor Wagner: "Your understanding is a little off the beam. The special commission is still studying the report. When they're through with it, it's anybody's property as far as I'm concerned. I have no objection to the planning commission releasing the report at any time after the fiscal commission is through with it."

This took place at 11:25 a.m.

Yet within a few hours, it became abundantly clear that Mr. Leavens, who had taken a beating during the open hearing, had the far stronger case.

Amazingly, it was the mayor and not Mr. Leavens whose understanding about the status of the Little report was "a little off the beam."

According to Joseph D. McGoldrick, secretary of the temporary commission on city finances, Mr. Schwulst had sent a letter to Julius C. C. Edelstein, the mayor's executive assistant, outlining his impressions of the study and notifying the mayor that the commission was through studying it. This letter was mailed on February 6.

"Of course, we have a continuing interest in the business problems of the city," said Mr. McGoldrick yesterday, "but we were through studying the Little report before Earl Schwulst mailed the letter."

But yesterday, 17 days after Mr. Schwulst had written to the mayor's top aid telling him the commission was through studying the report, Mayor Wagner challenged the information of a civic leader who said exactly that.

The letter had not been lost in the mail. According to Leslie Slots, the mayor's press aid, the letter had been received by Mr. Edelstein on February 8, more than 2 weeks before yesterday's budget hearing.

And, according to this same aid, the mayor was totally ignorant of the existence of the letter when he made his statement at the hearing. "We get a lot of mail of all kinds every day," said Mr. Slots. "This letter is still not on the staff level. It's not ready for the mayor. That's not the point anyway. What the mayor was angry about was the statement that the city was trying to suppress the report. That's a pretty strong word—suppress. There never was any intention to suppress anything."

As late as 2 weeks ago, when the Herald Tribune's "City in Crisis" series first focused public attention on the Little report, there were doubts, even among some city officials, that the report would ever be released in its original form.

According to the Little study, the proposed public development corporation would operate in the following way:

"The corporation will be wholly owned by the city of New York. Its board of directors, under the chairmanship of the mayor, will include the policymaking department heads and probably some private citizens.

"A line of credit for the corporation will derive from the collateral of city-owned land—vacant, condemned, and underdeveloped—transferred to its control in return for a note. This land, not now used, will make it possible for the corporation to borrow outside the city's debt limit. By drawing on the line of credit made possible by the fluid land reserve (estimated at more

than $100 million), the Public Development Corp. can borrow funds to undertake the construction of a major development (including rehabilitation), leasing space to appropriate industries.

"When the space has been built and leased, the project can be sold to a wholly-owned temporary industrial development corporation which, using the leases as a basis for borrowing, can borrow sufficient money from the conventional mortgage market, from State funds (such as those of the New York State Job Development Authority) and through the sales of income debentures to pay the Public Development Corp. for 90 percent of the project cost. The remaining 10 percent will be held by the Public Development Corp. as stock.

"After a stated period of time, possibly 15 years, the temporary corporation can sell the property to the tenants or other purchasers, returning it completely to the private sector and providing the city with full payment."

The department of commerce and industry has already taken something of a step toward keeping industry in the city through its creation of the New York City Industrial Development Corp. This private, non-profit local development company makes it possible for businesses to obtain financing through a $100 million revolving fund under arrangement with the New York State Job Development Authority.

The fund was announced in October 1963, and the department of commerce and industry reported that through the first of February it had been instrumental in keeping seven firms from leaving the city. These seven firms saved 1,000 jobs for New York.

Despite frequent and continued statements of the city administration boasting of the city's "throbbing economic vitality," the Little report paints a far more realistic—and disturbing—picture.

"The city's problems are of a magnitude and complexity experienced nowhere else in the world," said the report. "* * * By gaining a better perspective of the magnitude of this problem (the loss of manufacturing jobs needed by the generally low-income minority groups of generally limited skill), it is interesting to note that the unemployed in New York City outnumber the total labor force of the State of Delaware and that the nonwhite population of New York City, whose level of skills most require upgrading, outnumbers the nonwhite population of every State other than California and Texas."

Among reasons given in the study for the city's increasing loss of manufacturers are "urban growth, the age and obsolescence of industrial facilities and the high cost of improvements."

The history of the study dates back to June 1963, when Francis J. Bloustein, then acting chairman of the city planning commission; sent a 3-page letter and a detailed 10-page memorandum to Mayor Wagner. The subject of both—the city's growing business crisis.

"Industrial development in New York City is at the crossroads," read the memorandum. "Manufacturing jobs have been declining rapidly and steadily. Only in a limited sense can the current increase in white-collar employment be considered a compensating gain, since a large proportion of New York City residents are dependent upon blue-collar jobs. * * *

It is safe to say that unless valid solutions to these problems are reached, it will be impossible to check the rapid decline of industry in this city. Among other adverse results will be the hardening of business opposition to an urban-renewal program that appears to business to work against business and never for it. The economic consequence will be catastrophic in terms of lost tax revenue and mounting welfare costs.

FINAL REPORT

The letter and the memo both called for an immediate study of the problem. Yet not until 1 year later did the City Planning Commission announce that Arthur D. Little, Inc., of Boston, had a study of the problems and potential of industrial growth in New York.

A report, read the commission's newsletter, is scheduled to be completed in the fall of this year (1964).

The first draft (the study cost city taxpayers $30,000) was completed in September 1964, and, after consultations with various department heads, a final draft was, according to the City Planning Commission, completed last November. At this point, the Mayor and the Board of Estimate were briefed on the contents of the report.

Then, in early January, the final report—as it was distributed yesterday—was delivered to the offices of the City Planning Commission where, with the exception of copies distributed to top commissioners and the Temporary Commission on City Finances, it remained until yesterday.

At this point—and quoted in the "City in Crisis" series—a Planning Commission aid said about the report, "It's possible it may never be released for public consumption. There have been other reports and other studies paid for out of taxpayers' money that were finished but weren't made public for one reason or another. It's up to the mayor now. We're waiting for word from him."

NEW YORK CITY IN CRISIS—PART XXXVII

Mr. MATSUNAGA. 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 Hawaii?

There was no objection.

Mr. MULTER. Mr. Speaker, the following article is a part of "New York City in Crisis," a series appearing in the New York Herald Tribune.

This installment concerns the crisis developing in the City University of New York. It appeared in the Tribune on February 25, 1965:

NEW YORK CITY IN CRISIS: CUNY'S DANGER—"EDUCATIONAL SLUM"

(By Terry Ferrer)

"Crisis conditions" in the city's public colleges, resulting from "unbelievable overcrowding, has reached a stage where academic standards are threatened," the Public Education Association charged yesterday. And, the PEA said, the main fault lies with the State, which is "shortchanging" the city's colleges by some $30 million this year.

Dr. Albert H. Bowker, chancellor of the City University of New York which runs those colleges, agreed that CUNY is threatened with lowered academic programs.

"We're operating at 120 percent of capacity now," Dr. Bowker said in an interview yesterday. "There isn't much more we can do with our existing plant, short of going year-round. We're really running from dawn to dusk at the moment. * * * Especially crucial for the students is library and study space, while faculty office space is almost nonexistent."

Both Dr. Bowker and the PEA, a 2,000-member civic organization, also agreed that the worst of the crisis is in the city's four tuition-free senior colleges, Brooklyn, City, Hunter, and Queens. In 1960, these four colleges enrolled some 87,000 full- and part-time students; this academic year, the total is more than 122,000.

In a 13-page indictment of the present financing of the City University, the PEA declared that "nothing short of an all-out effort by the city and State governments will suffice to relieve the situation."

The report was prepared by PEA's higher education committee, chaired by Ira Hirschmann, industrialist, diplomat, and, for 9 years, a member of the board of higher education, which has jurisdiction over the City University.

Mr. Hirschmann warned yesterday that the city was in danger of becoming a "poor man's educational enclave" and the "educational slum" of higher education in the State.

The PEA report declared that the State is "shortchanging" the city colleges by some $30 million this year, while pouring double the per student support into the State university, but it can and should do more.

The PEA said in its report that the State puts $1,400 behind each 4-year and graduate student in the State university, but only $700 behind each similar student in the City University. This "alarming practice," Mr. Hirschmann said, "could throw higher education in the city into chaos, confusion, and disintegration."

Actually, the City University backs each student with $1,575, but gets only $700 of it from the State.

"If State funds for 1964–65 were being allocated to the City University at the rate now being provided on a per-student basis to the 4-year colleges and graduate schools of the State University," the report said, "the New York City Board of Higher Education would receive between $55 and $60 million instead of the $29 million which it will get this year."

The PEA proposed that the legislature adopt a formula providing equal support for all 4-year and graduate students attending public institutions in the State, whether at the State or City University. The formula would be similar to the State-aid formula for public elementary and secondary schools.

Copies of the proposal have been sent to Governor Rockefeller and key legislators, the PEA said. The association expects to draft legislation in cooperation with Dr. Bowker for action at this legislative session.

Forty-three percent of the college-aged population in the State lives in New York City, the PEA pointed out. In the last 5 years, "lack of facilities has restricted enrollment rises in the senior colleges of the City University to 25 percent," the report said, "while similar increases in 4-year colleges and graduate centers of the State University have gone up nearly 49 percent." In 1960–61, the City University had 32,000 full-time students in its senior colleges, against 40,500 this academic year. In the same period, 4-year full-time enrollment in the State University jumped from 35,000 to 52,500.

"The city government," said PEA, "has not been in a position to provide the funds necessary for the enlargement of its public colleges to meet the full need. The State, on the other hand, with very great taxing powers, has been able to move rapidly in expanding facilities of the State University."

Fifteen of SUNNY's 58 units have been added in the last 5 years, generally "without the overcrowding that now characterizes city institutions."

The PEA also recommended that all 34 public 2-year colleges in the State be tuition-free, as are the seven in New York City. This could be accomplished by raising the State's support from its present one-third to two-thirds of the 2-year colleges' operating costs, and from one-half to three-fourths of the construction costs.

New York State is "well able to finance a strong system of public higher education, free at least through the 14th year," the PEA declared. "New York ranks No. 4 among all States in level of per capita personal income, being surpassed only by Nevada, Delaware

and Connecticut. In 1962, it ranked No. 2 in personal income per child of school age (5 to 17). By contrast, it ranked 49th in per capita State expenditures for institutions of higher learning and 49th in percent of total State expenditures allocated to such institutions."

PERSONAL ANNOUNCEMENT

Mr. MATSUNAGA. Mr. Speaker, I ask unanimous consent that the gentleman from New Jersey [Mr. HELSTOSKI] 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 Hawaii?

There was no objection.

Mr. HELSTOSKI. Mr. Speaker, on rollcall No. 33, I am recorded as not voting. Because I had previously committed myself to discuss certain problems of our district with the members of the Rutherford Chamber of Commerce, I was unable to be present during the rollcall. Had I been here, I would have voted to suspend the rules and pass H.R. 4714, to amend the National Arts and Cultural Development Act of 1964.

Also, Mr. Speaker, I am not recorded as voting on rollcalls Nos. 62, 63, and 64 held on Monday, April 5.

I was unable to be in the Chamber because of very important commitments which I had in my congressional district, which caused me to be absent from Washington.

Had I been in Washington, I would have been present to vote on the legislation being considered by the House.

On H.R. 980, to provide for the return of obscene mail, I would have voted "yea." I also would have voted "yea" on H.R. 7064, authorizing $1 million to build a chancery building for our Embassy staff in Saigon.

On the final bill under discussion in the House, H.R. 7060, the appropriation bill for funds for the Treasury and Post Office Departments, I also would have voted "yea."

NATURAL RESOURCES COUNCIL PROPOSAL

Mr. MATSUNAGA. Mr. Speaker, I ask unanimous consent that the gentleman from Oregon [Mr. ULLMAN] 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 Hawaii?

There was no objection.

Mr. ULLMAN. Mr. Speaker, in the RECORD for April 5, Senator MCGOVERN inserted the speech of New Mexico's distinguished senior Senator [Mr. ANDERSON] before the ninth biennial wilderness conference, San Francisco, Calif., April 2, 1965.

Senator ANDERSON's outstanding record as a great leader in the American conservation movement was cited by Senator MCGOVERN.

Today I wish to join the Senator from South Dakota in noting my admiration of the lasting contribution Senator ANDERSON is making to insure continued progress in this Nation's natural resource endeavor.

I was particularly heartened and gratified by Senator ANDERSON's endorsement of the establishment of a Council of Resources and Conservation Advisers as proposed in the Senate by S. 938 introduced by Senator MCGOVERN and in H.R. 4430 which I have the pleasure to sponsor in the House of Representatives.

It seems only yesterday that I discussed the need for such a council with our late President John F. Kennedy during his western "conservation" trip. The need for such a council is no less today than then—rather with the perspective achieved with the passage of only a few years we see the need to be more acute today. I heartily subscribe to Senator ANDERSON's words, and reiterate them to my colleagues, as he said:

We have—as a nation—paid attention to resource problems on a crisis basis. We are alerted to the water crisis, the timber crisis, the pesticide crisis, the strip mine crisis. I have no question that it is the squeaking crisis which gets the oil. But it is the wisest way for a nation to develop and manage its resources for 190 million today and 330 million by the year 2000? I think not.

A council of resource and conservation advisers might help to avoid the potential wastefulness of reaction only in the face of crisis. It might enable decision makers to take more initiative in advance of a severe resource problem rather than after it has ballooned to massive proportions.

The council would be an arm of the executive branch, but it would serve all of Government in much the same fashion as the Council of Economic Advisers. The Council of Economic Advisers does not create national economic policy, but it gathers the information and does the advance thinking essential to the shaping of enlightened policy. It is still up to political leaders to create and implement tax and fiscal policy. By the same token, Members of Congress and Cabinet officers would still be left with the responsibility to make sound conservation policy.

But the council of resource and conservation advisers would help chart the way toward appropriate conservation measures. It would let us know where we stand and where we should be heading.

CONGRESSMAN SWEENEY AND THE PARENTHOOD DERBY

Mr. MATSUNAGA. Mr. Speaker, I ask unanimous consent that the gentleman from Ohio [Mr. VANIK] 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 Hawaii?

There was no objection.

Mr. VANIK. Mr. Speaker, I have just received word that our distinguished colleague, Hon. ROBERT E. SWEENEY, Representative at Large from the State of Ohio today became father of his 11th child, his third daughter.

This is just another testimonial to Ohio's progress as a growth State.

Congressman SWEENEY now takes undisputed clear title to second place among Members of Congress in the parenthood derby.

The future strength and leadership of the Democratic Party is assured with our colleague HUGH CAREY with a Democratic family of 13 children, our colleague ROBERT E. SWEENEY with 11 children, and Honorable ROBERT CASEY with 10 children.

THAT WAS THE WEEK THAT WAS

Mr. MATSUNAGA. Mr. Speaker, I ask unanimous consent that the gentleman from Tennessee [Mr. FULTON] 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 Hawaii?

There was no objection.

Mr. FULTON of Tennessee. Mr. Speaker, most Americans enjoy a good joke. Humor is one of the most commendable ingredients of the American personality.

Satire and irony, particularly when directed at persons in public life, may sting a bit but give us an opportunity to see ourselves, though in caricature, from another side.

At best this form of humor can be constructive and entertaining. At its worst it can be debilitating and vicious.

Millions of Americans on their home television screens recently witnessed an example of American humor at its worst.

I refer to the March 30, 1965, production of the NBC–TV program, "That Was the Week That Was."

As a southern Member of Congress, I believe I am aware and feel very deeply the problems with which the South and other areas of this Nation are faced. We want to solve these problems as quickly as possible and above all we want them solved in a spirit of community good will.

However, to hold up an entire region of the United States to public ridicule is to damage that spirit and the efforts to broaden it.

I do not pretend to speak for others but I am certain there are millions of objective Americans who share this view. One of these is Mr. Harris Martin, editor of "This Week" in Nashville, a publication of events and activities in Nashville, Tenn., "Music City, U.S.A."

Mr. Martin suggests the removal of the program from the air. I would not advocate this because I firmly believe in free speech and comment. This program of March 30, in my view, demonstrated a deplorable failure in responsible judgment. Such viciousness accomplishes nothing. It does create greater hostility, however, which does not improve but worsens matters.

Under unanimous consent, I insert Mr. Martin's editorial at this point:

TO NBC–TV AND TW–3—FOR INCREDIBLY BAD TASTE

DEAR PRODUCERS, DIRECTORS, PERFORMERS, AND OH-SO-CLEVER WRITERS, ON "THAT WAS THE WEEK THAT WAS": Your half hour segment on the NBC television network, Tuesday, March 30, was a classic example of ill-informed comment on the troubled-enough social scene.

From the opening "song," in which Nancy Ames attempted to keep notes and lyrics in some semblance of synchronization—through the poorly conceived attempts at devastating

humor—your show was a prime-time example of TV's vast wasteland.

The low-point—in a show filled with high-school-skit mediocrity, was the set of lyrics which poked vitriolic fun at a large portion of the United States.

Standing before a rear screen projections of the Confederate flag, Nancy Ames played parrot for the creative wizards who dream up your pseudosophisticated garbage, and chanted a song which condemned all of the country south of the Mason-Dixon Line. This line, incidentally, begins around Baltimore, Md.

Based upon unfortunate incidents which have occurred in the South—(and in the North, and in Alaska, and in too many places), an entire segment of our country was ridiculed, on a major TV network, in prime time, with the apparent sanction of those who regularly spend much time and money, creating a network image.

It's doubtful that anyone connected with your show has firsthand, eyewitness knowledge of the South—other than possible participation in brief band wagon jaunts to currently headlined trouble spots.

Your long-range guns which point so easily South could be replaced by artillery of smaller caliber, aimed toward your own street corners.

You ask how long the country can do without products, produced in Alabama, like "axe handles, ham hocks, etcetera, etcetera."

Let's ask you a question. How long can the country do without "TW-3"?

And the sooner we start, the better.

—EDITOR.

NATIONAL FAMILY HEALTH

Mr. MATSUNAGA. Mr. Speaker, I ask unanimous consent that the gentleman from Pennsylvania [Mr. MORGAN] 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 Hawaii?

There was no objection.

Mr. MORGAN. Mr. Speaker, the American Academy of General Practice Foundation is doing the country a great service by focusing its attention on the unmet health needs of the American family and the ways of meeting those needs. Scientific progress has revolutionized the practice of medicine and in this time of rapid change and high specialization we must make sure that the overall needs of the patient are not neglected. We need to put a lot more thought into finding the most effective way of meeting the many varied health care needs of the family. We must determine what kind of practitioner will best be able to provide basic medical service to the American family in the future and how best to train him.

To help bring these questions before the public eye, I have introduced House Joint Resolution 413 in the Congress to designate the week of April 9 of each year as National Family Health Week by Presidential proclamation.

I am sure that the American Academy of General Practice will continue to be a leader in the national effort to find better ways of providing the American family with comprehensive medical care. Conferences such as this one which bring together concerned and knowledgeable people from a variety of professional fields are doing much to clarify and solve the problems of unmet health needs of the American family.

FOREIGN AID

Mr. MATSUNAGA. Mr. Speaker, I ask unanimous consent that the gentleman from Minnesota [Mr. FRASER] 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 Hawaii?

There was no objection.

Mr. FRASER. Mr. Speaker, I would like to bring to the attention of my colleagues the next in the series of bipartisan meetings on foreign aid.

The meeting tomorrow, Wednesday, April 7, will focus on the issue of foreign aid and the problem of internal security and insurgency.

The speakers will be William S. Gaud, Deputy Administrator; Byron Engle, Director of the Office of Public Safety, and experienced in police administration in the United States and other countries; and William J. Mazzocco, Director of the Office of Vietnam Affairs, and specialist on the nonmilitary aspects of counter-insurgency, Agency for International Development.

Slides will also be shown.

This meeting, sponsored by three Democratic and three Republican members of the Foreign Affairs Committee, is for members only and will be held in the speaker's dining room at 3 p.m.

TWO BILLS TO EXEMPT CERTAIN GROUPS FROM EXCISE TAXES

Mr. MATSUNAGA. Mr. Speaker, I ask unanimous consent that the gentleman from Colorado [Mr. MCVICKER] 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 Hawaii?

There was no objection.

Mr. MCVICKER. Mr. Speaker, the Johnson administration has done a great service to the artistic and cultural life of our country by proposing legislation designed to aid endeavors in the humanities and the arts by financial contributions and by the establishment of a National Arts and Humanities Foundation. This proposal recognizes the principle that it is necessary to bring into better balance our commitment to science with our commitment to the arts and the humanities.

Much new interest in the performing arts has been shown in our country, yet there is still a great lag in artistic excellence and in the commitment of our people to its betterment. The proposed legislation that would establish a Humanities Foundation recognizes the principle that a society can no more ignore its cultural well-being than it can neglect the condition of its health or education.

Support for the performing arts must come from all directions, and especially from private sources and initiatives. States and municipalities must provide more impetus than they have in the past, and finally, the Federal Government has a limited but important role to play. The Humanities Foundation bill will do much to relieve the possibility of economic strangulation which the performing arts are presently facing. The Congress can give further help in the form of tax relief.

Mr. Speaker, I am today introducing a bill which is designed to relieve some of the economic difficulties of our dramatic and musical groups. This bill would exempt live dramatic and musical performances from the admission excise tax by amending section 4233 of the Internal Revenue Code.

I am introducing another bill today which would also amend, clarify, and define the applicability of section 4233 of the Internal Revenue Code of 1854. This bill would exempt any admissions or amounts paid for admission, refreshment, service, or merchandise, which inure exclusively to the benefit of churches, educational institutions, community chest foundations, symphony and opera societies, National Guard and Reserve officers' organizations and war veterans organization, and nonprofit organizations which operate solely for the purpose of providing scholarships for study on the postsecondary level. I urge passage of these bills by the Congress.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. DENT (at the request of Mr. ALBERT), for 30 minutes, today; and to revise and extend his remarks and include extraneous matter.

Mr. ROSENTHAL (at the request of Mr. ALBERT), for 60 minutes, today; to revise and extend his remarks and include extraneous matter.

Mr. FLOOD (at the request of Mr. MATSUNAGA), for 60 minutes, on April 28, 1965; to revise and extend his remarks, and to include extraneous matter.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. COHELAN to revise and extend his remarks and include extraneous material and tables.

(The following Members (at the request of Mr. TEAGUE of California) and to include extraneous matter:)

Mr. SAYLOR.
Mr. BRAY.
Mr. FINO.
Mr. LAIRD.
Mr. BOW.
Mr. PIRNIE.

(The following Members (at the request of Mr. MATSUNAGA) and to include extraneous matter:)

Mr. MCCARTHY in two instances.
Mr. DULSKI
Mr. FISHER.
Mr. UDALL.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 693. An act to amend the Foreign Agents Registration Act of 1938, as amended; to the Committee on the Judiciary.

ADJOURNMENT

Mr. MATSUNAGA. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 32 minutes p.m.) the House adjourned until tomorrow, Wednesday, April 7, 1965, 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:

881. A communication from the President of the United States transmitting notice of intention to issue an Executive order having the effect of terminating the designation of certain countries as less-developed countries for purposes of the interest equalization tax, pursuant to subsection (b) of section 4916 of the Internal Revenue Code and Executive Order 11071 of December 27, 1962 (H. Doc. No. 139); to the Committee on Ways and Means; and ordered to be printed.

882. A letter from the Comptroller General of the United States, transmitting a draft of proposed legislation entitled "A bill to amend section 1552(c) of title 10, United States Code, to provide for the deduction of interim earnings from the payments of active duty pay and allowances found due members or former members of the uniformed services as a result of the correction of their military records"; to the Committee on Armed Services.

883. A letter from the Assistant Secretary, Export-Import Bank of Washington, transmitting a report that the Bank has issued a guarantee in connection with a contract of sale for the export of a rotary blast drill to Yugoslavia, pursuant to title III of the Foreign Assistance and Related Agencies Appropriation Act of 1965 and to the Presidential determination of February 4, 1964; to the Committee on Foreign Affairs.

884. A letter from the Comptroller General of the United States, transmitting a report of increased cost resulting from acquisition of maintenance trucks produced by the Boeing Co., Seattle, Wash., for the Minuteman intercontinental ballistic missile program, Department of the Air Force; to the Committee on Government Operations.

885. A letter from the Comptroller General of the United States, transmitting a report of followup examinations of reviews of right-of-way claims in the State of West Virginia Federal-aid highway program, Bureau of Public Roads, Department of Commerce; to the Committee on Government Operations.

886. A letter from the Comptroller General of the United States, transmitting a report of loss on business loan resulting from inadequate evaluation of borrower's bonding coverage requirements and from realization on collateral, Small Business Administration; to the Committee on Government Operations.

887. A letter from the Chairman, Federal Power Commission, transmitting a copy of "Statistics of Electric Utilities, Privately Owned," and a copy of "Sales by Producers of Natural Gas to Natural Gas Pipeline Companies, 1963"; to the Committee on Interstate and Foreign Commerce.

888. A letter from the Assistant Secretary of the Air Force, transmitting a draft of proposed legislation entitled "A bill for the relief of Lt. Col. Claude E. Tabor, Jr., U.S. Air Force"; to the Committee on the Judiciary.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. MADDEN: Committee on Rules. House Resolution 322. Resolution providing for the consideration of H.R. 6675, a bill to provide a hospital insurance program for the aged under the Social Security Act with a supplementary health benefits program and an expanded program of medical assistance, to increase benefits under the old-age, survivors, and disability insurance system, to improve the Federal-State public assistance programs, and for other purposes; without amendment (Rept. No. 226). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ANDERSON of Illinois:

H.R. 7151. A bill to amend section 104(s) of Public Law 480, 83d Congress, as amended, to require that 5 percent of the foreign currencies hereafter acquired by the sale of U.S. surplus agricultural commodities be set aside for the sale of dollars to American tourists abroad; to the Committee on Agriculture.

H.R. 7152. A bill to provide for the establishment of a Joint Committee on Research and Development Policy; to the Committee on Rules.

By Mr. BECKWORTH:

H.R. 7153. A bill to eliminate certain restrictions on the assignment of Government field personnel to duty in the District of Columbia, and for other purposes; to the Committee on Post Office and Civil Service.

H.R. 7154. A bill to permit variation of the 40-hour workweek of Federal employees for educational purposes; to the Committee on Post Office and Civil Service.

By Mr. BUCHANAN:

H.R. 7155. A bill to provide that contributions toward the reward being offered for the apprehension of those responsible for the recent bombing activities in Birmingham, Ala., shall be deductible for Federal income tax purposes, and that such reward when paid shall be exempt from Federal income tax; to the Committee on Ways and Means.

By Mr. CHAMBERLAIN:

H.R. 7156. A bill to amend the Merchant Marine Act, 1920, to prohibit transportation of articles to or from the United States aboard certain foreign vessels, and for other purposes; to the Committee on Merchant Marine and Fisheries.

H.R. 7157. A bill to amend title II of the Social Security Act to include Michigan among the States which may obtain social security coverage, under State agreement, for State and local policemen and firemen; to the Committee on Ways and Means.

By Mr. CLEVELAND:

H.R. 7158. A bill to provide for the establishment of a Joint Committee on Research and Development Policy; to the Committee on Rules.

By Mr. DANIELS:

H.R. 7159. A bill to provide for the crediting for civil service retirement purposes of certain service rendered by civilian employees of nonappropriated fund instrumentalities of the Armed Forces; to the Committee on Post Office and Civil Service.

By Mr. DAVIS of Georgia:

H.R. 7160. A bill to amend the Communications Act of 1934 to prohibit the Federal Communications Commission from assessing fees or charges for services, publications, or instruments, unless specifically permitted by law; to the Committee on Interstate and Foreign Commerce.

By Mr. ERLENBORN:

H.R. 7161. A bill to amend section 161 of the Revised Statutes with respect to the authority of Federal officers and agencies to withhold information and limit the availability of records; to the Committee on Government Operations.

By Mr. EVANS of Colorado:

H.R. 7162. A bill to authorize the modification of the John Martin Reservoir project, Colorado, in order to provide a permanent reservoir pool for recreational and fish and wildlife purposes; to the Committee on Public Works.

By Mr. WILLIAM D. FORD:

H.R. 7163. A bill to amend title II of the Social Security Act to provide that a survivor beneficiary shall not lose his or her entitlement to benefits by reason of a marriage or remarriage which occurs after he or she attains age 62; to the Committee on Ways and Means.

By Mr. HALL:

H.R. 7164. A bill to establish a cropland restoration program and for other purposes; to the Committee on Agriculture.

By Mr. HARRIS:

H.R. 7165. A bill to amend section 1(14)(a) of the Interstate Commerce Act to insure the adequacy of the national railroad freight car supply, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 7166. A bill to authorize the Interstate Commerce Commission, after investigation and hearing, to require the establishment of through routes and joint rates between motor common carriers of property, and between such carriers and common carriers by rail, express, and water, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 7167. A bill to establish a uniform system of time standards and measurements for the United States and to require the observance of such time standards for all purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 7168. A bill to amend section 204(a)(3) of the Interstate Commerce Act respecting motor carrier safety regulations applicable to private carriers of property; to the Committee on Interstate and Foreign Commerce.

H.R. 7169. A bill to amend the Securities Act of 1933 with respect to certain registration fees; to the Committee on Interstate and Foreign Commerce.

By Mr. IRWIN:

H.R. 7170. A bill to authorize the disposal, without regard to the 6-month waiting period, of approximately 50,000 tons of refractory grade bauxite from the national stockpile: to the Committee on Armed Services.

By Mr. KEITH:

H.R. 7171. A bill to amend the Internal Revenue Code of 1954 to deny deductions for certain payments for the use of, or interest payments on mortgages on, industrial plants financed by tax-exempt obligations; to the Committee on Ways and Means.

By Mr. KING of California:

H.R. 7172. A bill to amend the Internal Revenue Code of 1954 with respect to the tax

treatment of wages of seamen in certain cases; to the Committee on Ways and Means.

By Mr. McMILLAN (by request):

H.R. 7173. A bill to amend the District of Columbia Business Corporation Act and the District of Columbia Nonprofit Corporation Act; to the Committee on the District of Columbia.

H.R. 7174. A bill to amend the Fire and Casualty Act of the District of Columbia and to supplement the Motor Vehicle Safety Responsibility Act of the District of Columbia in order to provide for the indemnification of persons sustaining injuries or damages as a result of the operation of motor vehicles by financially irresponsible persons, and for other purposes; to the Committee on the District of Columbia.

By Mr. O'NEAL of Georgia:

H.R. 7175. A bill to make permanent the definition of "peanuts" which is now in effect under the Agricultural Adjustment Act of 1938; to the Committee on Agriculture.

By Mr. PATTEN:

H.R. 7176. A bill to establish a Department of Housing and Urban Development, and for other purposes; to the Committee on Government Operations.

By Mr. POWELL:

H.R. 7177. A bill to extend the Juvenile Delinquency and Youth Offenses Control Act of 1961; to the Committee on Education and Labor.

By Mr. QUIE:

H.R. 7178. A bill to provide for an objective, thorough, and nationwide analysis and reevaluation of the extent and means of resolving the critical shortage of qualified manpower in the field of correctional rehabilitation; to the Committee on Education and Labor.

By Mr. ROSENTHAL:

H.R. 7179. A bill to establish a Department of Consumers in order to secure within the Federal Government effective representation of the economic interests of consumers; to coordinate the administration of consumer services by transferring to such Department certain functions of the Department of Health, Education, and Welfare, the Department of Labor, and other agencies; and for other purposes; to the Committee on Government Operations.

By Mr. SIKES:

H.R. 7180. A bill to authorize a survey for improving the channel at Pensacola Harbor, Fla., and for other purposes; to the Committee on Public Works.

By Mr. SKUBITZ:

H.R. 7181. A bill to provide for the commemoration of certain historical events in the State of Kansas, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. STANTON:

H.R. 7182. A bill to amend the Internal Revenue Code of 1954 to repeal the excise tax on communications; to the Committee on Ways and Means.

By Mr. WAGGONNER:

H.R. 7183. A bill to amend the Interstate Commerce Act, as amended, in order to make unlawful, as unreasonable and unjust discrimination against and undue burden upon interstate commerce, certain property tax assessments of common carrier property and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. DONOHUE:

H.R. 7184. A bill to amend section 2401 of title 28, United States Code, to extend the time for filing tort actions by persons under the age of 21, or insane or mentally ill, or imprisoned on a criminal charge; to the Committee on the Judiciary.

By Mr. FEIGHAN:

H.R. 7185. A bill to amend title II of the Social Security Act to provide that a survivor beneficiary shall not lose his or her entitlement to benefits by reason of a marriage or remarriage which occurs after he or she attains age 62; to the Committee on Ways and Means.

By Mr. MATSUNAGA:

H.R. 7186. A bill to amend the Internal Revenue Code of 1954 to provide that the cost of maintaining a retarded child in a professionally qualified custodial institution shall be deductible as a medical expense; to the Committee on Ways and Means.

By Mr. MEEDS:

H.R. 7187. A bill to conserve and protect Pacific salmon of North American origin; to the Committee on Ways and Means.

By Mr. MINSHALL:

H.R. 7188. A bill authorizing the Secretary of the Army to establish a national cemetery in Ohio; to the Committee on Interior and Insular Affairs.

By Mr. PATMAN:

H.R. 7189. A bill to amend the Clayton Act by making section 3 of the Robinson-Patman Act, with amendments, a part of the Clayton Act, in order to provide for governmental and private civil proceedings for violations of section 3 of the Robinson-Patman Act; to the Committee on the Judiciary.

By Mr. PELLY:

H.R. 7190. A bill to amend the Internal Revenue Code of 1954 to make the interest equalization tax inapplicable to acquisitions before September 3, 1964, and to exclude from the application of such tax acquisitions of foreign stock acquired with funds held outside the United States on July 18, 1963; to the Committee on Ways and Means.

By Mr. LINDSAY:

H.R. 7191. A bill to protect voting rights secured by the 15th amendment to the Constitution of the United States; to the Committee on the Judiciary.

By Mr. MATHIAS:

H.R. 7192. A bill to protect voting rights secured by the 15th amendment to the Constitution of the United States; to the Committee on the Judiciary.

By Mr. REID of New York:

H.R. 7193. A bill to protect voting rights secured by the 15th amendment of the Constitution of the United States; to the Committee on the Judiciary.

By Mr. FULTON of Pennsylvania:

H.R. 7194. A bill to protect voting rights secured by the 15th amendment to the Constitution of the United States; to the Committee on the Judiciary.

By Mr. MORSE:

H.R. 7195. A bill to protect voting rights secured by the 15th amendment of the Constitution of the United States; to the Committee on the Judiciary.

By Mr. ANDERSON of Illinois:

H.R. 7196. A bill to guarantee the right to vote under the 15th amendment to the Constitution of the United States; to the Committee on the Judiciary.

By Mr. ERLENBORN:

H.R. 7197. A bill to guarantee the right to vote under the 15th amendment to the Constitution of the United States; to the Committee on the Judiciary.

By Mr. FINDLEY:

H.R. 7198. A bill to guarantee the right to vote under the 15th amendment to the Constitution of the United States; to the Committee on the Judiciary.

By Mr. McCLORY:

H.R. 7199. A bill to guarantee the right to vote under the 15th amendment to the Constitution of the United States; to the Committee on the Judiciary.

By Mr. MICHEL:

H.R. 7200. A bill to guarantee the right to vote under the 15th amendment to the Constitution of the United States; to the Committee on the Judiciary.

By Mr. AYRES:

H.R. 7201. A bill to guarantee the right to vote under the 15th amendment to the Constitution of the United States; to the Committee on the Judiciary.

By Mr. BATTIN:

H.R. 7202. A bill to guarantee the right to vote under the 15th amendment to the Constitution of the United States; to the Committee on the Judiciary.

By Mr. BELL:

H.R. 7203. A bill to guarantee the right to vote under the 15th amendment to the Constitution of the United States; to the Committee on the Judiciary.

By Mrs. BOLTON:

H.R. 7204. A bill to guarantee the right to vote under the 15th amendment to the Constitution of the United States; to the Committee on the Judiciary.

By Mr. BROOMFIELD:

H.R. 7205. A bill to guarantee the right to vote under the 15th amendment to the Constitution of the United States; to the Committee on the Judiciary.

By Mr. BURTON of Utah:

H.R. 7206. A bill to guarantee the right to vote under the 15th amendment to the Constitution of the United States; to the Committee on the Judiciary.

By Mr. CEDERBERG:

H.R. 7207. A bill to guarantee the right to vote under the 15th amendment to the Constitution of the United States; to the Committee on the Judiciary.

By Mr. CHAMBERLAIN:

H.R. 7208. A bill to guarantee the right to vote under the 15th amendment to the Constitution of the United States; to the Committee on the Judiciary.

By Mr. DEL CLAWSON:

H.R. 7209. A bill to guarantee the right to vote under the 15th amendment to the Constitution of the United States; to the Committee on the Judiciary.

By Mr. CONABLE:

H.R. 7210. A bill to guarantee the right to vote under the 15th amendment to the Constitution of the United States; to the Committee on the Judiciary.

By Mr. CURTIS:

H.R. 7211. A bill to guarantee the right to vote under the 15th amendment to the Constitution of the United States; to the Committee on the Judiciary.

By Mr. ELLSWORTH:

H.R. 7212. A bill to guarantee the right to vote under the 15th amendment to the Constitution of the United States; to the Committee on the Judiciary.

By Mr. FRELINGHUYSEN:

H.R. 7213. A bill to guarantee the right to vote under the 15th amendment to the Constitution of the United States; to the Committee on the Judiciary.

By Mr. GOODELL:

H.R. 7214. A bill the guarantee the right to vote under the 15th amendment to the Constitution of the United States; to the Committee on the Judiciary.

By Mr. GRIFFIN:

H.R. 7215. A bill to guarantee the right to vote under the 15th amendment to the Constitution of the United States; to the Committee on the Judiciary.

By Mr. HOSMER:

H.R. 7216. A bill to guarantee the right to vote under the 15th amendment to the Constitution of the United States; to the Committee on the Judiciary.

By Mr. KEITH:

H.R. 7217. A bill to guarantee the right to vote under the 15th amendment to the Constitution of the United States; to the Committee on the Judiciary.

By Mr. KING of New York:

H.R. 7218. A bill to guarantee the right to vote under the 15th amendment to the

Constitution of the United States; to the Committee on the Judiciary.

By Mr. LAIRD:

H.R. 7219. A bill to guarantee the right to vote under the 15th amendment to the Constitution of the United States; to the Committee on the Judiciary.

By Mr. LANGEN:

H.R. 7220. A bill to guanrantee the right to vote under the 15th amendment to the Constitution of the United States; to the Committee on the Judiciary.

By Mrs. MAY:

H.R. 7221. A bill to guarantee the right to vote under the 15th amendment to the Constitution of the United States; to the Committee on the Judiciary.

By Mr. MOSHER:

H.R. 7222. A bill to guarantee the right to vote under the 15th amendment to the Constitution of the United States; to the Committee on the Judiciary.

By Mr. PIRNIE:

H.R. 7223. A bill to guarantee the right to vote under the 15th amendment to the Constitution of the United States; to the Committee on the Judiciary.

By Mr. QUIE:

H.R. 7224. A bill to guarantee the right to vote under the 15th amendment to the Constitution of the United States; to the Committee on the Judiciary.

By Mr. REIFEL:

H.R. 7225. A bill to guarantee the right to vote under the 15th amendment to the Constitution of the United States; to the Committee on the Judiciary.

By Mr. REINECKE:

H.R. 7226. A bill to guarantee the right to vote under the 15th amendment to the Constitution of the United States; to the Committee on the Judiciary.

By Mr. ROBISON:

H.R. 7227. A bill to guarantee the right to vote under the 15th amendment to the Constitution of the United States; to the Committee on the Judiciary.

By Mr. SCHNEEBELI:

H.R. 7228 A bill to guarantee the right to vote under the 15th amendment to the Constitution of the United States; to the Committee on the Judiciary.

By Mr. SMITH of New York:

H.R. 7229. A bill to guarantee the right to vote under the 15th amendment to the Constitution of the United States; to the Committee on the Judiciary.

By Mr. TALCOTT:

H.R. 7230 A bill to guarantee the right to vote under the 15th amendment to the Constitution of the United States; to the Committee on the Judiciary.

By Mr. McVICKER:

H.R. 7231. A bill to amend, clarify, and make certain the applicability of section 4233 of the Internal Revenue Code of 1954, relating to exemptions from tax imposed under section 4231 of the Internal Revenue Code of 1954; to the Committee on Ways and Means.

H.R. 7232. A bill to amend the Internal Revenue Code of 1954 to provide that the tax on admissions shall not apply to admissions to any live dramatic (including musical) performance; to the Committee on Ways and Means.

By Mr. FINO:

H. Res. 321. Resolution creating a select committee to conduct an investigation and study of the advisability and feasibility of a governmental lottery; to the Committee on Rules.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

180. By Mr. MORRIS: Memorial of the Legislature of the State of New Mexico, requesting the Congress of the United States of America to take appropriate investigative and legislative action in connection with the Tierra Amarilla land grant located in Rio Arriba County, N. Mex.; to the Committee on Interior and Insular Affairs.

181. By the SPEAKER: A memorial of the Legislature of the State of California, memorializing the President and the Congress of the United States relative to appropriating funds for the Corps of Engineers to carry on its current and proposed San Francisco Bay operations and also the studies into the Sacramento-San Joaquin Delta region; to the Committee on Appropriations.

182. Also, a memorial of the Legislature of the State of Hawaii, memorializing the President and the Congress of the United States extending heartfelt thanks for commemorating the sixth anniversary of Hawaii's admission to the Union; to the Committee on House Administration.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ASHMORE:

H.R. 7233. A bill for the relief of Col. Frank D. Schwikert, U.S. Air Force; to the Committee on the Judiciary.

By Mr. BINGHAM:

H.R. 7234. A bill for the relief of Alberta Hilda St. Cyr; to the Committee on the Judiciary.

H.R. 7235. A bill for the relief of Esther Chin-Kuo Soong; to the Committee on the Judiciary.

H.R. 7236. A bill for the relief of Marrie Jane Whittaker; to the Committee on the Judiciary.

By Mr. CASEY:

H.R. 7237. A bill for the relief of Mutual Benefit Foundation; to the Committee on the Judiciary.

By Mr. FINO:

H.R. 7238. A bill for the relief of Nicolina De Gregorio; to the Committee on the Judiciary.

By Mr. HATHAWAY:

H.R. 7239. A bill for the relief of Perouze Tentunian; to the Committee on the Judiciary.

By Mr. MacGREGOR:

H.R. 7240. A bill for the relief of Martha Pilworm Kim; to the Committee on the Judiciary.

H.R. 7241. A bill for the relief of Elmer O. Erickson; to the Committee on the Judiciary.

By Mr. MORSE:

H.R. 7242. A bill for the relief of Fay Brett; to the Committee on the Judiciary.

By Mr. THOMSON of Wisconsin:

H.R. 7243. A bill for the relief of Mrs. Kathrina Knezevic; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

157. By the SPEAKER: Petition of Perfecto Isidro, Zambales chapter, the Philippine National Red Cross, Olongapo, Philippines, with reference to presenting the claims of certain fish pond operators of the area whose businesses suffered losses when ordered to vacate a certain sector for use by the U.S. Navy before their stocks had matured sufficiently for sale; to the Committee on Foreign Affairs.

158. Also, petition of city council, Richmond, Calif., with reference to proposing an amendment to the Constitution of the United States to permit any State which has a bicameral legislature to apportion the membership of one house of its legislature on factors other than population; to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

Overtime in the Post Office Department

EXTENSION OF REMARKS

OF

HON. THADDEUS J. DULSKI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 6, 1965

Mr. DULSKI. Mr. Speaker, I subscribe to true economies, but oppose vigorously false economies. I do not fuss with the Appropriations Committee for curtailing unnecessary expenditures or for insisting on maximum economies. However, I do not subscribe to the theory that the Appropriations Committee is infallible in their judgment.

The Post Office Department requested sufficient funds for the Bureau of Operations to eliminate some 15,000 man-years of excess overtime. They proposed to accomplish this by the appointment of regular employees. This approach is nothing less than good management and would produce eventual economies.

Mr. Speaker, experience has proven that it is not efficient to employ excessive temporary employees or to work regular employees excessive overtime. In the first instance, it is a costly process training temporary employees and certainly because their employment is temporary they leave the post office for employment elsewhere whenever they can find permanent jobs. This vicious and costly cycle continues on and on.

In the second instance, it has long been known that employees performing hours of overtime are not as productive as during their regular hours of employment. Cost-conscious and progressive private firms found this to be true, and as a result have taken proper steps to eliminate excessive overtime in their plants. Certainly if this is true in the

cases of companies operating for a profit, it is equally true in the case of the Government.

I regret that the Appropriations Committee did not provide sufficient funds to enable the Bureau of Operations in the Post Office Department to convert their temporary employees to a permanent basis.

The report states:

Additional funds will allow about 1,300 positions to be used as an experimental program to reduce the excess overtime work by postal employees.

It is my contention that the time for experimentation has long since passed. The work exists—it is being done—either by temporary employees or by the use of excess overtime. Neither course is proper.

The solution is to provide sufficient funds so that regular clerks and carriers can be employed to do the work of the Post Office Department.

First International Hangar Session

EXTENSION OF REMARKS

OF

HON. MORRIS K. UDALL

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 6, 1965

Mr. UDALL. Mr. Speaker, during March 19–21 in my congressional district in Arizona, we established a first of which Arizonans and the Nation may be proud. Various aviation groups, the Tucson Airport Authority, the Administrator of the Federal Aviation Agency, and the Director General of Civil Aeronautics of Mexico cooperated to hold the First International Hangar Session. This project is significant not only because it is the first of its kind on an international basis, but because it should bear fruitful results in terms of our relationships with our Latin American friends.

Mr. Najeeb E. Halaby, Administrator of the FAA and Senor Ramon Perez Morquecho, Director General of Civil Aeronautics in Mexico, met with 500 pilots and representatives of general aviation from Southwestern States and Mexico.

Administrator Halaby inaugurated these fly-in-type hangar sessions soon after taking office. The Tucson meeting provided unprecedented opportunities for those citizens active in aviation in Mexico and the United States to meet face to face with local, State, and Federal public servants charged with the responsibility of regulating aviation. The session was an example of genuine government-to-people and people-to-government democracy.

I commend Mr. Halaby and Senor Morquecho for their initiative in making the meeting a success.

Those who attended the fly-in were provided answers to their questions and the reasons and the philosophy of the actions taken by each Government on both routine and controversial matters.

Senor Morquecho paid tribute to the Federal Aviation Agency and Mr. Halaby for contributions toward the advancement of aviation, including establishment of well-equipped airports throughout the United States and development of a common system of air traffic control and navigation aids for both civil and military aircraft. He cited the exemplary safety record of aviation in the face of an ever-increasing load of activity.

Mr. Halaby said in part:

We chose this city as the site of the First International Hangar Session because we believe it symbolizes to a great extent the spirit of friendship and understanding between nations and between people which we are trying to further here today.

We are grateful to the Tucson Airport Authority also for sponsoring us here today. We have found these hangar fly-in sessions to be extremely effective as a two-way communication vehicle between the Federal Aviation Agency and the public it serves. I might add that I personally have learned a great deal through these give-and-take sessions.

All of our previous sessions, however, have been aimed exclusively, or at least primarily, at U.S. pilots. This is our first venture in the international area.

I trust it is not the last, for I believe meetings such as this can help cement the historic ties of friendship and good will which bind the United States and Latin America.

We are honored to have with us today my counterpart in the Government of Mexico, Senor Ramon Perez Morquecho. His presence here and mine emphasize the importance which both of our Governments place on informal meetings of this kind.

This First International Hangar Session served to resolve many local problems. In addition, it established a rapport between two major Government officials that will serve both countries well.

All of us benefit from better relations and an improved understanding of the problems of our Mexican neighbors. International air travel offers citizens of both countries a way to exchange ideas, learn each other's customs, and broaden understanding.

I congratulate the Tucson Airport Authority and its manager, Mr. Charles H. Broman, and Mr. James Vercellino, director of the Arizona Department of Aeronautics, and all of the Government and industry officials responsible for sponsoring this unique meeting.

Results of Poll in 39th District of New York

EXTENSION OF REMARKS

OF

HON. RICHARD D. McCARTHY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 6, 1965

Mr. McCARTHY. Mr. Speaker, after I became a Member of the House of Representatives, I gave high priority to preparation and distribution of a questionnaire for the men and women I have the honor to represent.

It was carefully constructed to permit expression of a wide range of opinions. It contains 12 multiple-choice type questions on important issues.

The questionnaire was mailed to all residents of the 39th Congressional District of New York in January and February.

During the weeks following the mailing, my staff and I were amazed—and highly pleased—by the responses. Approximately 10 percent of the citizens who received the questionnaire went to the trouble of filling it out, providing their own stamp and envelope, and returning it to my office.

Almost 12,000 citizens took the time to give thoughtful and discerning replies to the questions. Such a demonstration of responsible citizenship makes me want to try that much harder to be their thoughtful and responsible representative.

Many citizens not only checked the answers most closely in accord with their own feelings—but also added personal comments to further clarify their views.

I personally read each completed questionnaire as they flooded my office—and I feel that as a result I am much better acquainted with the people I represent. Their insights will give me guidance as I ponder complex and controversial issues in the months ahead.

Frankly, I am proud of the men and women I represent. They are very well read and well informed. They take seriously their responsibilities as American citizens. Their demonstration in responding to my questionnaire is eloquent testimony to the strength of our democratic form of government—which is indeed built on the premise of responsible citizenship.

To insure complete accuracy, I contracted with a private firm in Washington, D.C., Data Management, Inc., to tabulate the completed questionnaires.

The results are highly gratifying to me. They show that the people I represent desire a progressive, but prudent and cost conscious, Federal Government, as I do.

All costs incurred in connection with the poll—including printing, tabulating, and distribution of results to my constituents—have been borne by my Citizens Committee in Erie County, N.Y. The total of these costs was more than $1,500.

I especially want to call attention to the responses to two of the questions.

One of my questions sought to determine how my constituents feel about the problems of water and air pollution. More than two-thirds of those responding—69.6 percent—indicated that they favor strong Federal programs to attack these problems.

Another question concerned the desirability of polling constituents in this manner. A tremendous majority of respondents—92.8 percent—said they favor questionnaires.

I am planning to poll the citizens of the 39th District again during my present term in Congress.

I feel other Members of the House of Representatives may be interested in examining the responses—and for this reason I have requested permission to place the results, as compiled by Data Management, Inc., in the CONGRESSIONAL RECORD:

Results of poll in 39th Congressional District of New York

DOMESTIC ISSUES IN THE 89TH CONG.

1. MEDICARE

The administration will press for enactment of medicare legislation this session. Which would you prefer:	Percent
(a) The President's program under social security?	34.1
(b) Government subsidized for over 65 citizens (AMA proposal)?	37.4
(c) No Government health insurance program?	20.6
(d) Other response or no answer	7.9

2. EDUCATION

The Johnson administration has asked for an additional $1,500,000,000 for colleges, secondary schools, and research. Do you feel that Federal aid to education should—	
(a) Follow President Johnson's proposals?	44.9
(b) Be geared toward research?	11.3
(c) Be curtailed, with the States assuming a larger role?	34.4
(d) Other response or no answer	9.4

3. POVERTY

Congress will be asked to double the present $784,200,000 appropriation in the "war on poverty." Which do you favor:	
(a) A total program, designed to wipe out poverty?	20.3
(b) Limited self-help program aimed at unemployment?	64.6
(c) No Federal activity in this area?	10.0
(d) Other response or no answer	5.1

4. LABOR

One of labor's primary objectives in 1965 is repeal of the so-called right-to-work sec. 14(b) of the Taft-Hartley Act, allowing the States to pass such laws. Do you—	
(a) Favor such repeal by Congress?	21.5
(b) Oppose repeal; the States should retain this right?	48.0
(c) An amendment requiring a referendum by the States?	15.0
(d) Other response or no answer	15.5

5. POLLUTION

Water and air pollution are gaining increased attention by Congress. As pollution of Lake Erie waters and the air, by our industries, are major problems, do you favor—	
(a) A strong Federal program to attack it?	69.6
(b) A State program?	14.6
(c) Local action only?	6.1
(d) Other response or no answer	9.7

FOREIGN AFFAIRS AND THE COLD WAR

1. VIETNAM

With regard to the administration's commitments in South Vietnam, do you favor—	
(a) Escalation of the war?	26.3
(b) Maintain the status quo, encourage a democratic Vietnam?	28.1
(c) Withdraw American military personnel and make South Vietnam neutral?	29.8
(d) Other response or no answer	15.8

2. UNITED NATIONS

Indonesia's withdrawal and the cost of U.N. peacekeeping missions has brought the world organization to a new crisis point in its 20-year history. Should the United States—	
(a) Give unqualified support to all General Assembly decisions?	3.7
(b) Follow a "hard line" regarding paying the U.N.'s bills?	57.8
(c) Expand the U.N. role as an eventual international peace force?	23.1
(d) Other response or no answer	15.4

3. CUBA

The Communist regime in Cuba continues to be a source of unrest and subversion in other Latin American countries. Do you favor an American policy which would—	
(a) Encourage an exile invasion of the island?	20.0
(b) Continue to isolate Cuba economically and diplomatically?	52.8
(c) Ease Cuban-United States tensions while remaining vigilant?	14.9
(d) Other response or no answer	12.3

4. AFRICA

The civil war in the Congo and the problems of the new and emerging nations have raised questions about our African policy. Do you favor—	
(a) Continued economic and technical support for all countries?	14.4
(b) Curtail aid to those countries critical of our policies?	53.1
(c) Refuse any possible military involvement and reduce current aid?	21.8
(d) Other response or no answer	10.7

5. FOREIGN AID

U.S. military, economic, and technical aid (including the Peace Corps) goes to more than 60 nations throughout the world. Do you feel such assistance should—	
(a) Be continued, with more cultural exchanges as well?	39.9
(b) Be eliminated to neutrals and countries like Poland and Yugoslavia?	10.0
(c) Be drastically curtailed, limited to "pro-West" nations?	39.9
(d) Other response or no answer	10.2

IMMIGRATION POLICY

President Johnson has proposed elimination of the quota system in the U.S. immigration policy. The quota system gives larger immigration allotments to some countries than others. (Great Britain, France, and Denmark, for example, have relatively larger allotments than Italy, Poland, and Greece.) Do you favor—	
(a) The President's proposal?	22.3
(b) No changes in immigration policy?	29.0
(c) Modification but not complete elimination of the quota system?	40.9
(d) Other response or no answer	7.8

HOUSE COMMITTEE ON UN-AMERICAN ACTIVITIES

The House Committee on Un-American Activities is again the subject of sharp controversy. Would you favor—	
(a) Abolition of the committee?	11.9
(b) Transfer of its functions to the Judiciary Committee?	24.9
(c) Retention of the committee in its present form?	45.8
(d) Other response or no answer	17.4

CONGRESSIONAL POLL

Do you favor having your Congressman poll you for your views?	
Yes	92.8
No	1.2
Undecided	6.0

The Science of Oceanography

EXTENSION OF REMARKS

OF

HON. MELVIN R. LAIRD

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 6, 1965

Mr. LAIRD. Mr. Speaker, the important new science of oceanography is coming more and more into its own each year. In the Congress, our colleague, the gentleman from California, Congressman BOB WILSON, is one of the most knowledgeable in this field. On March 10, he gave a very penetrating and thoughtful speech outlining the opportunities ahead in oceanography. He knows what is being done in this field by our Government and he has some highly constructive suggestions on how to improve what we are doing and to streamline the way we do it. He has introduced legislation which would carry out his ideas. I would like to include his recent remarks at this time:

STATEMENT OF CONGRESSMAN BOB WILSON, REPUBLICAN, OF CALIFORNIA, MEMBER, HOUSE ARMED SERVICES COMMITTEE, TO AIAA/USN MARINE SYSTEMS AND ASW CONFERENCE, MARCH 10, 1965

Ladies and gentlemen, needless to say, I'd rather be there enjoying San Diego's climate than here in Washington today. Being an enthusiastic chamber of commerce member I will bet 100 to 1 with the meteorologists present that the weather is better there than here.

Then, too, I would have thoroughly enjoyed welcoming each one of you personally to our dynamic growing area which has become a magnet for so many oceanographic and related scientific endeavors. It is fitting that many of you are identified with space activities, since San Diego, which developed the original Atlas booster and Mercury vehicles, has been vitally concerned with developments in outer space. And we likewise share a mutual interest in oceanography. The pioneering role of Scripps Institute of Oceanography and the expanded activities of the Naval Electronics Laboratory and other Federal agencies here become our credentials in this field. We accept with you the challenge of exploring and harnessing the power and benefits of the ocean and the unexplored lands beneath it.

It is fitting that many of the experts in the field of outer space are now turning their eyes from the distant stars to the oceans lapping at their feet. The unexplored depths of the sea have become known as inner space and to my notion that is a fitting name if for no other reason than it can help to explain the parallel problems that pertain to both areas.

In less than 10 years, man's experience has progressed in outer space from a simple grapefruit-sized satellite to actual manned space travel plus television surface contact with the Moon and the imminent closeup views of Mars.

There can be no question that progress in space has stemmed primarily from a concentration of interest by the Federal Government, which replaced a proliferation of interest both governmental and private. For my part I believe the vast potential of inner space holds so much more promise and potential than a trip to the stars that I am impatient to eliminate governmental diffusion. It is time to coordinate and channel the resources of the Federal Government into a program that will turn the plans and dreams of many of you into realities.

There is no question in my mind that the creation of the National Aeronautics and Space Administration under the Eisenhower administration—October 1, 1958—is the benchmark from which progress in outer space will always be measured. I believe it is time for the formation of a similar agency concentrating in the area of inner space.

I have introduced legislation again this year, similar to my original bill of last year, which calls for the formation of a National Oceanographic Agency. Under the peculiar techniques of nomenclature this would be known as NOA, a literation no self-respecting seadog could object to. NOA is needed if we are to realize the dramatic potential of oceanography.

As did its sister agency, NASA, the new NOA would absorb related functions from many different agencies of the Federal Government and give them a definition of purpose and concentration of programs that would produce far more progress for every dollar invested.

As a politician, let me give you some of the political reasons why oceanography has lagged on the national scene. Most departments and agencies of Government today look to Capitol Hill for specific sponsorship of their roles and missions. Committees of Congress are given the responsibility of overseeing the activities of these departments and agencies. For example, the Defense Department looks to the Armed Services Committee for guidance and legislative championing. The Commerce Department must gain the approval and, in fact, the support of the Commerce Committees. In most cases, the committee members become expert in these specific areas of interest and in doing so become champions of that particular cause.

Yet, poor little oceanography with its program parceled out among 22 different bureaus, including 9 departments or agencies, is truly an orphan with little chance to grow to meaningful maturity. Space exploration would have suffered the same fate had not it been for the formation of NASA, plus a new committee in Congress with primary jurisdiction over NASA's activities. With a champion on the Hill, you can be sure the cause of oceanography would advance more quickly, with more meaningful results.

Now I recognize that opposition to such a concept is politically inevitable. In the first place, many of the oceanographic activities in various bureaus, agencies, and departments have their own advocates within such units and resistance to change out of fear of the unknown is inevitable and even understandable.

NASA faced the same problem during its days of incubation. The military departments, for example, loudly protested the loss of some of their more exciting projects to a new nonmilitary agency. Other boards and committees threw roadblocks in the way but reason finally prevailed and NASA became a reality with attendant results.

We can expect and, in fact, are already experiencing doubts and verbal roadblocks to the formation of NOA. Yet, I submit that those who fear the unknown prospect of giving up oceanographic activities and prerogatives within a given agency are being provincial in their outlook. Such fears are for the most part unfounded. There is no intention to remove from the Navy Department, for example, those oceanographic activities that directly relate to military needs. There is no doubt in my mind that on the contrary the Navy will find that a combined agency will accomplish more in her behalf in military developments than she could, going it alone. Many programs that are integral within existing agencies would not be carved out of that agency, at least in most instances. For example, Navy, Air Force, and even Army still continue space research, although at a reduced level, despite NASA's prime role in this area.

Unfortunately, one of the major roadblocks to the adoption of a new agency is the matter of committee jurisdiction. The committees in Congress would likely be hesitant to approve by themselves the diminution of their authority in the field of oceanography. Frankly, I expect the creation of this new Agency to be bogged down in a legislative morass unless a clear-cut directive from the White House gives the proposal the solid footing it needs.

As a matter of fact, I am convinced that action in the field of oceanography leading to the formation of a new agency hinges to a great extent on Presidential sponsorship. The new Agency would be a creature of the executive branch of the Government; therefore, the Chief Executive must be the enthusiastic sponsor of a departmental reorganization plan involving oceanography. This does not mean the creation of a new Cabinet post, but it does mean a reshuffling of overlapping authority in this vital field if we are to have the necessary progress.

It is incredible to me that such an agency has not been in effect for years. There can be no question that the potential benefit to mankind far exceeds the probable benefit from space exploration. This is not to downgrade the exploration of outer space. I enthusiastically support research projects in this area, but the benefit to mankind in terms of material wealth harvested from the sea and the ocean floor makes Federal participation on a grand scale in this area a sound business proposition.

Perhaps this sounds like strange philosophy from a member of a political party that advocates less Federal action in most fields of human endeavor and more reliance on State and local governments. There is nothing incongruous about my position on this. In fact, it jibes very well with the classic interpretation of constitutional rights.

Clearly, the seas around our borders are a Federal possession, a Federal responsibility, and a Federal opportunity. Even the most conservative constitutionalists can fully support an all-out federally sponsored oceanographic program. This is not to say, of course, that industry or States or communities should not be encouraged to make their contribution to progress also. It is a big ocean and Uncle Sam should be the first to say "Come on in, the water's fine."

Federal participation in oceanography is heightened by the implications of modern military science. Control of the seas has always been a classic goal of the leading nations of the world. Up to recent times, this has meant control of the sealanes for surface ocean traffic.

All of us know now that the new dimension of depth has compounded the military problem and made so-called control of the sea ever so much more difficult. Competition among nations in this area has, frankly, been the greatest prod that oceanography has had in its lifetime. Much of the remarkable progress made in recent years must be laid directly at the door of the Navy and, to a lesser degree, the other military departments. Expenditures for deep submergence research, sonar, and ocean floor mapping have had a distinct military significance. The Honorable Robert W. Morse, Assistant Secretary of the Navy for Research and Development, announced to Congress yesterday that the Navy's oceanographic program has increased 9 percent in the past year, and a request for $129 million is included in the new Navy budget for 1966.

This is a healthy sum of money. Why, then, my interest in making a nonmilitary agency the chief advocate of an oceanographic program? For one reason, the orphan, oceanography, has grown out of his adolescence and is ready for long pants. The military must, of course, continue to have a dominant role and interest in oceanography just as it has in space activities. We must not, however, fence off the oceans to give them the status of a battlefield, for this would deny to our people the maximum beneficial use of this enormous asset.

Right now I give full credit to the Department of Defense for its recognition of the need for coordination in this field. The Inter-Agency Oceanographic Committee, originated under the experienced and capable hands of Dr. Wakelin, and sparkplugged by Comdr. Bob Abel, has achieved remarkable results in tying together a lot of loose ends and eliminating at least some duplication of effort in this field. I must give credit to Adm. Denys Knoll, Chief Oceanographer of the Navy, and his predecessor, Adm. Ed Stephan, who despite their military leanings and the mission of their office, have had the good sense to recognize and foster nonmilitary potentials as they developed under their military programs.

Industry is awakening to the profit potential of oceanography and this is one of the healthiest and most encouraging signs of real maturity. When science, through its laboratory experiments and computations, develops processes and products that have a profit potential, all mankind becomes the beneficiary in one degree or another. I recognize that the interest of many defense industries is excited and spurred on by the prospect of additional Federal funds, but I am not critical of the interest. As a member of the Armed Services Committee of Congress I have seen many military-developed sinews of war become the muscles of commerce. Who can forget that the 707 or DC-8, that brought many of you to San Diego would still be in the dreams or on the drawing board of engineers and scientists had it not been for military necessity? Who can doubt that the military oceanographic programs of today will lead to a better life for future generations?

Getting back to the problems of arousing effective political interest and action in oceanography, I would like to point out to you that great interest has been shown in recent years by Members of Congress. In the 88th Congress, which concluded last December, over 50 bills were introduced to benefit the oceanographic program. Admittedly, most of them died aborning, but the fact that so many were introduced is a sign that progress is being made. If you will pardon an alliteration: With so many "political eggs" being spawned, at least a few are bound to make it back to the open sea. The efforts of Senator MAGNUSON and my colleagues, Congressmen HERBERT BONNER, of North Carolina, and ALTON LENNON, of North Carolina, HASTINGS KEITH of Massachusetts, TOM PELLY, of Washington, and especially GEORGE P. MILLER, of California, and WILLIAM MAILLIARD, of California, deserve your enthusiastic appreciation and support.

If you will allow me now to move from the political into the educational arena, I would like to make an obvious point regarding the importance of increased educational activity in this field.

It is amazing how few universities offer programs leading to degrees in ocean sciences or ocean engineering. I venture to say more courses in restaurant management or stage designing are offered to our young people. There can be no doubt that more textbooks have been printed on finger painting than oceanography. This is hard to comprehend, because no field could offer young people the exciting prospects of exploration, danger, sportsmanship, recreation, and remuneration as does oceanography.

James Webb, the Administrator of NASA, has taken a bold step in advocating grants of $25 million for predoctoral training in space research. Over 185 universities are working on NASA-sponsored research projects. An estimated 3,000 graduate students will be engaged in research and advanced training in space sciences this year. What a contrast with our own field of interest.

You and I have reason to be concerned about the unrealized potential of oceanography and the importance of a concentration of effort in this field if we are to make significant progress.

In conclusion, let me tell you today that I am optimistic for increased Federal recognition of your problem and a vastly expanded Federal interest and acceptance of responsibility. I would be less than human if I did not tell you that I am envious of your prospects for the future in this exciting and rewarding endeavor. Were it not for the 2-year contract which I recently received from the electorate, I might be tempted to join you. In lieu of this, I assure you of my continuing interest and emphatic support of your chosen profession.

Who knows, if my contract is not renewed, I may be knocking at your door for a job on the ocean bottom.

We Must Not Destroy the McCarran-Walter Act

EXTENSION OF REMARKS

OF

HON. O. C. FISHER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 6, 1965

Mr. FISHER. Mr. Speaker, a concerted effort is being made to destroy the McCarran-Walter Act as it relates to admission of immigrants, and make admissible hundreds of thousands of additional immigrants each year. I am convinced this would be contrary to the public interest. The Secretary of State has admitted that we already have one of the most generous immigration policies in the world, though he favors a few changes.

This effort to destroy our quota system and open the floodgates for new categories of admissions should be defeated. I expressed my views on this subject in testimony given to the House Subcommittee on Immigration of the Committee on the Judiciary, of which the distinguished member from Ohio [Mr. FEIGHAN] is chairman. Under leave to extend my remarks, I include that statement:

STATEMENT OF O. C. FISHER BEFORE SUBCOMMITTEE ON IMMIGRATION, HOUSE JUDICIARY COMMITTEE

Mr. Chairman, I desire to record my opposition to H.R. 2580. This measure would destroy our time-tested traditional national origins system of admitting immigrants from European countries. It would transfer from the Congress to the Executive the responsibility of determining how many immigrants would be admitted each year. It would give to a politically appointed commission power to decide who would be admitted and from what country they would come. This would create a bonanza for immigration lawyers and influence peddlers, and would not be in the public interest.

Unfortunately, the real purposes of this proposal are obscured in political motivations, emotionalism, claims of racial discrimination, alleged foreign policy embarrassments, and a contention that we are desperately in need of the skills of those who would be admitted under the new policy that is proposed.

Now, what are the real purposes of this bill? One man described it as a numbers game, and I think that is a fairly accurate description. The real purpose is to increase the number of people who can be admitted to this country each year. We might as well be frank about it.

The alleged discrimination is, of course, ridiculous. Since admissions from various European countries is now based upon the ratio of people from those nations who were here in 1920, it would be just as sensible to contend that the Italians, the Russians, the French, or others discriminated against this country because more of them did not choose to emigrate here prior to 1920. In other words, discrimination has no place in this discussion.

Likewise, the claim that the State Department runs into embarrassing situations because all nations are not treated alike, is, in my judgment, flimsy and very farfetched. Other nations, in their wisdom, impose certain restrictions on admission of immigrants, and so do we. That is their business, and we have our business to look after.

The same is true of trade policies. Some of our people did not like the Common Market when it was announced some years ago. Diplomats representing the member nations that comprised the Common Market could have reported to their respective governments that they were embarrassed by claims of discrimination from some of their foreign counterparts. But who would contend that those countries were for that reason under any obligation to rescind their trade restrictions which were imposed to serve their own self-interest?

The matter of immigration policy, as with trade policy, is purely a domestic issue, and has always been treated as such by all countries.

It could, of course, be contended that we discriminate against the English, the French, the Italians, and all quota countries because we admit people from the Western Hemisphere without any quota restrictions at all. In a manner of speaking, that is true. But that is a part of our policy, the making of which comes under the head of our own business. The fact, for example, that we admit an Argentinean without regard to any quota does not mean that we consider that South American as a better person than an Englishman who can be admitted only under a strict quota.

I mention this to illustrate how ridiculous is the discrimination contention. It simply has no place in this discussion.

The real question to be resolved is: Do we need more immigrants? We now admit about 300,000 a year. Frankly, I think that is too many, under present conditions. We already have 196 million people in this country. The U.S. Census Bureau estimates that at the present rate of growth we will have 372 million by the turn of the century. By the year 2000 it is estimated world population will approximate 6 billion, and that at the present growth rate it will pass 25 billion by 2070.

It is imperative that we consider our normal population growth, and the population explosion around the world, in the fashioning of immigration policies for the admission of more people to this country.

Mr. Chairman, I am constrained to question the good faith of those who insist this legislation is needed in order to be able to admit more skilled people. Again, I am convinced that is an excuse, not a reason. I simply do not believe very many people are sincerely concerned about supplying more trained and skilled people for our labor market. I have not heard that appeal coming from prospective employers. On the contrary, it comes from the politicians and organized selfish-interest pressure groups as an excuse to justify their desire to have our restrictions broken down so more people can be admitted. Besides, our present law contains the same preferential treatment for skilled people as is proposed in H.R. 2580. Yet I understand that only 2,500 immigrants were admitted because of special skills last year.

NEW IMMIGRANTS SWELL RELIEF ROLLS

Another reason we do not need to increase the number of immigrants is because of the burden they become to so many localities in terms of unemployment, housing, education, crime, subversive activities, and assimilation problems in some instances.

It must be assumed that most of our new immigrants are good people and deserving. But despite the screening, the records are replete with instances of bad characters who, though relatively few in number, manage to get in despite all precautions.

We are told there are 35 million in this country who are poverty stricken or are in that general category. We have scores of welfare programs, local, State, and Federal, the costs of which have increased astronomically in recent years. Yet, sponsors of this legislation want to admit more, a good many of whom would undoubtedly be added to relief rolls or would otherwise become burdensome. In other words, we have our hands full trying to handle our own problems with our 5 million unemployed and others who are in need of retraining, rehabilitation, and other types of help.

Now, what will the proposed increase amount to? Sponsors estimate it will be about 60,000 a year, bringing the total to about 360,000. If that is true, then why not put an overall ceiling of 360,000 on the total number who can be admitted in any one year, and write it into the law? I daresay sponsors would not stand for that.

The fact is that the increase will probably be substantially more than that if the bill is passed. There is simply no way of estimating the number of refugees, Asiatics, Africans, and others who would be admissible under the terms of H.R. 2580, because there is no way of determining in advance how many of the eligibles will choose to seek admission and how many of the applications will be granted. Estimates of the total increase run as high as 1 million a year. Perhaps that figure is a bit extravagant, but I will not be surprised if more than a half million come in each year under the Celler bill, if enacted.

In addition, we must assume that pressures for increases in the nonquota category will occur in the years ahead. Rate of population growth in Latin America is the highest in the world, and there is much poverty. It is estimated that the already overpopulated area of Latin America will double during the next 20 years. So we must brace ourselves for stepped-up pressures to admit more of those people.

The big increase under the Celler proposal would come primarily from Africa, Asia, and some from southern Europe.

Mr. Chairman, the far-reaching effect of this legislation is simply too important to be decided, or even influenced, on the basis of politics or emotionalism. We are playing for keeps. Once this bill is enacted, the die is cast.

We already have a good immigration law. It has stood the test of time. The McCarran-Walter Act, which reenacted the provisions now under attack, was passed over a Presidential veto on June 26, 1952, by a vote of 278 to 112 in the House and 57 to 26 in the Senate. I am convinced the vast majority of Americans want it retained. I recently submitted a questionnaire to every voter in my district, and included the immigration issue. The responses, which have been tabulated, revealed that 78 percent of my constituents are opposed to the proposed changes. There is a lot more grassroot opposition to this bill than the sponsors realize.

Mr. Chairman, in considering this legislation let us think in terms of what is best for America and its future. Are we to become the dumping ground for the surplus populations of other countries?

Above everything, let us keep control of immigration in the Congress where it belongs. Someone wisely suggested that it would be better to have a mathematician select who comes here, under a formula, than to have a politician do it, without any formula at all. With that I agree.

I respectfully urge the committee to reject this bill.

Internal Revenue Service Should Request Authority To Waive Interest on Underwithholding

EXTENSION OF REMARKS

OF

HON. JOHN P. SAYLOR

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 6, 1965

Mr. SAYLOR. Mr. Speaker, Internal Revenue Service Commissioner Sheldon S. Cohen is to be congratulated for the statement promising sympathetic consideration for those taxpayers suffering hardship in paying balances of 1964 income taxes because of underwithholding last year. The announcement would seem to concur with the concept of H.R. 4659, which I introduced in February to permit taxpayers owing balances because of underwithholding to spread payments over the coming 12 months without penalty.

Mr. Cohen cannot waive interest on unpaid balances, inasmuch as Congress alone has authority in this matter. I believe, however, that a request from Mr. Cohen would stimulate the Ways and Means Committee and both Houses to enact the necessary legislation before the April 15 deadline, and I am hoping that he will choose to make a request of this nature without delay.

My view is that the Federal Government was needlessly lax in failing to give proper notice that payroll deductions might not cover total tax bills as a consequence of the change in tax rates during the 1964 calendar year. Since introducing H.R. 4659 I have been informed by a number of employees right here on Capitol Hill that they were shocked in making up their tax returns to learn that deductions had fallen far short and that they are now faced with an indebtedness of serious proportions. If our own congressional staff members were ignorant of what was taking place, how in the world should we expect people back in our home districts to be aware of the situation?

I have seen a number of advertisements by banking and lending institutions offering to make money available—at regular interest rates—for taxpayers who need to catch up on their IRS bills before April 15. While it may be gratifying to stockholders of these business houses to experience increased activity in the loan departments, there is no justifiable reason why the Federal Government should allow its own negligence to create a minor boom of this kind.

Until Mr. Cohen made his announcement, there was a very serious question in regard to those who are not in position to negotiate bank loans. His lenience has apparently solved that problem, yet there still remains the matter of whether it is in propriety for the Federal Government to charge interest on the befuddled taxpayer who through no fault of his own will be in arrears with IRS beginning April 15. Mr. Cohen's approach would seem to answer in the negative. I hope that he will support this inclination with a request for a waiver of interest, and I trust that Congress will act with all haste to preclude the inequity that is at present in making.

Voting Rights Bill

EXTENSION OF REMARKS

OF

HON. ALEXANDER PIRNIE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 6, 1965

Mr. PIRNIE. Mr. Speaker, today I am pleased to join my colleagues in the introduction of a voting rights bill that, if enacted, will reflect sound progress, based upon uniform principles of law, in an area of paramount importance.

As I sat in this Chamber and listened to our President speak on this subject just a few weeks ago, I sensed that the Chief Executive was echoing the sentiments previously expressed by so many of us who had already registered strong support for legislative action to insure that the basic rights guaranteed the citizens of this Nation by our Constitution were not denied. When we passed the Civil Rights Act during the last session of Congress, we were hopeful that we had devised an effective means to combat the discrimination problem. But, as subsequent events have proved, that measure was not enough; something more is needed.

Following the President's recent address to the joint session of the Congress, a reporter stopped me in the corridor to

inquire as to my reaction to the message. My immediate response was that "I hope Congress will be prompt and decisive in its action." Further, I said that I would be awaiting the administration's proposed legislation, hoping that it would effectively deal with the problem which now had reached a crisis stage.

The administration's bill was filed and I, along with many of my colleagues on both sides of the aisle, was disappointed.

Mr. Speaker, I am not one of those individuals who say we must clear up this Southern problem. I believe that we must take action to eliminate the American problem of voting discrimination wherever it is practiced. Yes, it is a national problem and the action Congress takes should apply throughout the 50 States.

The administration's bill was drafted during a period of great tension and presented to the Congress at a time when emotions were high. At first glance, a number of people hailed the measure. I was not in that group. I applauded its stated objectives, but not its suggested methods. I could see that the proposal was deficient in several respects.

Since that time, we, on the minority side, have been working strenuously to develop a plan to correct the deficiencies in the administration's bill. What has emerged is being labeled as a constructive Republican alternative, but let me strongly emphasize that I am not seeking to affix a party label to the measure that is finally enacted into law. We are after headway, not headlines.

At this point, I would like to cite a few specifics from the bill which I have introduced.

A Federal examiner is appointed by the Civil Service Commission when the Attorney General receives 25 or more complaints from residents of a county alleging denial of the right to vote on account of race or color. The examiner immediately determines whether these persons are qualified to vote. Challenges by the State may be made to a Federal hearing officer, appointed by the Civil Service Commission, within 10 days, and the hearing officer must render his decision 7 days thereafter.

Determination by the hearing officer that 25 or more persons are denied suffrage because of race or color establishes a pattern or practice of discrimination. Immediately thereafter, the Civil Service Commission shall appoint such additional Federal examiners and hearing officers as necessary to register all other persons within the country who may be subject to discrimination.

The bill provides for an appeal of the hearing officer's decision to the local Federal Court of Appeals if made within 15 days. All persons found qualified to vote by the examiners shall be entitled to vote. Those who are challenged shall vote provisionally until the appeal is decided by the hearing officer and the court. Provisional voting will encourage a prompt determination of the appeal. The administration's bill provides exactly the same appeal procedure, except that there is no authority for provisional voting.

The bill provides that examiners shall disregard literacy test requirements for persons who possess a sixth grade education. But, Federal examiners under this bill will apply to all other persons a State's literacy test, provided it is fair and nondiscriminatory. The administration's bill requires the complete elimination of literacy tests in a few States or their subdivisions, caught in its net, no matter how reasonable the tests or how fairly applied. At the same time, the administration's bill permits other States to enact literacy tests in the future.

The bill deals with the problem of physical and economic coercion and intimidation. It permits registrants in a county in which a pattern of discrimination has been established to bypass local registrars, if they have reason to believe that they will be subjected to coercion and intimidation. In addition, our bill provides for civil and criminal penalties against those officials who engage in such coercion and intimidation. The administration's bill contains similar provisions except that the Attorney General must take affirmative action to waive the requirement that a person first appear before a local registrar.

The bill does not overturn constitutional principles by requiring States to establish their innocence. The administration's bill does do this by presuming a State or a political subdivision, covered by the bill, guilty of discrimination until it receives from a Federal court in the District of Columbia a declaratory judgment that it has not violated the 15th amendment in even one instance in the past 10 years.

The bill does not invalidate laws or ordinances of State and local governments in contravention of established constitutional principles. The administration's bill would require States and their political subdivisions, covered by the bill, to come to a Federal court for validation of their future laws and ordinances relating to voting requirements. Such is required by the administration's bill even though the laws and ordinances of the State or local community have never been found to be discriminatory.

In summary, I believe that the bill faces up squarely to the problem and offers a sensible approach to a prompt solution.

A Government Lottery as a Revenue-Raising Device

EXTENSION OF REMARKS

OF

HON. PAUL A. FINO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 6, 1965

Mr. FINO. Mr. Speaker, today I have introduced a resolution to establish a select committee of the House of Representatives to study the advisability of using a Government lottery as a revenue-raising device.

I urge the Congress to establish this committee to investigate the lottery. Surely, the obvious trend toward the lottery device in this country indicates that the national lottery idea is at least worth investigation.

For my part, I am fully convinced that investigation of the lottery mechanism will indisputably prove its merit. I urge the Congress not to shrink from social and financial reality.

Remarks by the Honorable Richard L. Roudebush, U.S. House of Representatives, Sixth Indiana District, Before the Indiana Council of Teachers of English, Saturday, April 3, 1965, at Marian College, Indianapolis, Ind.

EXTENSION OF REMARKS

OF

HON. WILLIAM G. BRAY

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 6, 1965

Mr. BRAY. Mr. Speaker, my very able colleague from Indiana, Congressman RICHARD L. ROUDEBUSH, has led a long and active fight for the past 4 years in effort to obtain a commemorative postage stamp for the late Ernie Pyle, famed Hoosier war correspondent during World War II.

Congressman ROUDEBUSH has won wide backing and support for his campaign in behalf of an Ernie Pyle stamp.

This applause for Congressman ROUDEBUSH's efforts comes from a wide spectrum of American life, including millions of World War II veterans who recall Ernie's fine reporting.

Congressman ROUDEBUSH was recently invited by the Indiana Council of Teachers of English to present an address on the life and works of Ernie Pyle, a native of the congressional district which Congressman ROUDEBUSH represents in the 89th Congress.

His remarks concerning this great Hoosier are worthy of the attention of this entire body, and I include them in the RECORD at this point:

REMARKS BY THE HONORABLE RICHARD L. ROUDEBUSH, U.S. HOUSE OF REPRESENTATIVES, SIXTH INDIANA DISTRICT, BEFORE THE INDIANA COUNCIL OF TEACHERS OF ENGLISH, SATURDAY, APRIL 3, 1965, AT MARIAN COLLEGE, INDIANAPOLIS, IND.

It is a genuine pleasure to be here today.

And, I wish to thank your president, Dr. James Mason, for his kind invitation to speak before the spring meeting of the Indiana Council of Teachers of English.

It was requested that I direct my remarks today to the life and work of Ernie Pyle, the famed Hoosier war correspondent who was killed during the closing days of World War II.

For nearly 4 years now, we have been seeking approval by the Post Office Department for the issuance of an Ernie Pyle commemorative stamp.

Ideally, the stamp should have been issued this month to coincide with the 20th anni-

versary of Ernie's tragic death on the tiny Pacific atoll of Ie Shima, located west of Okinawa.

In our campaign to obtain a commemorative stamp in honor of Ernie Pyle, we have contacted literally hundreds of civic groups, veterans organizations, and other interested persons throughout the Nation.

The support we have received has been encouraging.

More than 100 Members of Congress have written letters lending their support.

We have also gained the support of the Veterans of Foreign Wars which endorsed the stamp by formal resolution during their national convention last year in Cleveland.

Support from the journalistic field has also been most gratifying.

United Features Syndicate endorsed the stamp proposal with this comment: "During World War II it was our privilege to syndicate Ernie's column which was read religiously by families and friends of our fighting men in Europe and the Pacific. His ability to offer them a soldier's insight into the war, and the warmth with which he wrote of the ordinary foot soldier, endeared him to the Nation. Ernie was a journalist in the very best tradition, setting a high standard that reporters strive to emulate today."

The Wyoming Press Association, the Georgia Press Association—representing 225 newspapers—the Kansas Press Association, the New York Press Association, and the Maryland-Delaware press associations have all supported our efforts.

Mention should also be made of support from the American Council on Education for Journalism, the Pacific Stars and Stripes, the New York associated dailies, and Scripps-Howard newspapers.

Our campaign has also been endorsed by perhaps the most exclusive club in the United States—the Medal of Honor Society.

Chartered by Congress in 1958, the Medal of Honor Society limits its membership to persons who have received this Nation's highest military award—the Congressional Medal of Honor.

In a letter to Postmaster Gronouski, the society declared, "Ernie Pyle not only distinguished himself by writing brilliantly about the brave and noble deeds of our fighting forces overseas but added new stature to his profession by combining his unique and warm personal talents with responsible and objective reporting. In this manner his work contributed immeasurably to the morale of our troops as well as the men and women on the homefront."

In addition, we have introduced legislation (H.R. 1723) which provides for the issuance of a commemorative Ernie Pyle stamp.

As of today, the Post Office Stamp Advisory Committee, has not acted favorably on this 4-year effort in support of an Ernie Pyle stamp.

They are scheduled to meet two more times this year, and I have been told that the Ernie Pyle stamp could be on either agenda.

Thus far, I have been most restrained in my criticism of the delay in acceptance of this stamp, which incidentally, would be the first time a working newspaperman has been so honored.

I must admit, however, that I have not been exactly elated with the many times that Ernie Pyle has been overlooked.

Last winter it was discouraging, to say the least, when the Post Office Department announced it was honoring an Italian poet born 700 years ago, and a foreign political document signed 750 years ago.

And, I'm sure you have all seen the different birds and animals that adorn some of our new commemorative stamps.

I am an admirer of wildfowl, but I do believe a valid case has been made for the issuance of an Ernie Pyle commemorative stamp.

Like millions of Americans who went overseas in World War II, my interest in Ernie Pyle stems back to that period.

The life and work of this newspaperman had an enormous impact on millions of Americans.

No other journalist ever evoked such mass affection as was accorded him during his tenure as a national figure.

There was, of course, a reason for this.

He bridged a gap in the knowledge of the Great War and of the men who were waging it—a gap which was not appreciated until his reporting began to span it.

Many other war journalists were as enterprising, as brave, as impeccably accurate in their war dispatches as Ernie Pyle.

No other correspondents, however, told the story of the soldier with such insight and such moving sympathy.

And his personality so permeated his column, as it had done in peacetime with a smaller audience, that readers came to think of him not as a stranger, but as their friend—their friend Ernie.

As a GI, in Africa and Italy, I knew Ernie Pyle by reputation as a friend and a true chronicler of the war.

As a Member of Congress, for the Sixth Indiana District, I now represent the area where Ernie was born and raised in western Indiana.

Many of his friends and relatives still reside there, and these folks have been most helpful in our campaign to obtain a commemorative stamp.

Petitions requesting the Post Office Department issue a commemorative stamp, have been circulated in the small town of Dana, Ind., where Ernie was born on August 3, 1900.

"I wasn't born in a log cabin," he wrote in one of his columns, "but I did start driving a team in the fields when I was 9 years old, if that helps any."

Ernie's boyhood was not unlike that of thousands of Indiana farm boys, except that he was an only child and was left to himself a good deal.

There was no plumbing in the home where Ernie Pyle spent his boyhood. There was a backhouse, and Ernie took his baths in a washtub near the woodstove in the kitchen.

When Ernie was a child the lack of such things was not considered a deprivation by respectable Indiana farmers.

Ernie was educated at Indiana University where he majored in journalism.

He never graduated. After attending for 3½ years, he left in his senior year after his girl friend decided in favor of another man.

He was an excellent student at Indiana, became editor of the Daily Student and worked on the yearbook.

After leaving school, his first job was as a reporter on the La Porte Herald.

This was just a brief steppingstone for newspaper jobs in Washington, D.C., and New York.

While working on the Washington Daily News he met Geraldine Siebolds, of Minnesota, a Government worker in Washington, and they were married in 1926.

Fed up temporarily with the newspaper business, he drew out his savings and bought a model T roadster.

Ernie and his wife took a long trip, driving leisurely around the United States.

It was on this trip that he originated his "traveling" column.

From 1935, until the war broke out, Ernie and his wife traveled around the country, writing stories on every conceivable subject, and winning quite a reading public.

Ernie once estimated that they stayed in more than 800 hotels, crossed the continent exactly 24 times, flew in 66 different airplanes, rode on 29 different boats, walked 200 miles, gone through 5 sets of tires, and put out about $2,500 in tips.

His war reporting carried the same kind of homey and simple quality that made his travel column so popular.

Whether writing about a terrifying air raid in London, the Normandy invasion, or a group of soldiers talking about home, Ernie captured the image of the situation that gave his millions of readers back home in the United States a true picture of the war.

His reports earned him a Pulitzer Prize in 1943.

His two books, "Here Is Your War," published in 1943, and "Brave Men," in 1944, were both best sellers, and earned a fortune.

Admired by the public, GI's and officers alike, Ernie left the European theater before V-E Day to cover the war in the Pacific.

President Roosevelt had been dead only 5 days when Ernie went ashore on the tiny Pacific atoll of Ie Shima, on April 17, 1945.

Five miles square, the tiny island was, nevertheless, the scene of one of the bitterest engagements in the Pacific.

Three Japanese airstrips were at stake, and the 77th Infantry Division's official history of the battle records that not one Japanese soldier surrendered and did not stop killing until killed.

On April 18, Ernie rode toward the front line with a jeepload of troops looking for a new location for a command post.

A machinegunner opened fire from about one-third of a mile away, and Ernie was struck in the temple. He died instantly.

He was buried on the island, and the body was later transferred to Hawaii where it remains today, at the National Memorial Cemetery of the Pacific in Punchbowl Crater.

The entire Nation was saddened by the news of Ernie's death, and he received many posthumous honors.

It has been 20 years this month since his death, and he is still remembered by the men who fought in World War II, and millions of Americans who followed the war through his columns.

Today, as you may know, the journalism building at Indiana University is named in honor of Ernie Pyle.

I think it would be a fitting tribute to this great Hoosier to be honored by the issuance of a commemorative postage stamp, and I pledge to continue my efforts to do so.

Thank you for inviting me and God bless you.

The Buffalo Eye Bank & Research Society: 20 Years of Service to the Nation

EXTENSION OF REMARKS

OF

HON. RICHARD D. McCARTHY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 6, 1965

Mr. McCARTHY. Mr. Speaker, on May 6 the Buffalo Eye Bank & Research Society, Inc., will celebrate its 20th anniversary. One of the first services of this type in the United States, the Buffalo Eye Bank has been a pioneer in the field and has made many important contributions to the development of eye-banking throughout the country. Furthermore, through its primary mission,

the supplying of eyes for transplantation, it has deeply affected the lives of thousands of individuals from all parts of the Nation. For these reasons the 20th anniversary of the Buffalo Eye Bank is an event of more than simply local or regional significance. In honor of this occasion and in recognition of the hard work and dedication of the many citizens of Buffalo who have made the eye bank a success, I would like today to tell you a little of its history and its splendid accomplishments.

As many of you know, Lions International has a special and longstanding interest in sight conservation and work for the blind. Therefore, it is not surprising that members of the local Lions Clubs around the country were particularly excited by reports of successful corneal transplants that were being published in 1944 and 1945. The Buffalo Host Lions Club gave a great deal of thought to the ways it might be able to help the medical profession with this promising new development. After considerable discussion, it was decided that since there would be a tremendous need for eye donations, the club could perform a valuable service by soliciting such donations and finding ways to expedite eye shipments. That is how the Buffalo Eye Bank came into being.

When the eye bank was founded in 1945, there was only one other in existence, and it had been in operation only a few months. Therefore, since there was no well-established, experienced organization to which it could turn for guidance, the Buffalo Eye Bank had to develop its own standards and techniques. One of the first problems was how to insure the safe transportation of eyes to various hospitals. To meet this difficulty, the president of the Buffalo Eye Bank invented an eye shipper which immediately proved to be quite popular and is now in use in eye banks and hospitals throughout the United States and Canada. The importance of this device would be hard to overestimate for, as we can readily understand, very few emergency transplants could be performed if doctors were forced to rely on their own communities exclusively. In this type of surgery, timing is all-important. Eyes can be stored for only a few days; moreover, an injured patient can be kept waiting just a short time. In order that all donated eyes be used and in order that every possible patient be helped, the eye shipper is essential. For that alone the Buffalo Eye Bank deserves a great deal of praise.

The founders of the Buffalo Eye Bank felt that their most important task was to build up a large file of eye pledges. With the vigorous and enthusiastic help of local Lions Clubs, the eye bank has carried on an impressive public education campaign and has now accumulated more than 60,000 donor signatures. This month another of its regular biannual drives is being held, and the eye bank hopes to surpass even the 6,000 new pledges obtained in 1963.

While providing eyes for transplantation is its major service, the Buffalo Eye Bank & Research Society, as its name suggests, has wide interests and goals. From the beginning it realized the importance of continued research in eye surgery, and in 1949, with the cooperation of the University of Buffalo and financial support from the Lions Clubs, it dedicated a research and pathology department at the university. Three years later local Lions Clubs again aided the eye bank, this time in assembling a large and comprehensive ophthalmic library. While these volumes are the property of the Buffalo Eye Bank, the organization has wisely and generously placed them in the University of Buffalo Medical School library so that they will be easily accessible to students and researchers working in this field.

Two other services of the Buffalo Eye Bank have been quite helpful to groups attempting to establish similar organizations. One of these is its manual on eye bank administration. The other is its catalog of special equipment and supplies which is the only catalog of this kind and which has filled a real need for our country's growing network of eye banks.

We in Buffalo are very proud of the eye bank, not only for what it has done for people in our community but for what it is doing for the Nation. The Buffalo Eye Bank has played an active role in the foundation and development of the Eye Bank Association of America and serves as one of its six regional collection and distribution headquarters. It has pledged itself to continue to work for expanded eye-banking services and more efficient means of communication in the hope that with each succeeding year an ever-growing number of people will have their vision restored.

Today there are more than 80 eye banks in operation in the United States, and together they help restore sight to approximately 3,000 persons a year. While this is an accomplishment to be proud of, we must not forget that, according to official estimates, there are at least 30,000 more of our fellow citizens who are either totally or partially blind who could benefit from transplants—if corneas were only available. That is why it is so important that all of us who have been blessed with two good eyes take that simple but important step of signing an eye donation pledge. I can think of no legacy a man or woman could leave that would cause more joy than the gift of sight to someone who had lived in darkness—and no satisfaction greater than the knowledge that one's gift would so immeasurably enrich the lives of others.

For its 20 years of leadership and outstanding humanitarian service, we join today in congratulating the Buffalo Eye Bank & Research Society and its legions of loyal supporters, especially the Lions Clubs of the Buffalo area. We are grateful for the eye bank's many contributions, and we wish it continued success in the years ahead.

We also want to express our personal good wishes to Mr. Rudolph Spitzer of Kenmore, N.Y., whose vision and drive have helped make the Buffalo Eye Bank & Research Society the great institution it is today.

Doctor of Humane Letters to Hon. John T. Connor

EXTENSION OF REMARKS

OF

HON. FRANK T. BOW

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 6, 1965

Mr. BOW. Mr. Speaker, it was my pleasure last Saturday to accompany the Honorable John T. Connor, the Secretary of Commerce, to the campus of my alma mater, Ohio Northern University at Ada, Ohio, where he received the honorary degree of doctor of humane letters.

The Secretary's address at the founder's day convocation was an excellent statement of the problems that confront us, and I include it with my remarks as follows:

ADDRESS BY SECRETARY OF COMMERCE JOHN T. CONNOR

I am most happy to speak here at Ohio Northern at the kind invitation of President McIntosh and my good friend Dean Robert Fischelis, of your College of Pharmacy.

I have known Dean Fischelis through my own past connections with the pharmaceutical industry—connections which I have severed as a businessman but retained as a consumer. The headaches you get in government are no milder than those you get in business.

In a sense, although I am out of the drug industry, I'm still very much concerned with the health of the American people. Now it is their economic health that concerns me most urgently, rather than their physical well-being. But the two are closely related. A healthy economy requires a healthy work force, and good health is necessary for us to enjoy fully the fruits of our country's unprecedented prosperity.

So, as Secretary of Commerce, no less than as the former president of a leading pharmaceutical firm, I am interested in what is necessary to keep Americans healthy physically and economically. This is a big problem with many facets. And it is a problem that challenges each of you and this institution on the 94th anniversary of its founding.

I have mentioned the pharmaceutical industry because it is a link we share through your fine School of Pharmacy, but also because what Dean Fischelis and his faculty are doing here this weekend is symbolic of the challenge we face—whether we are in education or business or government or one of the professions.

I helped create the problem he and the Nation's pharmacists are facing. My former company spent—and is still spending—about $30 million a year to discover and develop new drugs. Other companies spend similar large sums to help create the biochemical armaments of the war on disease.

Together they have helped make American medicine the finest in the world—not only by providing the medical profession with more effective drugs, but by putting those drugs and the knowledge of their use into the hands of the physician and into the corner drugstore.

You can see the problem this rapid change creates for the pharmacist who has been out of school—even for a few years. Most of the drugs doctors are prescribing today were not on the market a decade ago. And most of the prescriptions the pharmacist will fill 5 or 10 years from now could not be written today. The drugs haven't been discovered yet.

And this is a problem that is appearing throughout our society.

There is an explosion of knowledge going on all around us. It's coming out of industrial laboratories and out of the laboratories of our colleges and universities.

And it's not merely an explosion of scientific knowledge—in the usual sense. It's much more than a rapid expansion of our understanding of the physical and biological aspects of our life. It involves the social and cultural areas as well.

The sociologist, the political scientist, the psychologist who left school a few years ago can't afford to be ignorant of what the computer, for example, is doing to his field of knowledge—any more than can the physicist or chemist. The same thing is true of the economist and the business manager.

And it's not just the computer hardware or any other advance in equipment that is responsible for the change. There are new ideas emerging in every field that are potentially revolutionary in themselves.

Our experts in the Department of Commerce, for example, are working to develop the idea of the noted Harvard University economist, Prof. Vassily Leontief, into an important tool of business and government policymaking. Computers are involved, but the important thing is the concept. And the result—called the "input-output" tables—is deceptively simple. It boils down to a set of tables that show in quantitative terms the complex interrelationships in our national economy. It shows how much business is generated in each segment of the economy by an additional dollar's worth of output anywhere in the economic structure.

Right now we don't know just what impact the development of these input-output tables will have. But you can be reasonably sure that the next generation of economists and businessmen and government officials won't be able to do its job adequately if it doesn't understand the use of this and similar economic tools.

Keeping abreast of one's field today is truly a lifetime job. Those of you who are students here have really only begun your education. You may never come back to Ohio Northern for a special course or seminar. But increasingly more and more college graduates will find it necessary to return to the campus—for postgraduate programs. Like the seminar on contemporary pharmacy being held here this weekend, these programs will be designed to bring you up to date and to broaden and deepen your understanding of the changing environment in which you work.

Businessmen are finding it necessary to strengthen their academic groundings in management techniques. They also are finding that periodic sessions on college and university campuses are very valuable means of broadening their understanding of the social and political changes that vitally affect their business operations.

So I think it is particularly symbolic that a seminar on contemporary pharmacy should be part of this annual founder's day observance. The best way you can honor the past of this great institution is to look to its future. And this is what you are doing.

Ohio Northern was born of Henry Solomon Lehr's desire to raise the level of competence of the poorly trained public school teachers in his region. He was trying to close the gap between what had been adequate—or at least tolerable—and what would be required of teachers in a burgeoning American economy. He dealt with the realities of the present—recognizing both the shortcomings of the past and the opportunities unfolding before our country and our people.

I think we must do the same.

President Johnson has summoned the American people to the task of building a Great Society. He has enormous faith in the idealism of our people and in their ability to respond to great challenges. But there is nothing "pollyannish" about his thinking. He recognizes that Government cannot hand out a Great Society to an apathetic people. He realizes that we must do this job together over whatever period of time it may take, and that most of the work must be done through private initiative rather than through Government action.

I personally think this calls for a new alliance of the campus and the company—of the academic and business worlds—in a sustained effort to cope with the problems and exploit the opportunities before us. I think such an alliance is especially needed in the field of education, manpower development, and employment opportunities.

I say "field" rather than "fields" because these are all aspects of a single challenge. You can look at it from different viewpoints. You can talk about the need to develop our manpower resources to meet the demands of an increasingly sophisticated economy. You can talk about the right of the individual to a job and an opportunity to earn his own livelihood. You can talk about his obligation to develop marketable skills, or about the obligation of government, business, and the schools to give him an opportunity to develop his productive—and human—potential.

But these are all part of the same ball of string. And you know the answer to the question: Where do you start to unravel a ball of string? You start anywhere.

The same thing is true of this problem of education, human development, and economic growth. You start where you are—whether you are in business, in a classroom, or in a position of public or community influence.

As a businessman and now as head of a Government agency charged with promoting economic development, I have been very much concerned with this problem of matching our manpower supply to the changing demands of an increasingly technical and rapidly changing economy.

The shifts on both sides are dramatic—on both sides of this supply and demand relationship. Not only is there continuing change in the kinds of jobs required, there is a big change occurring—as a result of the postwar baby boom—in the labor force available for these jobs.

The most dramatic change in job opportunities, of course, has been the decline in farmworkers—from 37.5 percent of all American workers in 1900 to only 5 percent in 1964.

The proportion of factory blue-collar workers, however, has risen only slightly. But there have been substantial changes within this group. The demand for unskilled workers has dropped sharply from 12.5 percent to 5 percent. The demand for skilled workers has risen from 10.5 to 14 percent, and the demand for semiskilled workers even more—from 12.8 to 20 percent of all workers.

The big growth has been in white-collar workers—from less than one in five workers in 1900 to nearly half the work force in 1964. The demand for professional, technical, and similar workers has nearly tripled. The demand for managers and officials has risen 50 percent. And the percentage in clerical and kindred jobs has increased fivefold since the turn of the century.

Today it is virtually impossible to get a job in a factory without a high school diploma, and it is even more difficult to get an office job without this minimum educational qualification. At a higher level, there is a great unsatisfied demand for top quality, highly educated people in virtually every field. In the Commerce Department, we are particularly concerned with the lack of advanced-degree people capable of doing engineering research and development—people who can bridge the gap between the basic scientific discovery and the production line.

On the other side of the picture, the labor force is growing faster than in the previous postwar period, and the composition of the labor force is shifting toward youth and inexperience.

Because of the baby boom after World War II, we had half a million more young people entering the labor force last year than the annual average of the previous 5 years. Between 1957 and 1962, the total labor force grew at an average rate of less than 800,000 a year. From 1962 to 1964, it grew by 1.2 million a year. And for the rest of this decade, the growth is expected to be about 1.5 million a year. This means we must create some 9 million new jobs—1.5 million a year—just to take care of the growth in the labor force through 1970.

And that doesn't include doing anything about the 4 million currently unemployed, or about the additional workers that would move into the active labor force if the prospect of finding jobs improved significantly.

Another major change in the labor force is the above-average growth in nonwhite—mainly Negro—participation. Although nonwhites make up only slightly more than one-tenth of the current labor force, they will account for roughly one-fifth of the growth in the labor force during the remainder of the decade.

This constitutes a major challenge for both education and business. These young Negro men and women must be equipped in our schools and colleges to fill the higher skilled jobs that will be opening during the rest of the 1960's and beyond. But they must know that the jobs—which formerly were closed to them—will be there and will be open to them when they are prepared to take them. This will require a close cooperation of business and our institutions of higher learning to identify and meet the special educational needs of these young people—including the urgent need to strengthen their motivation to obtain higher education.

Today the unemployment rate among Negroes in the labor force is about 10 percent—double the rate for the population as a whole. For teenagers it is triple the general rate, and for Negro teenagers, I understand, it runs on the order of 25 percent.

I am concerned about the manpower development problem from the business point of view. But, as a businessman, nothing gave me greater satisfaction than the knowledge that I was helping to create jobs for my fellow citizens.

I think most businessmen feel this way. And I think businessmen are ready to accept the challenge to work intimately with the educational institutions and governmental bodies in their areas to help create job opportunities for every pair of willing hands.

In providing an adequate education for every American, there is a role for each of us to play. There is a local community responsibility. The State has a major responsibility. Our churches and our private educational institutions have a big opportunity. And the Federal Government has an important supplemental role to play.

I think the President's education program deserves full business support. I am not worried about Federal aid supplanting local support or local control in education. The job we face in education is so big that we need all the help we can get. And, if education is among the most important business of our society—and I think it is—we need not be afraid of the American people losing interest in it at the local and community level.

At the same time, I think business has a special obligation to support institutions such as this. Variety in educational opportunity is an important support and safeguard of a democratic society. But it must also be quality education. And business corporations, as well as individual businessmen, who have the means, should make support of private colleges and universities one of their continuing obligations.

President Johnson pointed out recently that this is the richest and most powerful country that ever existed, and that the might of past empires was little compared with ours.

"But," he said, "I do not want to be the President who built empires, or sought grandeur, or extended dominion. I want to be the President who educated young people to the wonders of their world—the President who fed the hungry—and helped the poor to find their own way—and enriched the simple, daily lives of every family. And I want to be the President who helped to end hatred among his fellow men, and war among the brothers of this earth."

I think this is what we all want. I think we want to be part of the generation that helped make these things possible for all our fellow men, and for all the world.

The campus and the corporation represent two of our most important means of furthering this ambition for America and mankind. I think they must work together in mutual support and with common purpose to achieve our goals. I am confident that they can work together for the benefit of an enlightened and capable people in a free and prosperous society.

Thank you.