facts. Citizens and officials, including police, could divulge information without fear of retaliation from any source, and, more importantly, whatever penal and/or corrective actions are in order would be clearly revealed and set in motion.

The time is now. The need is now. Action should be the order of the day.

LEGISLATIVE PROGRAM

Mr. MANSFIELD. Mr. President, for the information of the Senate, and after consultation with the policy committee, and I would hope with the approval of the leadership of the other side, because of the pileup in legislation, and our desire for a reasonably early adjournment, I wish to state that it is not the intention of the leadership, the distinguished minority leader, the Senator from Illinois, concurring, to call up the Monroney-Madden reorganization bill at this session of Congress. It is hoped, however, that it will be one of the very first orders of business when the Senate reconvenes again next January.

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

Mr. MANSFIELD. I yield.

Mr. HOLLAND. Does the Senator have definite plans as yet as to when he proposes to take up the foreign aid appropriation bill?

Mr. MANSFIELD. Tuesday is the best answer I can give at this moment.

Mr. HOLLAND. I thank the majority leader.

AS GOLD FLOWS OUT

Mr. SYMINGTON. Mr. President, some days ago the Senate Democratic policy committee recommended a resolution incident to removing a substantial number of troops from Europe.

The resolution was predicated on political and military changes which have occurred since the troops were first assigned; and also in recognition of the increasing fiscal and monetary problems characteristic of our own economy.

Thirty-one Senators now cosponsor this resolution. But there was a critical reaction expressed by some.

A thought-provoking and constructive lead editorial in the St. Louis Post-Dispatch of September 26, "As Gold Flows Out," spells out much of the thinking in the minds of those who recommended the above resolution.

This editorial notes that in April, May and June, the French obtained $220,700,000 more U.S. gold—a significant figure in itself.

The editorial also presents that "the basic reason for the gold drain is our continuing unfavorable balance of international payments, despite the fact that we sell more than we buy abroad." It then adds:

> Much of the trouble stems from military expenses.

But the major thrust of the editorial in question would seem to be contained in its last sentence, which reads:

> The time to act is while the current cooperative atmosphere—

I add always excepting France—

> prevails, not after it is dissipated by an international crisis.

To those who for whatever reason believe the proposed resolution of the policy committee is wrong, I commend the facts as ably portrayed in this editorial, and I ask unanimous consent that it be printed at this point in the RECORD.

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

[From the St. Louis (Mo.) Post-Dispatch, Sept. 26, 1966]

AS GOLD FLOWS OUT

The second quarter of this year would have brought a handsome increase in the American gold researve, according to the Treasury, but for French persistence in "cashing" in dollars. France took $220,700,000 in gold in April, May and June, yet our over-all loss was only $208,000,000.

There is little excuse, however, for the Administration's unhappiness about Gen. De Gaulle's policy, unfriendly as it may be. He has the right to demand gold at the rate of $35 an ounce. Furthermore, France has been repaying its postwar debts ahead of the due dates. The basic reason for the gold drain is our continuing unfavorable balance of international payments, despite the fact that we sell more than we buy abroad. Much of the trouble stems from military expenses.

The Treasury may find solace in the fact that while France has exchanged almost a billion and a half dollars for gold in the last 18 months, other governments have shown restraint in continuing to hold dollars in their reserves. But this could turn out to be merely a postponement of trouble. Foreign holdings of dollars are growing by somewhat less than a billion and a half a year—and each of those dollars is a potential demand on Fort Knox.

The last thing the world's leading money managers want is a "run" on the Treasury or even on the Bank of England. They know that a weakening of the dollar—or the British pound—could touch off a chain of devaluations, first of the two reserve currencies and then of the currencies tied to them. As in 1931, this could lead to a worldwide depression.

To preclude anything of the sort, the Federal Reserve, the Bank of England, 10 other central banks—not including the Bank of France—and the Bank for International Settlements recently reached a new agreement to extend massive credits to each other in case of a currency crisis. Primarily, this is a pledge of further support for the pound. It also is a warning to speculators and gold-hoarders of international determination not to allow them to upset the present monetary system.

Defending the status quo, however, is not enough. The American deficit has become one of the obstacles to the reform of the international monetary system through the establishment of new reserve asset which would reduce the need for gold and ease the strain on the dollar and the pound. The need for such a "credit reserve unit" has been acknowledged by the so-called Club of Ten—with France abstaining, of course. This involves, in a limited sense, an intermingling of currencies. So long as the dollar is under pressure it is a less desirable partner than it ought to be.

Clearly the Administration should take stronger measures against the payments deficit, and it should abandon any false pride in the dollar which may inhibit international monetary reform. The time to act is while the current co-operative atmosphere prevails, not after it is dissipated by an international crisis.

ORDER FOR ADJOURNMENT—AUTHORIZATION FOR COMMITTEES TO FILE REPORTS AND INDIVIDUAL VIEWS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that, following the adjournment of the Senate today and until noon tomorrow, all committees be authorized to file reports, and that the Committee on the Judiciary be authorized to file individual views with respect to S. 2191.

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

ECONOMIC OPPORTUNITY AMENDMENTS OF 1966

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of S. 3164. I do this so that the bill will become the pending business.

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

The LEGISLATIVE CLERK. A bill (S. 3164) to provide for continued progress in the Nation's war on poverty.

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

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

ADJOURNMENT

Mr. MANSFIELD. Mr. President, if there is no further business to come before the Senate, I move under the previous order, that the Senate stand in adjournment until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 4 o'clock and 47 minutes p.m.) the Senate adjourned until 12 o'clock noon tomorrow, Friday, September 30, 1966.

NOMINATION

Executive nomination received by the Senate September 29, 1966:

AGENCY FOR INTERNATIONAL DEVELOPMENT

Herbert Salzman, of New York, to be Assistant Administrator for Development Finance and Private Enterprise, Agency for International Development.

HOUSE OF REPRESENTATIVES

THURSDAY, SEPTEMBER 29, 1966

The House met at 10 a.m.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

Be strong and of a good courage; be not afraid, neither be thou dismayed; for the Lord thy God is with thee whithersoever thou goest.—Joshua 1: 9.

O God of all goodness and grace, bless us as we lift our spirits unto Thee in prayer. Make us increasingly aware of

AUTHENTICATED U.S. GOVERNMENT INFORMATION GPO

Thy presence as in this moment we close our eyes and open our hearts unto Thee. Help us to meet our experiences this day with a singing faith, a strong courage, and a steadfast love.

When disappointments come, when discouragements would shut us in and threaten to shut us out, when the clouds of distress hover over us, give us strength to launch out into the duties of each day—not understanding all that is happening—but in the midst of it all remaining steady and serene, masters of ourselves and servants of Thine. Give us such a confidence in Thy sustaining grace that no weakness of our own may cause us to lose faith and no shortcoming may make us give way to undue anxiety. In all things, by all ways, through all experiences keep us faithful that our consciences may be clear, our hearts clean, and our spirits confident. In Jesus' name we pray. 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 without amendment a bill of the House of the following title:

H.R. 16557. An act to provide for the refund of certain amounts erroneously deducted for national service life insurance premiums from the pay of former members of the organized military forces of the Government of the Commonwealth of the Philippines, and to amend title 38 of the United States Code to provide that certain payments under that title shall be made at a rate in Philippine pesos as is equivalent to $0.50 for each dollar authorized.

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

H.R. 3433. An act to provide for the conveyance of certain real property to the Commonwealth of Puerto Rico; and

H.R. 14745. An act making appropriations for the Departments of Labor, and Health, Education, and Welfare, and related agencies, for the fiscal year ending June 30, 1967, and for other purposes.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 14745) entitled "An act making appropriations for the Departments of Labor, and Health, Education, and Welfare, and related agencies, for the fiscal year ending June 30, 1967, and for other purposes, disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. HILL, Mr. RUSSELL of Georgia, Mr. STENNIS, Mr. PASTORE, Mr. BYRD of West Virginia, Mr. COTTON, and Mrs. SMITH to be the conferees on the part of the Senate.

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

S. 196. An act for the relief of Georges Fraise;

S. 373. An act for the relief of Dr. Victor M. Ubieta;

S. 1468. An act for the relief of Dorothy Eyre;

S. 2091. An act for the relief of Joaquin U. Villagomez; and

S. 2295. An act for the relief of Guiseppe Rubino.

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

S. 2138. An act to consent to an agreement between the State of Minnesota and the Province of Manitoba, Canada, providing for an access highway to the Northwest Angle in the State of Minnesota, and to authorize the Secretary of Commerce to pay Minnesota's share of the cost of such highway.

PELLY APPLAUDS THE PRESIDENT'S VISIT TO MANILA

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

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. PELLY. Mr. Speaker, in the past I have not hesitated to applaud President Johnson's numerous efforts to find a basis of ending the warfare in Vietnam.

Now again I must express sincere approval of the President's announced intention to go to Manila to meet with our free world southeast Asian allies.

The United States is a partner in the struggle to deter communist aggression, and this meeting could be a step in the direction of peace. In other words, this Asian Conference could establish a formula for dealing with North Vietnam and the Communist infiltration in other parts of southeast Asia. The hopes and prayers of all Americans will go with our President.

ASIAN CONFERENCE SHOULD BE BIPARTISAN

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

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. FINDLEY. Mr. Speaker, 20 House Republicans yesterday by telegram urged that President Johnson include a bipartisan group of Congressmen among his advisers at the forthcoming conference of Asian leaders and that the discussions focus on current military plans and policy as well as future economic development.

The text of the telegram follows:

Hon. LYNDON B. JOHNSON,
The White House,
Washington, D.C.:

Your October meeting with the leaders of Asian countries which share our burden in Vietnam presents an excellent opportunity to broaden support for the war both at home and abroad.

To that end, we respectfully suggest:

1. That the focus of the discussions be on current military plans and policy as well as future economic development.

This would demonstrate our desire for help at the strategy table as well as on the battlefield and hopefully encourage other nations to lend military support. As noted in a telegram to you February 6 in connection with the Honolulu conference, we can more reasonably expect help in the fighting if our allies take part in the planning.

2. That, in advance, you express the hope that this conference will be the beginning of joint policy development concerning all vital problems in Southeast Asia.

Otherwise, it may be construed as a mere gesture intended to win support for our present go-it-alone posture.

3. That your team of advisers include bipartisan Congressional representation.

This would help to assure broad public support for whatever measures are undertaken and also would counter possible criticism that the conference—timed as it is—has partisan overtones.

PAUL FINDLEY, Illinois; MARK ANDREWS, North Dakota; CLARENCE J. BROWN, Jr., Ohio; LAURENCE J. BURTON, Utah; DON H. CLAUSEN, California; HAROLD R. COLLIER, Illinois; BARBER B. CONABLE, Jr., New York; JOHN N. ERLENBORN, Illinois; JAMES G. FULTON, Pennsylvania; JAMES HARVEY, Michigan; CRAIG HOSMER, California; HASTINGS KEITH, Massachusetts; CHESTER L. MIZE, Kansas; ALBERT H. QUIE, Minnesota; CHARLOTTE REID, Illinois; HERMAN T. SCHNEEBELI, Pennsylvania; GARNER E. SHRIVER, Kansas; JOE SKUBITZ, Kansas; VERNON W. THOMSON, Wisconsin; WILLIAM B. WIDNALL, New Jersey.

Members of Congress.

CALL OF THE HOUSE

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

The SPEAKER. Evidently a quorum is not present.

Mr. BOGGS. 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. 314]

Adair	Flynt	McClory
Albert	Ford, William D.	McEwen
Anderson, Tenn.	Fulton, Pa.	Mackie
Ashley	Giaimo	Mailliard
Aspinall	Gray	Martin, Ala.
Bow	Greigg	Martin, Mass.
Bray	Griffiths	Mathias
Callaway	Gubser	Monagan
Carter	Hagan, Ga.	Morrison
Conyers	Hanna	Morse
Craley	Hays	Morton
Daddario	Hébert	Moss
Denton	Holland	Murray
Derwinski	Howard	Nedzi
Dickinson	Jones, Mo.	Nix
Dingell	Kee	O'Brien
Dow	Keith	O'Hara, Ill.
Downing	King, N.Y.	O'Konski
Dulski	Kluczynski	Olsen, Mont.
Dyal	Kupferman	O'Neill, Mass.
Edwards, La.	Landrum	Pirnie
Ellsworth	Latta	Poage
Evans, Colo.	Long, La.	Pool
Fisher	Long, Md.	Pucinski
		Rees

Resnick	Smith, N.Y.	Utt
Robison	Steed	Watkins
Rogers, Tex.	Stephens	Watson
Roncalio	Thompson, Tex.	Whitener
Roybal	Todd	Willis
Scott	Toll	Wright
Sickles	Udall	

The SPEAKER. On this rollcall 338 Members have answered to their names, a quorum.

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

COMMITTEE ON APPROPRIATIONS

Mr. ROONEY of New York. Mr. Speaker, I ask unanimous consent that the Committee on Appropriations may have until midnight Friday, September 30, to file a privileged report on the State, Justice, Commerce, and Judiciary appropriation bill for the fiscal year 1967.

Mr. JONAS. Mr. Speaker, I reserve all points of order on the bill.

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

There was no objection.

DISTRICT OF COLUMBIA REVENUE ACT OF 1966

Mr. McMILLAN. Mr. Speaker, I call up the conference report on the bill (H.R. 11487) to provide revenue for the District of Columbia, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

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

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. NO. 2089)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 11487) to provide revenue for the District of Columbia, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate to the text of the bill and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "That this Act may be cited as the 'District of Columbia Revenue Act of 1966'.

"TITLE I—AMENDMENTS TO THE DISTRICT OF COLUMBIA ALCOHOLIC BEVERAGE CONTROL ACT

"SEC. 101. (a) Clauses (4) and (5) of section 23(a) of the District of Columbia Alcoholic Beverage Control Act (D.C. Code, sec. 25–124(a)) are each amended by striking out '$1.50' and inserting in lieu thereof '$1.75'.

"(b) Section 40(a) of such Act (D.C. Code, sec. 25–138(a)) is amended by striking out '$1.50' and inserting in lieu thereof '$2.00'.

"SEC. 102. (a) Except as otherwise provided in this title, the amendments made by section 101 shall apply with respect to—

"(1) alcohol and spirits imported or brought into the District of Columbia or manufactured, and

"(2) beer sold or purchased for resale,

on and after the effective date of this title which shall be the first day of the first month which begins on or after the thirtieth day after the date of the enactment of this Act.

"(b) In the case of alcohol, spirits, and beer which have been purchased prior to the effective date of this title and which on such date are held by a holder of a retailer's license, issued under the District of Columbia Alcoholic Beverage Control Act, such licensee shall pay to the Commissioners (in accordance with subsection (c)) an amount equal to the difference between the amount of tax imposed by such Act immediately prior to the effective date of this Act on the amount of alcohol, spirits, and beer so held by him, and the amount of tax which would be imposed by the District of Columbia Alcoholic Beverage Control Act on such effective date on an equivalent amount of alcohol, spirits, and beer.

"(c) Within twenty days after the effective date of this title, each such licensee shall (1) file with the Commissioners a sworn statement (on a form to be prescribed by the Commissioners) showing the quantity of alcohol, spirits, and beer held by him as of the beginning of the day on which this title becomes effective or, if such day is a Sunday, as of the beginning of the following day, and (2) within twenty days after the effective date of this title, pay to the Commissioners the amount specified in subsection (b).

"(d) Each such licensee shall keep and preserve for the period of twelve months immediately following the effective date of this title the inventories and other records made which form the basis for the information furnished to the Commissioners on the sworn statement required to be filed under this section.

"(e) For purposes of this section, alcohol, spirits, and beer shall be considered as held by a holder of a retailer's license if title thereto has passed to such holder (whether or not delivery to him has been made) and if title has not at any time been transferred to any person other than such holder.

"(f) A violation of the provisions of subsections (b), (c), or (d) of this section shall be punishable as provided in section 33 of the District of Columbia Alcoholic Beverage Control Act (D.C. Code, sec. 25–132).

"TITLE II—AMENDMENT TO THE DISTRICT OF COLUMBIA TRAFFIC ACT, 1925

"SEC. 201. Subsection (j) of section 6 of the District of Columbia Traffic Act, 1925 (D.C. Code, sec. 40–603(j)), is amended by striking out '2 per centum' and inserting in lieu thereof '3 per centum'.

"SEC. 202. The amendment made by this title shall take effect on the first day of the first month which begins on or after the thirtieth day after the date of enactment of this Act.

"TITLE III—AMENDMENTS TO THE DISTRICT OF COLUMBIA SALES TAX ACT

"SEC. 301. (a) Section 125 of the District of Columbia Sales Tax Act (D.C. Code, sec. 47–2602) is amended by striking out '4 per centum' and inserting in lieu thereof '5 per centum'.

"(b) Subsection (c) of section 127 of such Act (D.C. Code, sec. 47–2604(c)), is amended by striking out the '4 per centum' and inserting in lieu thereof '5 per centum'.

"SEC. 302. Paragraph (q) of section 128 of such Act (D.C. Code, sec. 47–2605(q)), is repealed.

"SEC. 303. The amendments made by this title shall take effect on the first day of the first month which begins on or after the thirtieth day after the date of enactment of this Act.

"TITLE IV—AMENDMENTS TO DISTRICT OF COLUMBIA CIGARETTE TAX ACT

"SEC. 401. Subsection (a) of section 603 of the District of Columbia Cigarette Tax Act (D.C. Code, sec. 47–2802(a)), is amended by striking out '2 cents' and inserting in lieu thereof '3 cents'.

"SEC. 402. (a) Except as otherwise provided, the amendment made by section 401 shall apply with respect to cigarette tax stamps purchased on and after the effective date of this title which shall be the first day of the first month which begins on or after the thirtieth day after the date of the enactment of this Act.

"(b) In the case of cigarette tax stamps which have been purchased prior to the effective date of this title and which on such date are held (affixed to a cigarette package or otherwise) by a wholesaler, retailer, or vending machine operator, licensed under the District of Columbia Cigarette Tax Act, such licensee shall pay to the Commissioner (in accordance with subsection (c)) an amount equal to the difference between the amount of tax represented by such tax stamps on the date of their purchase and the amount of tax which an equal number of cigarette tax stamps would represent if purchased on the effective date of this title.

"(c) Within twenty days after the effective date of this title, each such licensee shall (1) file with the Commissioners a sworn statement (on a form to be prescribed by the Commissioners) showing the number of such cigarette tax stamps held by him as of the beginning of the day on which this title becomes effective or, if such day is a Sunday, as of the beginning of the following day, and (2) within twenty days after the effective date of this title, pay to the Commissioners the amount specified in subsection (b).

"(d) Each such licensee shall keep and preserve for the period of twelve months immediately following the effective date of this title the inventories and other records made which form the basis for the information furnished to the Commissioners on the sworn statement required to be filed under this section.

"(e) For purposes of this section, a tax stamp shall be considered as held by a wholesaler, retailer, or vending machine operator if title thereto has passed to such wholesaler, retailer, or operator (whether or not delivery to him has been made) and if title to such stamp has not at any time been transferred to any person other than such wholesaler, retailer, or operator.

"(f) A violation of the provisions of subsections (b), (c), or (d) of this section shall be punishable as provided in section 611 of the District of Columbia Cigarette Tax Act (D.C. Code, sec. 47–2810).

"TITLE V—FEDERAL PAYMENT

"SEC. 501. Article VI of the District of Columbia Revenue Act of 1947 (D.C. Code, secs. 47–250a, 47–2501b) is amended to read as follows:

" 'ARTICLE VI—FEDERAL PAYMENT

" 'SEC. 1. For the fiscal year ending June 30, 1967, and for each fiscal year thereafter, there is authorized to be appropriated, as the annual payment by the United States toward defraying the expenses of the government of the District of Columbia, the sum of $60,000,000 which shall be credited to the general fund of the District of Columbia.

" 'SEC. 2. If in any fiscal year or years a deficiency exists between the amount appropriated and the amount authorized by this

article to be appropriated, additional appropriations are hereby authorized for subsequent fiscal years to pay such deficiency or deficiencies.'

"SEC. 502. Title I of the District of Columbia Revenue Act of 1939 (D.C. Code, sec. 47–134) is repealed.

"SEC. 503. The fourth sentence of section 106(a) of the Act of May 18, 1954 (D.C. Code, sec. 43–1541(a)) is repealed.

"TITLE VI—AUTHORIZATION FOR LOANS FROM THE UNITED STATES TREASURY

"SEC. 601. Subsection (b) of the first section of the Act approved June 6, 1958 (D.C. Code, sec. 9–220(b)) is amended to read as follows:

"'(b) To assist in financing the cost of constructing facilities required for activities financed by the general fund of the District, the Commissioners are hereby authorized to accept loans for the District from the United States Treasury and the Secretary of the Treasury is hereby authorized to lend to the Commissioners such sums as may hereafter be appropriated, except that (1) the total principal amount of loans advanced pursuant to this section shall not exceed $250,000,000 and (2) $50,000,000 of the principal amount of loans authorized to be advanced pursuant to this subsection shall be utilized to carry out the purposes of the National Capital Transportation Act of 1965. Any loan for use in any fiscal year must first be specifically requested of the Congress in connection with the budgets submitted for the District, with a full statement of the work contemplated to be done and the need thereof, and such work must be approved by the Congress. Such approval shall not be construed to alter or to eliminate the procedures for consultation, advice, and recommendation provided in the National Capital Planning Act of 1952 (D.C. Code, sec. 1–1001 *et seq.*). Such loans shall be in addition to any other loans heretofore or hereafter made to the Commissioners for any other purpose, and when advanced shall be deposited in the Treasury of the United States to the credit of the general fund of the District.'

"TITLE VII—AMENDMENTS TO THE DISTRICT OF COLUMBIA INCOME AND FRANCHISE TAX ACT OF 1947

"SEC. 701. Section 3 of title VI of the District of Columbia Income and Franchise Tax Act of 1947 (D.C. Code, sec. 47–1567b(a)), is amended to read as follows:

"'SEC. 3. IMPOSITION AND RATES OF TAX.—There is hereby annually levied and imposed for each taxable year upon the taxable income of every resident a tax at the following rates:

"'Two and one-half per centum on the first $2,000 of taxable income.

"'Three per centum on the next $2,000 of taxable income.

"'Three and one-half per centum on the next $2,000 of taxable income.

"'Four per centum on the next $2,000 of taxable income.

"'Four and one-half per centum on the next $2,000 of taxable income.

"'Five per centum on the taxable income in excess of $10,000.'

"SEC. 702. The amendment made by section 701 of this title shall be applicable to taxable years beginning after December 31, 1965.

"SEC. 703. Effective with respect to taxable years ending after December 31, 1961, section 4 of the District of Columbia Income and Franchise Tax Act of 1947 (D.C. Code, sec. 47–1551c) is amended by adding at the end thereof the following new subsection:

"'(aa) Notwithstanding subsection (m), any distribution in liquidation of a regulated public utility (as defined in section 7701(a)(33)(A)(iii) of the Internal Revenue Code of 1954) which, for purposes of the Internal Revenue Code of 1954, is treated as in part or full payment in exchange for the stock in such utility, shall, if for purposes of this article the stock is a capital asset, be treated as in part or full payment in exchange for the stock.'

"TITLE VIII—AMENDMENTS TO THE MOTOR VEHICLE FUEL TAX

"SEC. 801. The first section of the Act entitled 'An Act to provide for a tax on motor vehicle fuels sold within the District of Columbia, and for other purposes', approved April 23, 1924 (43 Stat. 106; D.C. Code, sec. 47–1901), as amended, is amended by striking '6' and inserting in lieu thereof '7'.

"SEC. 802. Section 14 of such Act approved April 23, 1924 (D.C. Code, sec. 47–1912), as amended, is amended by striking out '6' and inserting in lieu thereof '7'.

"SEC. 803. The amendments made by section 801 and 802 of this title shall take effect on the first day of the first month which begins more than thirty days after the date of approval of this Act.

"TITLE IX—ABATEMENT OF TAXES

"SEC. 901. The Commissioners are authorized to abate the unpaid portion of the assessment of any tax, or any liability in respect thereof, other than taxes on real property, if the Commissioners determine under uniform rules prescribed by them that the administration and collection costs involved would not warrant collection of the amount due.

"TITLE X—GENERAL PROVISIONS

"SEC. 1001. Subsection (a) of section 402 of the District of Columbia Public Works Act of 1954 (68 Stat. 110; D.C. Code, sec. 7–133 (a)) is amended by striking '$50,250,000' and inserting in lieu thereof '$85,250,000'.

"SEC. 1002. As used in this Act, unless the context requires otherwise, the word 'Commissioners' shall mean the Board of Commissioners of the District of Columbia, or its designated agent.

"SEC. 1003. Any word or term used in any title of this Act, unless the context requires otherwise, shall have the same meaning as that applicable to such word or term in the Act to which such title applies.

"SEC. 1004. 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 such provision to other persons or circumstances, shall not be affected thereby.

"SEC. 1005. The Commissioners are authorized to make rules and regulations to carry out the provisions of this Act.

"SEC. 1006. The Commissioners are authorized to enter into such agreements with the States of Maryland and Virginia and with political subdivisions of such States as may be necessary to develop a continuing comprehensive transportation planning process for the National Capital region for the purpose of complying with the requirements of section 134 of title 23, United States Code, except that no such agreement shall require the District of Columbia to pay more than its pro rata share of the costs of such planning process. In developing such transportation planning process the Commissioners shall consult and cooperate with the National Capital Planning Commission and the National Capital Regional Planning Council. For the purpose of this section, the term 'National Capital region' shall have the same meaning as is given it in section 103 of the National Capital Transportation Act of 1960 (74 Stat. 537; D.C. Code, sec. 1–1401)."

And the Senate agree to the same.

The Senate recedes from its amendment to the title of the bill.

BASIL WHITENER,
JNO L. MCMILLAN,
JOHN DOWDY,
DON FUQUA,
ANCHER NELSEN,
WILLIAM H. HARSHA,
JOEL T. BROYHILL,
Managers on the Part of the House.

ALAN BIBLE,
JOSEPH D. TYDINGS,
WINSTON L. PROUTY,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 11487) to provide revenue for the District of Columbia, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The Senate struck out all of the House bill after the enacting clause and inserted a substitute amendment. The committee of conference has agreed to a substitute for both the House bill and the Senate amendment. Except for technical, clarifying, and conforming changes, the following statement explains the differences between the House bill and the substitute agreed to in conference.

TITLE I—AMENDMENTS TO THE DISTRICT OF COLUMBIA ALCOHOLIC BEVERAGE CONTROL ACT

The Senate amendment contained provisions, not in the House bill, which increased the tax on alcohol and spirits from $1.50 to $1.75 per gallon, and increased the rate of tax on beer from $1.50 to $3.50 per barrel. It further provided that such increases would take effect on the first day of the first month which begins on or after the thirtieth day after the date of enactment of the Act, and would be applicable with respect to stocks held or possessed by a holder of a retailer's license under the District of Columbia Alcoholic Beverage Control Act prior to such effective date.

The conference substitute is identical to the Senate amendment with respect to the rate of tax on alcohol and spirits, but with respect to the rate of tax on beer, the conference substitute increases such tax to $2.00 per barrel.

TITLE II—AMENDMENT TO THE DISTRICT OF COLUMBIA TRAFFIC ACT, 1925

The Senate amendment contained an amendment, not in the House bill, to the District of Columbia Traffic Act, 1925, to increase the rate of excise tax on the issuance of motor vehicle and trailer title certificates from 2 percent of fair market value of motor vehicles and trailers to 3 percent of such value.

The conference substitute is identical to the Senate amendment.

TITLE III—AMENDMENTS TO THE DISTRICT OF COLUMBIA SALES TAX ACT

(1) The Senate amendment contains a provision, not included in the House bill, which increases from 4 percent to 5 percent the sales tax that the vendor collects on lodgings furnished transients.

The conference substitute is identical to the Senate provision, except that it adds a technical amendment which increases from 4 percent to 5 percent the sales tax imposed on vendors of lodgings furnished transients.

(2) The Senate amendment repealed present law exemption of the sales of cigarettes from the sales tax.

The conference substitute is identical to the Senate provision.

TITLE IV—AMENDMENTS TO DISTRICT OF COLUMBIA CIGARETTE TAX ACT

The Senate amendment contained an amendment to the District of Columbia Cigarette Tax Act, not in the House bill, to increase the rate of excise tax on cigarettes from 2 cents to 5 cents per pack.

The conference substitute provides an increase in the rate of excise tax on cigarettes from 2 cents to 3 cents per pack. The increase will take effect on the first day of the first month which begins on or after the thirtieth day after the date of enactment of the act and will apply to stocks held or possessed on the effective date by wholesalers, retailers, and vending machine operators.

The managers on the part of the House recommend that the Commissioners of the District of Columbia review available methods for affixing cigarette tax stamps as to suitability to the District of Columbia and the convenience and preference of wholesalers and dealers.

TITLE V—FEDERAL PAYMENT

The Senate amendment contained a provision, not in the House bill, which repealed the authorization of a fixed amount as the annual Federal payment toward defraying the expenses of the government of the District of Columbia and provided an authorization for an annual Federal payment equal to 25 percent of certain revenues raised by such government.

The conference substitute amends existing law to increase the authorization for an annual Federal payment to the general fund of the District of Columbia from $50 million to $60 million.

TITLE VI—AUTHORIZATION FOR LOANS FROM THE UNITED STATES TREASURY

The Senate amendment contained a provision, not in the House bill, which established a new method for determining the maximum amount the District is authorized to borrow from the United States Treasury for general fund capital projects. The total annual revenues from local District taxes and the annual Federal payment would serve as the basis for computing the annual borrowing authority for the general fund. The proposal would limit the amount of revenue the District would be authorized to use annually for long-term debt retirement to 6 percent of the sum of the estimated annual general fund revenues from local taxes and the annual Federal payment for the year involved.

The conference substitute increases the ceiling on the District's borrowing authority from $225 million ($175 million for general fund loan authorization and $50 million for rapid transit loan) to $250 million ($200 million for general fund loan authorization and $50 million for rapid transit loan).

TITLE VIII—AMENDMENTS TO THE MOTOR VEHICLE FUEL TAX

The Senate amendment contained an amendment to the motor vehicle fuel tax, not contained in the House bill, to increase from 6 cents per gallon to 7 cents per gallon the tax on motor vehicle fuels sold in the District of Columbia by agencies of the United States Government for use in private vehicles.

The conference substitute is identical to the Senate amendment.

BASIL WHITENER,
JNO L. MCMILLAN,
JOHN DOWDY,
DON FUQUA,
ANCHER NELSEN,
WILLIAM H. HARSHA,
JOEL T. BROYHILL,
Managers on the Part of the House.

Mr. MCMILLAN (interrupting the reading of the statement). Mr. Speaker, I ask unanimous consent that further reading of the statement be dispensed with.

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

There was no objection.

Mr. MCMILLAN. Mr. Speaker, latest estimates of the District of Columbia Budget Office, as to increased annual revenues to be expected from enactment of the 1966 revenue bill, and the additional amount expected to accrue during the remainder of fiscal year 1967, are as follows:

Item	Annual increase in revenue	Increase during fiscal year 1967
Alcohol and spirits	$1.530	
Beer	.295	
Motor vehicle excise	1.500	
Cigarettes:		
(a) Sales tax	1.300	
(b) Excise increase	1.800	
Income tax	5.000	
Transient room increase	.530	
Motor vehicle fuel tax	2.000	
Total, this bill	13.955	$9.16
Total District of Columbia revenues this year without Federal payment		313.87
Total revenue available to District of Columbia		323.03
Add to this:		
Possible Federal payment to District of Columbia under this bill		60
Additional borrowing authority to District of Columbia under this bill for capital improvements		25
Additional borrowing authority for District of Columbia highways, District of Columbia share		35
Federal share		315
Subtotal		350
Total		758.03
Plus Federal grants to the District of Columbia this year		[1] 125.12
Available to District of Columbia this year		883.15

[1] See following table.

Federal grants to the District of Columbia (1967 estimates)[1]

	Federal	District of Columbia matching funds
1. Executive Office	$34,339	
2. General administration	251,248	$16,726
3. Urban renewal	3,500,000	
4. Public Library	454,361	921,780
5. Surveyor	6,814	757
6. Police Department	1,189,128	15,400
7. Fire Department	10,800	1,200
8. Civil defense	321,200	69,785
9. Juvenile court	8,557	950
10. Court of general sessions	61,090	
11. Corrections	288,399	40,872
12. Licenses	49,137	
13. Public schools	15,547,936	1,271,537
14. Recreation	1,759,103	262,438
15. Vocational rehabilitation	1,805,129	696,615
16. Public health	8,950,705	3,224,302
17. Public welfare	18,383,931	10,408,565
18. Highways	72,221,379	13,438,500
19. Sanitary engineering	285,502	427,501
Total	125,129,258	30,796,928

[1] District of Columbia Commissioners' figures revised to July 20, 1966 (Department of General Administration, Budget Office, District of Columbia).

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

The previous question was ordered.

The conference report was agreed to.

A motion to reconsider was laid on the table.

ECONOMIC OPPORTUNITY AMENDMENTS OF 1966

Mr. POWELL. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 15111) to provide for continued progress in the Nation's war on poverty.

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 further consideration of the bill H.R. 15111, with Mr. BROOKS in the chair.

The CHAIRMAN. When the Committee rose on yesterday, the Clerk had read through title I, ending on line 5, page 8, of the bill.

Are there further amendments to title I?

AMENDMENT OFFERED BY MRS. GREEN OF OREGON

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

The Clerk read as follows:

Amendment offered by Mrs. GREEN of Oregon: On page 3 on line 18 before the quotation marks insert the following: "The Director shall take such action as may be necessary to insure that for any fiscal year the cost of operating Job Corps Centers [excluding capital costs] shall not exceed $7,500 per enrollee in such centers."

Mrs. GREEN of Oregon. Mr. Chairman, I shall not take the 5 minutes allocated to me under the offering of this amendment.

Mr. Chairman, this amendment is similar to an amendment which was offered yesterday but with a price ceiling of $7,500, instead of $7,000, which amendment was debated on the floor yesterday afternoon. This is an outside ceiling—and should be so considered. Further economies need to be made.

Mr. Chairman, I have discussed this amendment with the chairman of the full committee, the gentleman from New York [Mr. POWELL] and I have discussed the amendment with the gentleman from Florida [Mr. GIBBONS], who has been working hard on this bill.

Both of these gentlemen feel that this is a reasonable amendment and I do hope that the Committee of the Whole House on the State of the Union will give consideration to this figure and not spend any more time in debate on the matter.

Mr. POWELL. Mr. Chairman, will the distinguished gentlewoman from Oregon yield to me at this point?

Mrs. GREEN of Oregon. I yield to the gentleman from New York.

Mr. POWELL. Mr. Chairman, this is the same amendment that I tried to work out yesterday afternoon, which carries a ceiling of $7,500, a ceiling which is realistic.

Mr. Chairman, the author of the bill, the gentleman from Florida [Mr. GIBBONS] and I as chairman, are disposed to accept this amendment.

Mr. QUIE. Mr. Chairman, I move to strike the last word.

Mr. QUIE. Mr. Chairman, I would like to inquire of the gentlewoman from Oregon [Mrs. GREEN] whether capital cost includes the renovation or reconstruction of any new buildings at the present camps?

Mrs. GREEN of Oregon. Mr. Chairman, will the gentleman yield?

Mr. GOODELL. I yield to the gentlewoman from Oregon.

Mrs. GREEN of Oregon. No; this is for the operating expenses, and alterations would be exclusive of the capital outlay. This would mean that some camps that they are starting—for instance, the experimental and the demonstration projects that the House approved yesterday, would have some original outlay costs which I believe would be fair to be considered under the intent of the section and the amendment. However, I believe this is an outside figure and I believe further that the operating costs have been far greater than this.

Mr. QUIE. Mr. Chairman, I would say that this is a fantastic figure, if the operating cost is to be $7,500.

Mr. Chairman, I cannot imagine any organization training young men at that cost just for the operating cost. That is hardly a limit at all. But then we must remember that the cost was $9,700 this last year.

Mr. HALL. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman from Missouri will state his parliamentary inquiry.

Mr. HALL. Mr. Chairman, let me say before I propose my parliamentary inquiry that I realize it comes too late on a point of order, and it would lie in regard to this matter.

The CHAIRMAN. The gentleman will state it.

Mr. HALL. Mr. Chairman, had the point of order been made at the appropriate time, is it not true that this is, in essence, a vote on the same amendment that was proposed under both a unanimous-consent request and by motion on yesterday, without a subsequent change in the bill?

The CHAIRMAN. The Chair would think not. The amendment yesterday was for $7,000 and this amendment is for $7,500.

Mr. HALL. I thank the Chairman.

Mr. GOODELL. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I know of nothing that more dramatically illustrates the embarrassment of those who support the Job Corps in its present form than this amendment. We are admitting to the country that the Job Corps camps cannot be run if we place a limit per enrollee of less than $7,500 per year.

Yesterday we had the colloquy in which the gentleman from Minnesota [Mr. QUIE] mentioned, as has been mentioned before in testimony, that there are area vocational residential schools that are operating on an average of $2,600 per enrollee. The gentleman from Florida [Mr. GIBBONS] contested that and said:

> It could not be done, could not possibly be done, it is impossible to do it. If you go around the United States, you will not find these figures, they do not exist.

I have before me the testimony of our subcommittee on July 12. When we go into the full House again, I shall ask permission to include this in the RECORD at this point. It is a portion of the testimony from the vocational educators from the Mahoning Valley School in Ohio in which they testified that, including capital costs with enrollees on the basis of 6 months or 1 year, they have an average operating cost of $2,607 per year. This school is taking Job Corps rejects and dropouts in some instances. They have an 80- to 85-percent job connection.

Mr. Chairman, I will also place in the RECORD the testimony as to the results in this vocational education school—and there are others very much like it.

The gentleman from Kentucky [Mr. PERKINS] in the testimony commented very favorably and said he also believes that this training could be done in Job Corps camps at a level comparable to what is being done in the area vocational schools and we should transfer money to the area vocational schools rather than to the Job Corps.

Mr. Chairman, in opposing my original amendment that it be limited to $5,000, and then in opposing my amendment, as amended, by the gentleman from Minnesota [Mr. QUIE] to make it $7,000, the proponents indicated that we were not going to get down to $7,700 for 2 years in the average cost per enrollee in the Job Corps camps. The $7,000 figure was going to kill the Job Corps, they said.

Well, we are playing just a little bit of a game of auction here. They are going up to $7,500 and saying, "We can live within this figure."

I am fearful that perhaps when we get into conference this figure will be dropped out because by that time the Job Corps and the Office of Economic Opportunity will have told our friends, "No, we cannot live within this figure."

This amendment is offered sincerely by the gentlewoman from Oregon [Mrs. GREEN] because she, as she spoke courageously yesterday, indicated her belief, as it is my belief, that the costs in the Job Corps are outrageous. It is not just a question of wasting taxpayers' money, it is also a question of wasting money that could be used to help many more youngsters.

Mr. FARNUM. Mr. Chairman, will the gentleman yield for a question?

Mr. GOODELL. I yield to the gentleman.

Mr. FARNUM. Mr. Chairman, yesterday I listened quite attentively to the colloquy.

Of course, we have two kinds of centers or corps. One is the conservation camps which, as I understand it, are run by the Department of the Interior, Agriculture, and State agencies. The costs for running them are cheaper than the other camps.

Then I looked at some of the other camps, after I read the colloquy this morning, and I find, for example, that Kilmer is run by Federal Electric; Tongue Point by the University of Oregon; Gary, Tex., by the Texas Educational Foundation; Atterbury, Ind., by Philco; Custer by United States Industries; Parks, Calif., by Litton Industries; and Rodman, New Bedford, Mass., by IBM.

The question I want to ask the gentleman is this. Are you trying to tell me that private enterprise is charging the Government too much and that they are not efficient in running these camps? That is what I want to know. I would like to have the answer from the gentleman.

Mr. GOODELL. I shall be glad to answer that question.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. GOODELL. Mr. Chairman, I ask unanimous consent to proceed for 2 additional minutes.

Mr. FARNUM. Mr. Chairman, I ask unanimous consent that the gentleman from New York be permitted to proceed for 2 additional minutes.

The CHAIRMAN. Without objection, the gentleman from New York is recognized for 2 additional minutes.

There was no objection.

Mr. GOODELL. Some of the Job Corps camps that have been run by private enterprise have worked out reasonably well in costs. Some of them have not. The problem is that we have set up a national program in which the Job Corps officials in OEO have laid down no clear guidelines. They have no clear guidelines. They have given contracts willy-nilly, to different organizations and said "Now, you just go along with this." And then they said, in the urban camps particularly, that they would take up to 2,000 or 2,500 youngsters into the camp. Then they told the people running the camp, "You do not have full control over discipline. You can not discharge the youngsters." They have all been limited in certain ways as to how they can run the camps.

But I tell you it is not our concern here just whether private enterprise is doing the job well or not in the Job Corps camps. The point is that whoever is doing it is doing it too expensive-

ly, and we have found the expense of the educational institutions running them has also been very high or higher.

Finally, we have found that whoever is running the camps, when the boys and girls graduate, they are too often just dropped into society.

Mr. FARNUM. Mr. Chairman, will the gentleman again yield?

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

Mr. FARNUM. Which of the private industry corporations are doing a good job in the opinion of the gentleman? You said that some are, some are not. Which are?

Mr. GOODELL. I think probably Camp Breckinridge has been a total failure and was so recognized until this spring. It may now be back on the rails again. We hope so. We hope that Atterbury will get back on. It has been a total failure in terms of its operation until its transfer. Camp Kilmer has certainly not worked out well in most instances. But there have been a number of changes. Some of the private enterprises running these camps have insisted on having more control over operations themselves.

Mrs. GREEN of Oregon. Mr. Chairman, I ask unanimous consent that the gentleman in the well be given 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentlewoman from Oregon? The Chair hears none, and the gentleman from New York is recognized for 5 minutes.

Mrs. GREEN of Oregon. Mr. Chairman, I would like to suggest another question that might well be asked in this debate.

The gentleman from Michigan just directed a question to the gentleman from New York. He said "Which one of these private industries is not running the Job Corps at a reasonable figure?" I think the question ought to be asked of the Members of this House, "Do you think that $13,000 per enrollee per year is the best way that we can run a Job Corps center? Do you think that is a reasonable figure when we are spending in the country on an average of $484 per student in school, and turning out more applicants for the Job Corps center?"

I did not intend to speak because I thought the amendment would be accepted, but now I would like to speak for a moment about the middle income group. It seems to me that maybe this is a group that the House is ignoring in all our Great Society programs. I am speaking of the person who is on social security. I am speaking of the person who has an annual income somewhere in the area of $4,000 to $7,000, and is trying to raise a family, and is honestly trying to see to it that his youngsters do not become applicants for the Job Corps center.

I would like to have us turn our attention to them, and see if we are going to impoverish them and their families under the rationalization that we can spend any sums to strengthen the Job Corps program.

If the gentleman would yield further, I would like to read a few quotations from some letters that we have in our files. This is from one person in my district who said:

> Our income does not reach $7,000 a year, and we pay taxes plus college costs for our child, and yet it is a struggle. But who cares? Our Government won't reimburse us for any of the expenses we have if our children stay in school.

If they have $7,000 for an entire family, I suggest that the figure of $13,000 is too high for 1 year for one enrollee for a Job Corps center, whether it is run by a school, a private industry, or whoever it is run by.

In another letter I have, it says:

> Your approach to the poverty program has my wholehearted support. The tax laws allow only $600 per year for each dependent in the family, and the family is expected to accomplish what the Federal Government cannot do with 10 to 20 times as much money.

An amount of $7,500 is more generous than I would really recommend. It is an outside figure. It seems to me we ought to demand economy and well-run programs in the war on poverty—and not wage a war on the pocketbooks of taxpayers who are themselves close to the poverty line.

Mr. GOODELL. Mr. Chairman, I appreciate the comments of the gentlewoman from Oregon.

Let me say this in further answer to the gentleman's question. The issue of whether these camps are run by private enterprise, by schools, or by some other agency is not the question. The issue is that in all of them the cost is too high. It runs right through all of them, across the scale, whoever is running the camp. The costs are excessively high.

In addition, all the evidence thus far is that they are not doing the job as effectively as the area vocational schools are doing it. They are not putting a high proportion of boys and girls into jobs at the end of the line. They spill them out into regional offices, which then try to pick them up. In effect, most of them are dropped into the community with no help, or perhaps with the same kind of help they would have had if they had never gone into a Job Corps camp.

Here we are in the Congress putting our stamp of approval in effect on the cost of $7,500 per year per enrollee. We are in a position of favoring $7,500 rather than $9,100 or $9,700. But what an awful choice we are given. What an awful confession it is for the Congress of the United States to say that we cannot run these camps for less.

Mr. GIBBONS. Mr. Chairman, will the gentleman yield?

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

Mr. GIBBONS. Mr. Chairman, I am afraid the gentleman has nearly used up all the time I would have asked him to yield to me. I wanted to say we are not saying that these costs have to be $7,500 a year. This is the ceiling.

Mr. GOODELL. The gentleman yesterday said they cannot get down to $7,700 in 2 years.

Mr. GIBBONS. I did not say that. If the gentleman will check the RECORD, he will find I did not say that.

Mr. GOODELL. Then what did the gentleman say?

Mr. GIBBONS. I talked about $7,500 that the gentleman from Minnesota [Mr. QUIE] mentioned. I did not participate in the debate.

Mr. GOODELL. If the gentleman disagrees, then perhaps it was the gentleman from Michigan [Mr. WILLIAM FORD], who said they could not get down to $7,700 in 2 years.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. GIBBONS. Mr. Chairman, I move to strike the last word.

We are not trying to set a $7,500 floor under this thing. I say that unequivocally. This is a ceiling, not a floor. This is the upper limit and not the lower limit. This is not just one person, because the average term of the enrollee is only around 9 months. So the cost per enrollee will come down as we go along.

We made an honest mistake 3 years ago, based upon the best evidence that was given to us at the time. We thought the costs were going to be lower than they are. We underestimated them. Everybody did. No one dreamed the problem would be half as tough as it is. This is the reason why costs are high.

As the gentleman from Michigan [Mr. FARNUM], pointed out, this, of course, is being carried on under private enterprise by the best people in the management area we have in the United States: General Electric, Westinghouse, Litton Industries, Graflex, and Packard Bell. All of them are doing the best job they can do to keep the cost down. I have been to centers and camps and talked to these people, and I know they are trying to keep the cost down.

But when we have to give a person a set of false teeth, who has never had any dental work done in his life, or we have to operate on a man for a double hernia, there are all kinds of problems including psychological problems, and there is a tremendous amount of rebuilding of the human beings.

What is the alternative if we do not intercept these people? I agree with the gentlewoman from Oregon that we have made mistakes by not starting earlier in this area, with the home and family and school, and not letting this problem go as long as it has.

We must intercept these people somewhere in society. We have to break this continuous cycle of poverty, this continuous regeneration of another cycle of poverty. If we do not spend the money now to make the cure we might end up with some person "riding a rocking chair" the rest of his life, to the tune of $100,000, not $7,500. We might be carrying that same person in one of our penal institutions for a lifetime, or almost a lifetime, or in one of our mental health institutions.

I agree we are limited here. We are making mistakes because we did not start earlier.

We have a bill before the Rules Committee, H.R. 11322, which would make

an earlier start. I hope we can get bipartisan support for it.

I agree with the gentlewoman from Oregon and I agree with some of my friends on the Republican side; we have a job to do. We will get it done. We will keep the costs down. American private industry and the public school system will do it.

Mr. BELL. Mr. Chairman, I move to strike the requisite number of words.

Mr. QUIE. Mr. Chairman, will the gentleman yield?

Mr. BELL. I yield to the gentleman from Minnesota [Mr. QUIE].

Mr. QUIE. I merely wished to point out at this time, Mr. Chairman, in the record, from the testimony of Mr. Paul R. Hunt, dean of occupational studies, Washtenau Community College, Ann Arbor, Mich., before the General Subcommittee on Education, July 13, Mr. Hunt said:

Part (b) of Congressman PERKINS' first point has to do with residential vocational schools. When it was first announced that such schools might become a reality in Michigan, it created much enthusiasm among those of us who were working in large cities or rural school districts where youths live who definitely need to be relocated to relieve them of surroundings that are not conducive to furthering their education. Such schools, if administered correctly, would help youths experience a wider vision of themselves and the world of work. Such schools could provide occupational, vocational and technical training in addition to remedial health and academic programs. Such schools, it was thought, could deal with the human side of community life and not be involuntary or custodial in any way. There is a great need for residential vocational schools for the truly educationally, culturally and adult deprived youth. By adult-deprived, I mean those youths who have very limited contact with a good adult model. These are the kind of adults that provide the guardianship that youth needs.

For a while we saw some hope in the Job Corps center in Michigan for some youths. The Center does a good job with those highly selected youths who enter the Corps. For example, youths coming to our Michigan center are of average intelligence, in good health, a reasonably good record in their community, and are closely associated with that level of student in school we call the "C" average.

Mr. PERKINS. You mean the Job Corps is not selecting the real poor student, poor youngster, that is from the intercity slums who is below the "C" average?

Mr. HUNT. "Poor" is a relative concept. I would say in this case they are more typical of the average "C" student we experience in our typical comprehensive high school program.

Mr. PERKINS. They are still overlooking the real disadvantaged youngster?

Mr. HUNT. In this case, yes.

Mr. PERKINS. Have you been through the Job Corps center in Michigan?

Mr. HUNT. Yes, I have.

Mr. PERKINS. And interviewed the youngsters?

Mr. HUNT. Yes.

Mr. PERKINS. And observed it closely?

Mr. HUNT. Yes.

Mr. PERKINS. You have not found this real hard core so-called disadvantaged youngster that we are seeking to do something for in the residential schools, vocational schools, enrolled in the Job Corps?

Mr. HUNT. Having an opportunity to compare the youths I found in the Job Corps center with the youths I worked with in the intercity, no.

So, Mr. Chairman, what we are talking about is not the real tough cases, on which one would expect to have high costs. What Mr. Hunt is speaking of, in Michigan, are those enrollees they should be able to train for at least as little as the residential training centers, which, as I put in the RECORD yesterday, averages a cost of $2,600.

Mr. GOODELL. Mr. Chairman, will the gentleman yield?

Mr. BELL. I yield to the gentleman from New York [Mr. GOODELL].

Mr. GOODELL. To clarify the record I read from the CONGRESSIONAL RECORD of yesterday, page 24141.

We have a breakdown from the OEO, it shows in the coming year $8,120. In the year after that it is $7,765.

Subsequently, on the following page, the gentleman from Michigan [Mr. WILLIAM D. FORD] stated:

The chairman of our committee on the floor of the House just a few moments ago told the Congress very candidly that we do not expect the cost per enrollee to get below $7,765 per year until sometime after fiscal year 1968.

We are playing with figures here. Yesterday we could not go below $7,800 for 2 years and now we can go to $7,500. Obviously we will accept the amendment, because it is the only thing available. There is nothing else that can be done. You have already rejected a more realistic ceiling. I would certainly not vote against a ceiling when we have had all of these fine sincere people telling us, Mr. Chairman, that you must go to $9,100 or to $9,700 in order to save these poor youngsters. We will vote for a $7,500 ceiling and accept the gentlewoman's contribution, but we believe it should be far lower than that, as the gentlewoman from Oregon, I am sure, does also.

The CHAIRMAN. The question is on the amendment offered by the gentlewoman from Oregon [Mrs. GREEN].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. QUIE

Mr. QUIE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. QUIE: On page 3, line 18, strike out "45,000" and insert "30,000".

Mr. QUIE. Mr. Chairman, I think if, coupled with the amendment which was offered by the gentlewoman from Oregon that was just adopted, we would pin this down to about the level of the Job Corps enrollees that we presently have—and the last figure I saw was 27,000 enrollees—this would enable them to take in the pipeline now for including in the centers now an additional 3,000 and bring the limit to 30,000 instead of 45,000. Then they will be required to work intensively on the number they presently have and do a good job with them within that $7,500 limit before we go to expanding the Job Corps any more.

Mr. Chairman, I ask for support of my amendment.

Mr. GIBBONS. Mr. Chairman, I rise to oppose the amendment.

Mr. Chairman, we just adopted a ceiling of $7,500 here. Now, let me tell you the position we are now in. If you will look at the amount of money being appropriated this year against what was spent last year in expenditures and what we are down to this year compared to last year, you will see that these camps have already been built. The facilities are in place, or else the contracts are let, and the buildings are now being built or rehabilitated.

The ridiculous position Mr. QUIE's amendment would leave us in is that we would have a lot of rehabilitated camps and a lot of rehabilitated buildings, and we would not be able to put people into them as we had planned to do this year. Instead of being able to live at the $7,500 ceiling we just adopted, we would have to live within the ridiculously high figures our friends on the opposite side have been talking about all along. So this is simply an attempt to embarrass those of us who are trying to do a conscientious job here. We cannot live within this 30,000 ceiling. We have talked about a 45,000 ceiling all year long, and this is the first time I ever heard anything about a 30,000 ceiling. If you want the cost to go up to a ridiculous level, then you should adopt the Quie amendment. If you want lower costs and a continuation of the facilities we have already built and paid for, then you will vote no on the Quie amendment.

Mr. QUIE. Mr. Chairman, will the gentleman yield?

Mr. GIBBONS. I will be glad to yield to the gentleman.

Mr. QUIE. When the gentleman speaks about capital costs that have already been laid out, he will recognize that capital costs were exempted from the determination of the $7,500 in Mrs. GREEN's amendment. So when you bring out the fact that they have already had high expenditures for capital costs, this is not counted in the $7,500. Therefore, if they are to keep within that figure, they can train a few more students per teacher.

Instead of having a 2 to 1 enrollee-teacher ratio they can have 3 to 1.

Mr. GIBBONS. You have to look at the capital costs and operating costs to get the costs to the taxpayer. That is what I am looking at. But you are looking at a political figure, and that is all you see, Mr. QUIE.

Mr. CALLAN. Mr. Chairman, will the gentleman yield?

Mr. GIBBONS. I yield to the gentleman from Nebraska, who can talk about this.

Mr. CALLAN. Mr. Chairman, a new Job Corps center is being opened at Lincoln, Nebr., and is being managed by the Northern Natural Gas Co., which is one of the finest companies in the Midwest. I have been working with these people in contract negotiations with OEO. I might point out that the contractual costs out there are $5,240.

So, Mr. Chairman, the OEO has been tough in its negotiations.

Mr. Chairman, we have a fine company, as the contractor believes in this program and wants to try it.

Mr. Chairman, if we drop the 45,000 figure down to 30,000, this means that a new camp, one which is just opening and just beginning, one which already has about 100 enrollees, will have to be closed.

Mr. Chairman, this represents a waste of the taxpayers' money.

Mr. Chairman, this is a new program. Northern is taking some of the top management in their company and they have brought them down to this center and want to make this program work, and I believe it will be a good one.

Mr. Chairman, I hope that this amendment will be rejected so that we can give this company and this operation an opportunity, and not close this center before it opens.

Mr. GOODELL. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, in the first place the latest figure we have is that there are about 27,000 people in the Job Corps now.

Mr. Chairman, in answer to the gentleman from Nebraska [Mr. CALLAN], the gentleman who just spoke, we will have a leeway of about 3,000 that can be added. Presumably, there will be some graduations during this period of time. But in any event, the gentleman from Florida [Mr. GIBBONS] indicated earlier that none of the money in the Job Corps appropriation authorization this year will go for capital construction.

So, Mr. Chairman, none of this money is going to new camps that we authorize in the future.

Mr. Chairman, the gentleman from Minnesota will simply, by his amendment if it is adopted, force them to more effectively and efficiently use their staffs and their present facilities.

And, Mr. Chairman, as the gentlewoman from Oregon [Mrs. GREEN] indicated yesterday, eliminate such situations on any significant scale where they would have one teacher for two students.

In other words, they can begin tightening their belts a little bit and live within these requirements.

Mr. WILLIAM D. FORD. Mr. Chairman, will the gentleman yield?

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

Mr. WILLIAM D. FORD. Mr. Chairman, I do not know where the gentleman comes up with the figures that he cites, but they are not at all accurate; but we have, effective as of the 26th of September, a different figure.

Mr. GOODELL. The gentleman from Michigan [Mr. WILLIAM D. FORD] has had access to the OEO. We requested these figures during this last week and they did not give us the answer then.

Mr. WILLIAM D. FORD. Mr. Chairman, it is 28,653, and there has been much made of the fact that there is a margin of 3,000 slots between 27,000 and 30,000. I believe the gentleman is aware of that. The OEO has already contracted for 36,000 slots and we are actually in the position now to accommodate 36,000 people and very shortly we will be in a position to take on 31,000. This is the figure already assigned.

Mr. GOODELL. Of course, I would admit to the gentleman that the 45,000 limitation was not in the law before.

I favor some limitation until they get this program working properly. I do not think they ought to just go on expanding and building more camps and filling them at a cost of $9,700 a year. Now you get into the circular reasoning that we have to increase the number of enrollees in order to cut down the costs. As a practical matter, I do not believe this is a fact. I think they could utilize what facilities they have constructed. There is no construction money supposedly in this bill whatsoever according to the gentleman from Florida [Mr. GIBBONS] and they could utilize these facilities with the 30,000. Then we would have a program that all of us on a bipartisan basis could support and improve.

I would reiterate my belief in the Job Corps concept, having urged it back in 1961 as a residential, experimental skill center in the District of Columbia. But I do not think the Job Corps has very much relationship to that kind of skill center or to the kind of vocational schools that are really doing a job across this country.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota [Mr. QUIE].

The amendment was rejected.

AMENDMENT OFFERED BY MR. GOODELL

Mr. GOODELL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. GOODELL: On page 3, strike out the quotation mark at the end of line 18, and after line 18, insert the following:

"(g) The Director shall establish appropriate procedures to insure that the transfer of Job Corps enrollees from State or local jurisdiction shall in no way violate parole or probationary procedures of the State. In the event procedures have been established under which the enrollment of a youth subject to parole or probationary jurisdiction is acceptable to appropriate State authorities, the Director shall make provisions for regular supervision of the enrollee and for reports to such State authorities to conform with the appropriate parole and probationary requirements in such State."

Mr. WILLIAM D. FORD. Mr. Chairman, will the gentleman yield?

Mr. GOODELL. I yield to the gentleman.

Mr. WILLIAM D. FORD. Mr. Chairman, I have seen the amendment of the gentleman from New York [Mr. GOODELL]. He gave it to us yesterday. In behalf of the committee I would like to say we accept it.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. GOODELL].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. GOODELL

Mr. GOODELL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. GOODELL: On page 4, line 3, after "SCHOOLS" insert the following: "; MILITARY CAREER CENTERS".

On page 4, line 5, strike out "section" and insert "sections".

On page 4, in line 15, strike out the quotation mark, and after line 15, insert the following:

"MILITARY CAREER CENTERS

"SEC. 112. (a) The Director shall provide, through agreement with the Secretary of Defense, for the establishment and operation by the Secretary of Defense of military career centers at which enrollees assigned thereto will be provided education, training, and other activities to prepare them for military service. Such centers shall be so operated as to equip the enrollees for a successful military career.

"(b) Enrollees in military career centers shall (1) have evidenced an interest in the possibility of qualifying for a military career or have expressed a special preference to become an enrollee in the military career center and (2) are not qualified for military service, but who show promise of becoming qualified for such service through preparation received in a military career center.

"(c) The Secretary of Defense shall have full and complete authority to design, program, and administer the military career centers and shall have complete authority over enrollees in said center. The Director's sole responsibility in connection with the military career centers shall be the screening and referral of applicants."

Mr. GOODELL. Mr. Chairman, this is a new proposal of the opportunity crusade that was in our bill when we introduced it in the early spring. Subsequently, the Secretary of Defense has announced a somewhat different program.

Our proposal would be that along with the conservation camps and the urban camps, there be set up under the Secretary of Defense what are called military career centers. They would be designed to help youngsters who want to make a career of the military service or who want to get into the service, but who are otherwise unqualified.

There would be no compulsory aspect to it. We find that one of the ambitions of youngsters, particularly in the urban slums, is to get into the military service.

We find a fairly significant number of those who drop out of the Job Corps camps, or who graduate from Job Corps camps, go into the military service. Many of the slum youngsters are unqualified because their mental aptitude is too low. Selective Service has held their requirements at a fairly high level. Some of them are disqualified for other deficiencies that are correctable. This program would be for volunteers to go into a military career center run by the Secretary of Defense, and they would there be equipped to join the Regular service.

I would emphasize that it is not our purpose, as seems to be the purpose of the Secretary of Defense, to take youngsters who will never qualify for the military service, who are below military standards, and who have very little hope of serving usefully in the military service. This would take that marginal group of youngsters who could be helped and who want to go into the service. At

this particular time in our country's history and the manpower crisis we have, these people who want to volunteer to serve in the service should be given that opportunity. This could be run on an economical basis. I am confident we would find the cost per enrollee far, far below the extravagant costs that we have now in both the urban and the conservation centers.

I urge the adoption of the amendment, and yield back the balance of my time.

Mr. WILLIAM D. FORD. Mr. Chairman, I rise in opposition to the amendment.

This is not a new proposal. Again I remind the Members that we voted against it yesterday. But it does at first blush have some appeal to those who might think of this as a possible substitute for military service for these boys.

In the first instance, I suspect that probably this amendment should not be before the House without first having been considered by the appropriate committee of the Congress, the Armed Services Committee, which might very well hold hearings on such an idea. I do not oppose the idea at all, but I do not think that it is a concept that can be tacked on the Job Corps without doing near-fatal damage to the program. Let us examine for a minute what we would do if we accept the proposed military-type situation, or superimposed it upon the structure of the Job Corps.

First, clearly the Job Corps is not an alternative to military service, and it would not give an enrollee any exemption from or deferment from service in the military. If a boy is capable of being drafted, he is drafted. The fact is that the vast majority of the boys that we have as enrollees are not qualified either physically or mentally to be draftees at the time they come to the Job Corps.

However, on completion of their training many of these boys are going into military service. It is one of the finest examples of the success of this program. Mr. McNamara discussed this proposal some time ago. He had in mind the people we classify as 1–Y under the draft system, which is a miscellaneous group of people with problems that would keep them from being what the military considers at this particular point of time a desirable candidate for service—and not the 4–F.

Mr. McNamara's plan, as he envisaged it after considerable study, did not get to the 4–F.

Mr. Chairman, the program that we have been talking about here for the past few days is a program for the worst kind of 4–F's; the boys who are too skinny to qualify as decent 4–F's. This is not a program that would serve as an alternative to military service. A very important strength of this program is that it is voluntary.

These are mostly slum kids who, in every instance, are young men and young ladies from a very difficult background, who voluntarily submit to this program and participate in it. The minute that this takes on the aspect of a military or semimilitary program, we lose that voluntary status and we lose a great deal of the appeal of the entire program.

Mr. GOODELL. Mr. Chairman, will the gentleman yield?

Mr. WILLIAM D. FORD. I yield to the gentleman from New York.

Mr. GOODELL. Mr. Chairman, I believe the gentleman's statement might have confused some people. Let me make it clear that this is added onto the existing Job Corps, so it is not a substitute for the present conservation and urban camps.

Mr. WILLIAM D. FORD. How much money does the gentleman propose to appropriate for this add-on?

Mr. GOODELL. We would not add on any money, because the authorization has been passed already in this bill. It is my recollection we would have authorized $50 million for it, but in any event with reference to the proposal of the gentleman, I would like to comment.

Mr. WILLIAM D. FORD. Mr. Chairman, I decline to yield further at this point. The gentleman indicates this is an add-on. It is an add-on without any money. He has a limitation on us of $7,500 per enrollee. We have a limitation in the number of enrollees of 45,000 training slots. Now he would take a large share of those training slots and allocate them to a military type camp, appropriate no money, and say it is an add-on.

It is not an add-on at all. It is an effort actually to redirect the program. Just a few moments ago, when we were talking about the total number of slots available, we indicated they were already underway with programs to provide us with the maximum we were now allowed under legislation in conservation centers and urban centers. Now to ask the Office of Economic Opportunity to redirect the programs would mean we would have to close down some of the urban centers.

Mr. QUIE. Mr. Chairman, I rise in support of the amendment of the gentleman from New York.

Mr. GOODELL. Mr. Chairman, will the gentleman yield?

Mr. QUIE. I yield to the gentleman from New York.

Mr. GOODELL. Mr. Chairman, I will not take long, but I want to answer the gentleman. In the first place, it is completely within the discretion of the OEO as to how much they allocate to this program. It would appear they could work out an agreement for some of the funds to be carried by the Secretary of Defense. I would assume they could work this out in conjunction with the program, and it is somewhat different from that program, the Secretary of Defense has indicated he is embarking upon.

I would, secondly, stress that this is not a compulsory program. It is not a military compulsory situation. It is totally voluntary. The gentleman's use of the word "compulsory" is misleading. In the amendment specifically, it is made voluntary. It is only for those youngsters who want and aspire to a military career and who aspire to get into the service. They will be given that opportunity to the extent that OEO and the Secretary of Defense are able to offer the opportunity.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. GOODELL].

The amendment was rejected.

AMENDMENT OFFERED BY MR. QUIE

Mr. QUIE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. QUIE: On page 7, after line 12, insert the following:

"TRANSFER OF WORK TRAINING PROGRAMS TO DEPARTMENT OF LABOR

"SEC. 108. (a) The functions of the Director of the Office of Economic Opportunity under part B of title I of the Act are transferred to the Secretary of Labor. The functions transferred by this section shall be performed by the Secretary of Labor or, subject to his direction and control, by such officers, agencies, and employees of the Department of Labor as he shall designate.

"(b) There are transferred to the Department of Labor, for use in connection with the functions transferred by subsection (a), so much as the Director of the Bureau of the Budget shall determine of the personnel, property, records, and unexpended balances of appropriations, allocations, and funds (available or to be made available) of the Office of Economic Opportunity as relate to functions transferred by this section."

Mr. QUIE. Mr. Chairman, as one could hear from the reading of the amendment, this would transfer what we now know as the Neighborhood Youth Corps over to the Department of Labor.

The Neighborhood Youth Corps, which we attempt to transfer from the Office of Economic Opportunity to the Department of Labor, as we know, is actually administered by the Labor Department.

However, the Department of Labor does not have the policymaking authority.

Our committee hearings pointed out how poor, even communication is between OEO and Labor about the program. When Sargent Shriver testified and was questioned concerning ineligible enrollees, he stated that there were only 5 ineligibles, and on the same question, Secretary Wirtz stated there were 1,700 ineligibles. We agree with Mr. Wirtz's more stringent application of the rules. Therefore, our amendment would give all responsibility for the Neighborhood Youth Corps to the Department.

I believe the transfer would enable us to better coordinate this with the other programs already operated by the Department of Labor. For that reason, I believe this would be a good amendment.

Mr. BRADEMAS. Mr. Chairman, I rise in opposition to the amendment.

I must oppose the amendment of the gentleman from Minnesota for a number of reasons.

The gentleman really has not suggested any particular advantage which would be gained by transferring the Neighborhood Youth Corps over to the Department of Labor.

I believe it is appropriate in this respect for me to cite the response made to a question put to the Secretary of Labor himself on this very point of the relationship between the Department of

Labor and the Office of Economic Opportunity in the administration of the Neighborhood Youth Corps. Said Secretary Wirtz:

I think quite candidly, the working relationship there, and I don't mean just in light cooperation, I mean in hard terms of people working together, and not doing other people's jobs, has been almost complete and almost perfect.

Secretary Wirtz went on to say that, so far as the Neighborhood Youth Corps program is concerned, he believes the tie-up works "almost ideally."

There is another reason why the suggestion of the gentleman from Minnesota is unwise. It is that effective coordination of the war on poverty requires a close relationship between the Office of Economic Opportunity and the several antipoverty programs that are authorized by the Act. It seems to me that we would lose the thrust of the entire Economic Opportunity Act, which is to be of assistance in fashioning programs to give greater opportunity to the very poor people in our country, if we were to transfer these programs away from the administrative control of that agency which has primary responsibility for the conduct of all these programs, the Office of Economic Opportunity.

I believe it is significant that even the substitute offered by the gentleman from Minnesota, if I heard him correctly, there is a provision requiring that NYC projects be funded through local community action agencies. So if it is admitted that there should be a clear connection at the local level between the Neighborhood Youth Corps and the overall antipoverty effort, it seems to me wise to maintain it at the Federal level as well.

I hope the amendment of the gentleman from Minnesota will be defeated.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota [Mr. QUIE].

The amendment was rejected.

AMENDMENT OFFERED BY MR. GOODELL

Mr. GOODELL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. GOODELL: On page 6, strike out "and" in line 10; strike out the period in line 15 and insert: "; and (5) no grant shall be made for a Neighborhood Youth Corps out of school program unless specific provisions have been made for appropriate training and basic education constituting at least one-fifth of the period for which they are paid."

Mr. GOODELL. Mr. Chairman, this is a very simple amendment. It conforms to the original intention of the Director of the OEO and the Secretary of Labor. They indicated, when they first came before us in our committee, that in the Neighborhood Youth Corps program the objective was to have basic training in education.

The Neighborhood Youth Corps is broken generally into two groups. One is a program for in school enrollees. These are the potential dropouts who are in need of money in order to stay in school. Obviously these youngsters will get an education. They work part time to get pocket money in order to stay in school. The second part of the Neighborhood Youth Corps is called the out of school program. It is for those youngsters who have dropped out of school and whom we want to encourage either to go back to school or get them working while acquiring some basic education and training. Unfortunately, the Secretary of Labor testified to us this year that in the out of school program only 10 percent of the enrollees—only 10 percent—were getting any education or basic training—10 percent of the out of school Neighborhood Youth Corps boys and girls are getting any training or education. This means that for 90 percent of the Neighborhood Youth Corps out of school enrollees all they are getting is money in their pockets and the chance to work at whatever is offered to them.

The whole concept of the Neighborhood Youth Corps is to uplift these youngsters; not to give them a menial job at which they will subsist the rest of their lives at public pay but to get them some money in their pockets and some work experience and in addition to start them with some meaningful basic training in education.

As testified to by the Secretary of Labor and by Mr. Shriver, they felt they would work out 5-day programs and 4 days the Neighborhood Youth Corps youngsters would be employed. The fifth day for 8 hours he would have some kind of basic education or training. It is shocking, with the money we have been spending on the Neighborhood Youth Corps, that only 10 percent of the out of school Neighborhood Youth Corps youngsters have been getting any training or any education along with their work. My amendment would require that before a grant is made to a local Neighborhood Youth Corps program, provision be made to the satisfaction of the Director that they are going to provide some kind of basic education or basic training for at least one-fifth of the period for which they are paid.

This is a clear and simple amendment, and I believe by this requirement we can see to it, when the director is petitioned for money for a Neighborhood Youth Corps program, that he will go back and say, "Fine. We will give you the money, but you show us where you are going to give them basic education and where you are going to give them some basic training so you are uplifting them for the future as well as putting money in their pockets at the present." I believe that the amendment will do a great deal to improve the Neighborhood Youth Corps program, and I ask for its adoption.

Mr. BRADEMAS. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from New York.

I say this, however, Mr. Chairman, at the same time that I make the observation that I am in substantial agreement with a good deal of what the gentleman from New York just said. It is precisely for this reason that in section 112 of H.R. 15111, the committee provides that in the shaping of the Neighborhood Youth Corps programs, the Director shall—and I emphasize the word "shall"—be "formulate and carry out programs" to provide Neighborhood Youth Corps enrollees with "educational and training assistance, including basic literacy and occupational training designed to assist the individuals to develop their maximum occupational potential." I have been reading from the language of the bill.

So it seems to me, Mr. Chairman, that the language in the committee bill does precisely what the gentleman is urging. For we want to increase the holding power of the Neighborhood Youth Corps not only by making available a variety of services in the way of education and literacy training both from Community Action programs and from the Elementary and Secondary Education Act, but such resources may not be available from either of these two sources, to make it possible, as the amendment in the committee bill does, for the sponsors of the Neighborhood Youth Corps programs to include such training and educational assistance in the programs.

For that reason, Mr. Chairman, I believe that the committee amendment is quite adequate without putting in the additional restrictions represented by the amendment of the gentleman from New York.

Mr. Chairman, I urge the defeat of the gentleman's amendment.

Mr. GOODELL. Mr. Chairman, will the gentleman yield?

Mr. BRADEMAS. I yield to the gentleman from New York.

Mr. GOODELL. Mr. Chairman, I would say to the gentleman from Indiana that the committee bill has put in language which says that we hope we can do this. This is the broad purpose of it. That is what, basically, the officials of the administration raised and testified to originally that they were going to try to do.

Mr. BRADEMAS. I must tell the gentleman from New York that if he will look at page 4 of H.R. 15111, beginning on line 20, he will see the following language:

NEIGHBORHOOD YOUTH CORPS

SEC. 112. (a) The Director shall formulate and carry out—

(1) programs to provide part-time employment, on-the-job training, and useful work experience for students from low-income families who are in the ninth through twelfth grades of school (or are of an age equivalent to that of students in such grades) who are in need of the earnings to permit them to resume or maintain attendance in school, and

(2) programs to provide unemployed individuals useful work experience and on-the-job training, combined where needed with educational and training assistance, including basic literacy and occupational training designed to assist the individuals to develop their maximum occupational potential. Participation shall be limited to individuals aged sixteen through twenty-one years.

Mr. GOODELL. Mr. Chairman, will the gentleman yield further?

Mr. BRADEMAS. Yes, I yield further to the gentleman from New York.

Mr. GOODELL. Mr. Chairman, the Secretary or the Director is under an obligation to the Congress to set up these programs. I am sure that he will go

ahead and try to set them up under this prescription.

However, Mr. Chairman, my amendment would require them to make provision for this locally before they are funded.

The language as contained in the bill says, in effect, that the Secretary shall go ahead and set up general programs which try to get these boys and girls into the program.

Mr. BRADEMAS. Mr. Chairman, permit me to state to the gentleman from New York that we think his proposal may be too stringent, because there may well be cases where all the out-of-school youngsters in a local Neighborhood Youth Corps program may not need remedial education and it would, therefore, be a waste of expenditures to require a local Neighborhood Youth Corps sponsor to set up such a program.

That is why the language of the bill says, that useful work experience and on-the-job training are to be provided combined "where needed with educational and training assistance."

And, Mr. Chairman, I might further point out that some NYC programs provide such services at no expense to the contractor. The gentleman's amendment might well lead to Federal expenditures for services that are already provided elsewhere.

Mr. GOODELL. Mr. Chairman, if the gentleman will yield further, that certainly would not be true. All that is required is that they get this minimal training and we have provided that it would make no difference.

Mr. Chairman, the first point that the gentleman made, that they may not need this basic training and education, that is the entire purpose of the Corps. Everyone who participates in this program is supposedly a person who needs some kind of education and basic training. That is the concept of this entire legislation and this entire approach. No one has testified differently, nor has the Secretary taken a different position.

Mr. BRADEMAS. Mr. Chairman, if the gentleman will yield further, I would ask that the gentleman read the bill and read it carefully. If the gentleman will read the bill, the gentleman will see that with reference to the criticism that the gentleman has very intelligently raised, we have come up with a more effective and flexible provision, and I therefore urge the defeat of the gentleman's amendment.

Mr. FARBSTEIN. Mr. Chairman, I move to strike the requisite number of words.

Now, Mr. Chairman, I do not know the technical phases of this legislation, because I am not a member of the Committee on Education and Labor.

But, Mr. Chairman, it so happens that in the congressional district which it is my honor to represent we have a Neighborhood Youth Corps, which operates, under the name of "Mobilization for Youth" program.

Experience gained in the early Mobilization for Youth project on the Lower East Side was part of the planning and built into the Neighborhood Youth Corps concept. That work experience could provide the exit for disadvantaged youth from poverty was proved early in the Mobilization for Youth project. Mobilization is still leading the way. The Neighborhood Youth Corps has funded a demonstration project—now in operation. Since 1962 Mobilization has helped hundreds of young people through meaningful work experience. Remedial education is now being built into the project in two ways: First, as part of the job experience, and second, after work hours are finished. It is expected that the results can be used in projects all over the country.

Mr. Chairman, experience has shown that these various programs must be such as to attract young dropouts and if you are going to wait until you have a certain proportion of young people before you start funding, you will never get off the ground.

Mr. Chairman, I know that this program—the Mobilization for Youth program—does meet the criteria for antipoverty funds.

Mr. Chairman, these people are taught to be carpenters; they have students where they teach them to be short-order cooks, service station attendants, and garage workers.

Mr. Chairman, so while I believe the idea of the gentleman from New York is salutary, nevertheless it would deny the very purposes of the program.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. GOODELL].

The question was taken; and on a division (demanded by Mr. QUIE) there were—ayes 16, noes 40.

So the amendment was rejected.

Mr. GOODELL. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] One hundred and three Members are present, a quorum.

AMENDMENT OFFERED BY MR. ERLENBORN

Mr. ERLENBORN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ERLENBORN: On page 6, strike out lines 16, 17, 18, 19, and 20, and on line 1 of page 7, strike out "(c)" and insert "(b)".

On page 7, in line 4, strike out the quotation mark and after line 4, insert the following:

"INDUSTRY YOUTH CORPS

"SEC. 114. (a)(1) There is hereby established under the Neighborhood Youth Corps a program to provide employment of youths between the ages of sixteen and twenty-two in private, profitmaking enterprises. The Director is empowered to make such regulations as he shall deem necessary to insure that private employment of such youths shall be under such conditions and terms as to meet all requirements of public and private non-profit programs, and to insure that participating youths benefit from their employment without exploitation or unreasonable profits by the employer.

"(2) Programs to provide employment for youths under this section shall only be approved if they are implemented through contracts between a qualified community action agency and employers under conditions of supervision and regulation by such said qualified community action agency.

"(b) The Director shall approve an application under this part only if he finds that enrollees in the program will be employed under a contract or agreement between the qualified community action agency and an employer under which the enrollees will be provided on-the-job training that meets the following requirements:

"(1) The training content of the program is adequate, involves reasonable progression, and holds promise that it will result in the qualification of trainees for suitable employment.

"(2) The training period is reasonable and consistent with periods customarily required for comparable training.

"(3) Adequate and safe facilities and adequate personnel and records of attendance and progress will be provided.

"(4) The enrollee will be compensated at such rates, including periodic increases, as may be deemed reasonable under regulations of the Director, but in no event shall exceed the rate of pay for regular employees performing similar services.

"(5) No enrollee will be permitted to participate in the program for more than a year, except that an enrollee may be permitted to participate for one additional year if it is ascertained that (A) he will benefit from an additional year under the program, (B) his employer is making adequate provision for his possible long-term employment, (C) he is unable to qualify for suitable employment without part of his wages being paid from sources other than his employer or for other training suitable to his needs, and (D) consideration has been given to the feasibility of the employer paying a larger portion of his wages in view of his experience and training.

"(6) Adequate provision is made for supplementary classroom instruction where appropriate.

"(7) The training will increase the employability of the enrollee in occupational skills or pursuits in which the Secretary finds there is a reasonable expectation of his permanent employment.

"(8) The employer shall pay at least 66⅔ per centum of the enrollee's wage."

The CHAIRMAN. The gentleman from Illinois is recognized for 5 minutes in support of his amendment.

Mr. ERLENBORN. Mr. Chairman, title I–B of the Economic Opportunity Act is popularly known as the Neighborhood Youth Corps. It is extremely significant that the title given this program in the act is "Work Training." The title states the clear directive that the enrollees in the program be given training. The purpose of the program can be twofold; either to train the youth for a permanent job or to equip him, for the most part financially, to resume or continue his education.

While thousands of youths have been enrolled in the program over the past 2 years, it is evident that the "training" purpose has been neglected in order to fulfill another purpose—that of keeping youngsters off the street—a sort of babysitting program for older babies. In keeping the youngsters off the streets during the long, hot summer, the Neighborhood Youth Corps has failed to prepare the youngsters for the even longer cold winter. Is the program providing the youngsters with the necessary training to enter the private sector of our economy? No. The title "Work Training" has been completely forgotten and been replaced.

The extent of how little training is really being provided was revealed by the

testimony of Secretary of Labor Willard Wirtz in his testimony before the House Subcommittee on Poverty this year. He disclosed that only 10 percent of the Neighborhood Youth Corps enrollees were receiving any remedial education. Nothing has been done, because of a prohibition in the law, to train youths in private industry.

The amendment which I am offering would establish an industry youth corps for the training and employment of unskilled young people in private industry. Enrollees in the program would be those youths who, it has been determined, cannot profit from further regular academic training. Two-thirds of the wages of the enrollee would be paid by the employer and one-third will be paid by OEO, thus enabling many more youths to participate at less public expense. Strict training standards are applied for the protection of the enrollee.

Bowing to pressure that Neighborhood Youth Corps enrollees receive some actual job training, the Democrats included in the committee bill this year a phrase almost obscured in the remainder of the bill, which states:

(b) in approving on-the-job training projects, the Director is authorized to enter into agreements with other than public or private nonprofit organizations to pay reasonable training costs but not wages paid to enrollees for services performed.

Since it was Republicans who first proposed an Industry Youth Corps, we are in favor of a program that provides productive jobs and training for young people in private industry but the amendment to the bill, under consideration is unacceptable.

Carefully evaluated, the Democratic amendment does not fulfill the need of enrollees for vocational training. The worst feature is that absolutely no criteria are established for training, selection of enrollees, or qualification of sponsors. We shudder to think of a repetition of the abuses which have developed because of an absence of guidelines in other war on poverty programs.

Mr. Chairman, I hope that the amendment will be adopted.

Mr. BRADEMAS. Mr. Chairman, I rise in opposition to the amendment.

This amendment is not a sound one. It would authorize the use of Federal funds to pay a third of the wage costs of employing Neighborhood Youth Corps enrollees in profitmaking organizations.

There is no mention of assistance or matching with respect to nonwage items, such as training costs. It is very difficult indeed to tell from the language of the amendment whether any or all of these costs would be paid by the Federal Government.

In view of what the gentleman from Illinois just said about the dangers of the committee amendment, it ought to be pointed out with respect to his own amendment that the use of Federal funds to subsidize private employers in the manner in which his amendment would propose is fraught with a number of potential problems of exploitation and competitive inequities.

I suggest, Mr. Chairman, that the provision in the committee bill relating to on-the-job training is far sounder, for under the provisions in the committee bill, the Federal Government would pay reasonable training costs but not wages. The competitive inequities I have suggested would be avoided. This approach is one Congress has adopted under the highly successful Manpower Development and Training Act.

Another point that should be mentioned in respect of the gentleman's amendment is this: Under his amendment the Federal share of the Neighborhood Youth Corps program, I believe I heard him say—and will he correct me if I am mistaken?—was 75 percent. Is that correct?

Mr. ERLENBORN. That is correct.

Mr. BRADEMAS. I would suggest to the gentleman that this degree of burden, of 25 percent burden on the local sponsors of the program, is an unrealistic one, as we have all found with experience under the Manpower Development and Training Act.

We feel very strongly on this side of the aisle, Mr. Chairman, that there is a good deal to be said for the inclusion of placement of enrollees in private industry in on-the-job training programs as part of the Neighborhood Youth Corps. In this respect we are in agreement with the gentleman on the other side of the aisle, but we feel that the committee approach will be a far sounder one.

Therefore, I urge rejection of the gentleman's amendment.

Mr. GOODELL. Mr. Chairman, I rise in support of the amendment. I believe the RECORD should be clear what we are doing here. Many of us feel we should be providing jobs in industry, productive jobs in private enterprise where possible. Those of us who do not oppose the Neighborhood Youth Corps concept feel that it is missing one major factor, that is, that it is limited to providing jobs in public or private nonprofit organizations. This would move into the fields where we can supplement a wage, where with carefully prescribed standards there can be no exploitation and an employer gives a guarantee that in his opinion this young person would qualify for a permanent job, where he would get on-the-job training, and where he has some promise of advancement. It would move into this field rather cautiously, but it is a field we must move into.

All of us are aware that one of the most critical problems in this country is the unemployment of unskilled youth. With all the advances we are making in cutting down unemployment in the other sectors, we are going backwards with reference to our young people. The unemployment rate for young people is remaining very stable, and, as a matter of fact, it seems at this stage, particularly among the Negroes, to be going up, while the general unemployment rate is going down. We constantly hear the argument given by some that the reason for this is the minimum wage, that employers would hire these youngsters if they did not have to pay such a high minimum wage.

Without getting into that argument one way or another—because I believe people should receive a minimum wage, and I supported the minimum wage legislation—this would give a positive approach to this problem. Government would pay some 40 to 45 cents on the boy's or girl's wage, and the employer would pay 80 cents or 85 cents or 95 cents. The employer would have an inducement to take this youngster, but it would have to be under prescribed circumstances where he could satisfy the director he was going to provide training and there was promise that he was going to provide an opportunity for this youngster to have a permanent job.

It is limited very carefully to a total of 1 year, unless there are very stiff, stringent requirements met for the second year.

It is all in the discretion of the Director to set up regulations to see that there is no abuse.

I say to the gentlemen who have argued against it and who probably will vote against it today, I believe very sincerely that in the next year or the next 2 or 3 years they will find themselves voting for this kind of plan, and they will have to look back and say, "We rejected it when it was proposed in 1966."

It is a good idea. It is sound. It should be adopted. If the gentlemen will open their minds to some new ideas which do not come from their side of the aisle, I believe they might feel there was real merit to this.

Mr. FRASER. Mr. Chairman, I move to strike the requisite number of words.

I wish to express my belief that this amendment has considerable merit. As I have looked at the operation of the Youth Corps and the on-the-job training program, it seems to me we have lost considerable opportunity to utilize the private sector of industry for providing work experience and work training opportunities which would be helpful to these young people. I believe we need to move in this direction because, if these young people can get into private industry settings, it is likely they will pick up work disciplines and skills and attitudes to help them survive in private jobs, and this will substantially enhance their future.

I commend the gentleman from Illinois and the gentleman from New York for offering this amendment. I would say, however, I find it somewhat of concern that this would draw down on the funds available for the regular Neighborhood Youth Corps program. For that reason I am not inclined to support it at this time.

I believe the concept is sound. I wish there were more attention given to developing this kind of idea.

I believe it has much promise and deserves more attention.

Mr. GOODELL. Mr. Chairman, will the gentleman yield?

Mr. FRASER. I am glad to yield to the gentleman from New York.

Mr. GOODELL. I appreciate the gentleman's comments and his support of the soundness of the concept.

With reference to the amount of money, unfortunately, because the authorizations were at the outset, there is no way we could increase that.

I would say to the gentleman that this is entirely in the discretion of the Director as to how much he will allocate to this program. He need not cut back significantly on the Neighborhood Youth Corps, if he feels the program is not taking hold.

The great value of it is that the Government would pay only one-third of the cost. Under the Neighborhood Youth Corps we pay 90 percent, and in reality, since they can make in-kind contributions for the 10 percent, we are in effect paying the whole salary.

If we were to pay only one-third, a great many more youngsters would be helped, if private enterprise moved in and cooperated and paid two-thirds of the way.

I thank the gentleman for his support.

Mr. FRASER. I thank the gentleman for those additional thoughts.

I am concerned, however, that the present Neighborhood Youth Corps be continued. I did witness its operation personally in my district last Friday. I am concerned about merely adding on this new program.

I do hope that the committee members will look at this kind of approach much more carefully in the future and that we can expand this kind of opportunity in the future.

Mr. SCHEUER. Mr. Chairman, I rise in opposition to the amendment.

I wish to say to my colleagues, there is nothing new and different about this amendment which is not already being carried on in existing programs. More than half of the 125,000 Manpower Development and Training Act enrollees are in on-the-job training programs for disadvantaged teenagers from slum areas.

There are a number of corporations which right now are doing excellent work in the Manpower Development and Training Act program. For example, the Department of Labor is working with 10 of the major steel companies in putting disadvantaged youths on the job-training program. The steel companies are represented by the president of the Inland Steel Co. and the president of the Republic Steel Co. I. W. Abel, the president of the Steelworkers Union, is cooperating in this effort.

A second example is the Chicago "Jobs Now" project. The Department of Labor has approved and funded an experimental and demonstration program to recruit and place 3,000 young men and women from the Chicago streets in suitable employment. More than 200 private business firms in Chicago are cooperating with the YMCA, the urban league, the State employment service, and the city of Chicago in providing productive employment for those youths who are hardest to reach.

The project is designed to provide 2 weeks of job-oriented training including human relations, work concepts, grooming and hygiene, money management and transportation problems. Business and industry have agreed to waive the usual standards for employment—a high school diploma, no police record, and minimum aptitude test scores. As the youths are placed in jobs, special programs are developed to enhance their work habits and skill performance levels. Each program is tailored to fit the individual company, and includes such techniques as orientation sessions with supervisory personnel; classroom instruction in work attitudes, job skills, and/or basic education; simulated work site experience; human relations training for company personnel; and reimbursable on-the-job training subcontracts.

A unique feature of the project will be the operation of a seminar center conducted by the U.S. Employment Service for governmental, agency, and industrial personnel who are responsible for recruitment, training, and employment of the disadvantaged. Participants will receive human relations training on problems of dealing with the disadvantaged, as well as direct exposure to street-oriented youth.

The examples are many. For instance, the aerospace industry is cooperating after a meeting with Vice President HUMPHREY many months ago. The Northrop Aircraft Aviation Co. has several hundred young people from Watts in on-the-job training programs.

The trainees will be given an orientation program in the plant, and through interviews, tours, and consultation with a company counselor will start a training program in areas wherein it is felt he needs to gain further skills. In some cases it may be found that the trainee could begin immediately on-the-job training for a particular job, or he may need a balanced program of literary training and job skill tryouts. As his skills increase, he will be assigned to production areas and work in the regular job for which he is aspiring.

When an individual reaches a satisfactory production rate and is capable of doing the job full-time, he will be spun off into that job and removed from the training program. The training vacancy will be filled with a new employee recruited from the disadvantaged population.

Here in the East in Buffalo, the Opportunities Development Corp., a community organization, is sponsoring an experimental and demonstration project involving intensive counseling, supportive services, job development, on-the-job training, and basic and remedial education at the job site for 1,000 severely disadvantaged persons.

An extremely important feature of this project is a program to train 200 tutors for the basic education component of the project. The tutors are recruited largely from indigenous groups for a 6-week training program designed to develop tutorial skills in basic and remedial education and a knowledge of the problems and needs of disadvantaged persons.

The ODC is a community organization whose board is composed of representatives of the chamber of commerce, NAACP, education, civic groups, the Employment Service, and a wide range of businesses and industries.

These are only a few examples of what is being done to train the unemployed and disadvantaged. It is proof positive that private enterprise has already been willing to engage itself in this great undertaking.

But the Job Corps and the NYC are different programs. In a pluralistic society it makes sense for us to experiment and innovate to devise different means and techniques of working with these kids. The corporations have a fine and constructive role to play and they are playing it very effectively indeed. No such new program is needed at this point in time.

Mr. GOODELL. Mr. Chairman, will the gentleman yield?

Mr. SCHEUER. Of course. I am happy to yield.

Mr. GOODELL. I hate to see the gentleman say that no such program is needed.

Mr. SCHEUER. I said no such new program is needed because this training is progressing with very effective leadership in the Department of Labor.

Mr. GOODELL. It is very limited in its scope, though. They cannot pay the proper wages. On-the-job training with equipment and teachers provided to train the people working in the plant and being paid a regular salary and receiving wages which are proper for the job. Now, this is a brand-new approach which goes beyond on-the-job training and says that these youngsters may not be worth to you the $1.25 but you can take them at only two-thirds of that cost or $1.60, as we hope the minimum will soon be for all people under the new minimum wage law, for a 1-year period while they acquire some training and they will be worth the money we will have to pay them. This is an experimental new approach to offer these people jobs in private enterprise. The gentleman is the author of a provision in this bill to provide public jobs to people who cannot qualify for private enterprise jobs. This would presumably make that group of people you are trying to reach that much smaller and contract it.

Mr. SCHEUER. That is correct.

Mr. GOODELL. We should make more jobs available in the private sector.

Mr. SCHEUER. There is no question about it. We must have a dual approach, I believe, by providing jobs for unemployed youth both in the public sector and the private sector. Corporations have awakened, as I have just pointed out, to the need and they are doing very constructive and worthwhile experiments. In the long run these job programs in private enterprise will be highly valuable.

Mr. GOODELL. I do not understand the gentleman's opposition to this amendment, because it does do more than the Job Corps does on it at the present time.

Mr. SCHEUER. I believe that the very comprehensive committee bill is the best approach to these problems and that is why we must oppose this amendment.

Mr. GOODELL. There are provisions in here to see that it is not exploited. The guidelines for that are in here. The gentleman should be for this amendment from what he has said.

Mr. SCHEUER. I am for the program, and I believe the committee bill does the job.

Mr. GOODELL. The committee bill does nothing of this nature.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois [Mr. ERLENBORN].

The question was taken; and on a division (demanded by Mr. ERLENBORN) there were—ayes 26, noes 41.

Mr. ERLENBORN. Mr. Chairman, I demand tellers.

Tellers were refused.

Mr. GOODELL. Mr. Chairman, I make the point of order that a quorum is not present.

The Chair will count. [After counting.] Eighty-seven Members are present, not a quorum.

The Clerk will call the roll.

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

[Roll No. 315]

Albert	Hagan, Ga.	O'Konski
Aspinall	Harvey, Ind.	Olsen, Mont.
Ayres	Hébert	O'Neill, Mass.
Bow	Howard	Pirnie
Brown, Calif.	Johnson, Okla.	Poage
Callaway	Jones, Ala.	Pool
Cameron	Jones, Mo.	Powell
Carter	Kee	Pucinski
Celler	King, N.Y.	Rees
Clark	Kirwan	Resnick
Daddario	Kluczynski	Robison
Denton	Landrum	Rogers, Tex.
Derwinski	Long, La.	Roncalio
Dickinson	McClory	Rooney, Pa.
Dow	McMillan	Scott
Duncan, Oreg.	Mackie	Stephens
Dyal	Martin, Ala.	Teague, Tex.
Edwards, La.	Martin, Mass.	Thompson, Tex.
Evans, Colo.	Mathias	Todd
Fisher	Monagan	Toll
Flood	Morrison	Tuten
Flynt	Morse	Udall
Fogarty	Moss	Utt
Gray	Nedzi	Willis
Greigg	O'Hara, Ill.	Wright
Gubser	O'Hara, Mich.	

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. BROOKS, 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. 15111) to provide for continued progress in the Nation's war on poverty, and finding itself without a quorum, he had directed the roll to be called when 351 Members responded to their names, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

AMENDMENT OFFERED BY MR. ROUDEBUSH

Mr. ROUDEBUSH. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ROUDEBUSH: On page 6, before the semi-colon on line 7, insert "and no enrollee will be considered eligible if he has a parent employed by the Federal Government or as an elective or appointive official of a State or local government,".

Mr. ROUDEBUSH. Mr. Chairman, the purpose of this amendment is very clear. However, I would like to explain further in this manner: I am sure that my good friend, the gentleman from Florida, the chairman of the committee, who is handling this bill, is aware of the fact that we have had widespread criticism of this program in some sections of the country to the effect that children of employees of the Federal Government and employees of local governments have participated in a program designed to alleviate poverty. I feel that this has no place in our Neighborhood Youth Corps.

Mr. Chairman, the purpose of this amendment is very simple in nature. It merely precludes or prevents the children of a public employee from participating in the Neighborhood Youth Corps.

Mr. Chairman, I believe the question which we have to decide today in voting upon this amendment, is whether or not it is proper for the children of a public official or public employee to be eligible recipients of poverty funds.

Mr. Chairman, I believe it would be an indictment of our Federal pay system, as well as the pay system of our local employees and other employee echelons of Government, if we should permit these children to continue to participate.

Mr. Chairman, I believe this is a good amendment.

Mr. Chairman, I believe I speak for both sides of the aisle when I say that we have a quandary today. We have a bill pending before us that has so many different facets and so many different purposes that many of us would like to vote upon each section individually. Of course, this is impossible.

Mr. Chairman, why do many of us find ourselves in this quandary? My amendment would alleviate one of my objections.

Mr. Chairman, I am sure that this simple amendment which I have offered, if adopted, will alleviate much of the criticism of the Neighborhood Youth Corps.

Mr. Chairman, I hope that the Committee will accept the amendment.

Mr. RANDALL. Mr. Chairman, will the gentleman yield?

Mr. ROUDEBUSH. I yield to the gentleman from Missouri.

Mr. RANDALL. Mr. Chairman, I would like to ask the gentleman from Indiana [Mr. ROUDEBUSH] whether his proposed amendment applies only to Federal employees or does it apply to State and city employees?

Mr. ROUDEBUSH. Mr. Chairman, I would state to the distinguished gentleman from Missouri that the amendment, if adopted, would apply to all public employees.

Mr. RANDALL. Mr. Chairman, if the gentleman will yield further, I am glad to hear that statement, because if the amendment is adopted, I am sure it would be of help in our area.

Mr. Chairman, I would like to associate myself with the intent and purpose of the amendment which has been offered by the gentleman from Indiana [Mr. ROUDEBUSH].

Mr. ROUDEBUSH. Mr. Chairman, I thank the gentleman from Missouri.

Mr. Chairman, this is not a politically motivated amendment at all. I believe it is one amendment, if adopted, which would alleviate some of the criticism of the program which, personally, I believe has done a great deal of good for our Nation.

Mr. Chairman, I have discussed this proposed amendment with the chairman of the Committee on Education and Labor, and I hope the gentleman will see fit to accept this amendment.

Mr. GIBBONS. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the gentleman from Indiana [Mr. ROUDEBUSH] was certainly generous in his presenting to me and other members of the committee a copy of his proposed amendment.

Mr. Chairman, while the amendment appears attractive on its face, in that it is going to prevent sons and daughters of public officials and employees from working or participating in the Neighborhood Youth Corps, it does have one very serious defect, along with many others.

But, Mr. Chairman, the one very serious defect it contains is the fact that we have a lot of public employees in my own area and we have such public employees all over the United States of America, who participate in this program.

For instance, Mr. Chairman, we have the custodial help—the charwomen—who clean out the sanitary facilities around city hall. We have laboratory technicians and people who work in the jails, for instance.

Mr. Chairman, all of these people, by and large, earn a very minimal income, an income that is far below the poverty income level.

Mr. Chairman, we should not pay these people below a poverty level, but that is just the way the U.S. functions. It is a mistake, that the sons and daughters should be penalized because of the employment situation that their mother or father cannot help.

However, Mr. Chairman, we should not hold out the opportunity for these children, just because their mothers or fathers are not able to qualify for better positions in our society or because better jobs are not available to them.

So I would respectfully ask you to vote down the gentleman's amendment, as well intended as I am sure it is, because this is an opportunity act and we should not make second-class citizens out of the sons and daughters of those poor people who do the service jobs around our city halls and courthouses and in the streets—the street cleaners—who do some of the most nasty, distasteful work we have to do.

Let me say this that the neigborhood youth program has been one of the most instantaneously popular and successful programs next to Headstart that we have had. By and large it has been well administered.

Initially, in the area of the gentleman from Indiana [Mr. ROUDEBUSH] and in some other areas in Indiana, there were some abuses in the qualifications of the people.

Those abuses have all been straightened out.

In a program that involves nearly 1 million youngsters, occasionally someone is going to sneak in. But as soon as ineligible people are discovered, they are removed.

The administration of the program through the OEO and the Department of Labor and through the local contractors in my mind has been exceptional, and I

respectfully urge that the amendment be rejected.

Mr. ROUDEBUSH. Mr. Chairman, will the gentleman yield?

Mr. GIBBONS. I yield to the gentleman.

Mr. ROUDEBUSH. Mr. Chairman, I just wondered if the gentleman would concede the fact that this amendment has merely this purpose—whether or not a public employee's children should be suitable recipients of poverty funds. I think the gentleman would fully concede that a great deal of criticism has evolved around the fact that there are employees not only of the Federal Government but also of the State and local governments who have children who are recipients of poverty funds.

Mr. GIBBONS. Let me ask the gentleman before my time expires.

Mr. ROUDEBUSH. Yes, sir.

Mr. GIBBONS. We have so many public employees all around the country, we have public employees who just do not earn up to the poverty level. We have lunchroom people, ladies and widows who work in lunchrooms to try to earn enough money to keep their families together. We have street cleaners, garbagemen and all those type of people who are really the great lost segment of our society. I do not think we should penalize their children.

Mrs. GREEN of Oregon. Mr. Chairman, will the gentleman yield?

Mr. GIBBONS. I yield to the gentlewoman.

Mrs. GREEN of Oregon. I do not know whether the amendment would include the GI's but in the debate sometime ago when on the floor of the House we were talking about a pay increase for the GI's, it was pointed out, I believe, that about one-third were below the poverty level. These people are paid out of Federal funds. It seems to me that when a GI is not even paid as much as a job corps enrollee, we ought not to prevent his children from participating in the NYC program.

Mr. GIBBONS. The gentlewoman is correct.

Mr. BRADEMAS. Mr. Chairman, will the gentleman yield?

Mr. GIBBONS. I yield to the gentleman.

Mr. BRADEMAS. Mr. Chairman, I just want to add my own word of agreement with what the gentlewoman from Oregon has just said. I think it is particularly inappropriate that my colleague from Indiana should at a time when so many young Americans are fighting and dying out there in Vietnam have suggested an amendment which might have the effect of denying their sons and daughters back here in the United States the opportunity to participate in this important program.

Mr. GIBBONS. Mr. Chairman, I yield back the balance of my time.

Mr. GOODELL. Mr. Chairman, I move to strike out the last word.

Mr. ROUDEBUSH. Mr. Chairman, will the gentleman yield?

Mr. GOODELL. I yield to the gentleman.

Mr. ROUDEBUSH. I would like to say in answer to the gentlewoman from Oregon [Mrs. GREEN] as well as my good friend and colleague from Indiana [Mr. BRADEMAS] that I think this entire Committee completely realizes and understands the fact that I have no intention of precluding children of members of the Armed Forces from participating. I refer to "employees" and I hardly think a member of the Armed Forces who is gallantly defending this Nation in Vietnam is an employee per se of the Federal Government. He is serving his Federal Government, he is receiving funds from the Federal Government, but there is no intention so far as the legislative history of this amendment is concerned to preclude members of the Armed Forces.

Mr. GOODELL. Mr. Chairman, I would only want the RECORD to show that there have been substantial abuses in the Neighborhood Youth Corps program. The gentleman from Florida [Mr. GIBBONS] made reference to them all being straightened out. We do not know what may happen in the future, but from the indications we have had of recent date I doubt that they are all straightened out and we will have no further problems.

In Chicago they had to drop more than one-fourth of the Neighborhood Youth Corps youngsters last January because they were not eligible—they were not poor. We have had situations of this nature all across the land.

When Mr. Shriver testified before our committee, I asked him how many there were of such cases and he indicated they only had 50 ineligible in the Neighborhood Youth Corps, since the summer of 1965.

I questioned him further on this and he held to this figure.

The very next day the Secretary of Labor, Mr. Wirtz, said there were over 5,000. The question was precisely the same and I repeated it to Mr. Wirtz and he identified that they had had over 2,000 in New York City and over 1,700 in Chicago and 2,000 in another city. There were over 5,000 in three cities. It is very obvious that there was significant abuse in this program. We had examples from Kansas City and Los Angeles, Texas, all the way through Rhode Island. We also had a good many examples of mayors and other public officials putting their children on the Neighborhood Youth Corps payrolls. That is precisely what I believe the gentleman from Indiana is aiming at in his amendment.

Mr. WILLIAM D. FORD. Mr. Chairman, will the gentleman yield?

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

Mr. WILLIAM D. FORD. Perhaps I misunderstood the gentleman. I know he would not want the RECORD to indicate that he is saying that one-fourth of the boys who have been enrolled, young people enrolled in the NYC in Chicago were dropped because they were not poor.

Mr. GOODELL. The report was made last summer as to the Neighborhood Youth Corps program, and I went to investigate it in the fall. They had 7,800, and they dropped over 2,300 or 2,400. It was more than a quarter that had to be dropped subsequent to my visit to Chicago. They were dropped in early January of this year because they were over the limits that had then finally been enforced by the Labor Department. The Labor Department tells us they were enforced.

Mr. WILLIAM D. FORD. Mr. Chairman, will the gentleman yield further?

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

Mr. WILLIAM D. FORD. The gentleman raised the same point when the committee was considering the legislation. We discussed it at great length and went into it thoroughly. We discovered that numbers in Chicago became ineligible after they had been recruited for the program because of the change in the definition of qualifying income level.

Mr. GOODELL. That is not correct. The fact is that we did not discuss it at great length in the committee. Perhaps you gentlemen in the Democratic caucus, when you locked us out, discussed it in detail. But this was not discussed in detail with us. In fact, when I tried to question the witnesses at some length I was gavelled down by the chairman. The point is the figures are accurate, and the Labor Department indicated that they had sent out a new directive subsequently that confirmed and reinforced the standards that they had originally prescribed in this respect. The gentleman is referring to an entirely different question, and that is the question of making people on public assistance payrolls eligible. The Labor Department subsequently did modify and enlarge the eligibility along those lines. They certainly did not increase the stringency of the eligibility rules. The problem apparently was that they did not get it across, and communicate it to the local people effectively. At any rate, the programs that were set up showed a very high proportion of them with significant numbers of ineligible youngsters who were not poor participating in this program. These were 16- to 22-year-olds who were supposedly dropouts or potential dropouts.

Mr. RANDALL. Mr. Chairman, I move to strike the last word.

I am sorry I did not have the benefit of the amendment of the gentleman from Indiana earlier. I would hope we could adopt an amendment of this kind. It would really be a help to those who are trying to administer this program. I have knowledge of an example, where a prohibition of this kind would have been a great help. I think I know our poverty program administrators in the Kansas City area and I am sure they would welcome this kind of an amendment.

We had an incident last summer and I learned their desire for a restriction such as is being offered. They said "If we had something in the law that would keep relatives out of consideration for jobs we would not run into nearly so many problems."

The manager of the bill on the floor the gentleman from Florida said that the proposed amendment might affect a few charwomen adversely and a few janitors that are under the $3,000 income limit.

But there would not be very many of these. The Armed Forces situation has just been discussed. There is no application of this amendment to relatives of those serving in the armed services. Why cannot we adopt this amendment? If we are interested in making the program work better, let us give some help to the administrators. They would then be able to point to the law and say "Here, you are not eligible." That is the issue. This amendment should be adopted.

The CHAIRMAN. The question is on the amendment of the gentleman from Indiana [Mr. ROUDEBUSH].

The question was taken; and on a division (demanded by Mr. ROUDEBUSH) there were—ayes 35, noes 41.

Mr. GOODELL. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. ROUDEBUSH and Mr. GIBBONS.

The Committee again divided, and the tellers reported that there were—ayes 68, noes 75.

So the amendment was rejected.

Mr. SLACK. 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 West Virginia?

There was no objection.

Mr. SLACK. Mr. Chairman, I have listened with great interest to the debate on this proposal to amend the Economic Opportunity Act of 1964.

Like most of those present in the Chamber today, I can claim only limited firsthand knowledge of the operations of the antipoverty program.

It is a big program, a new program, and a heavily financed program.

Like all new programs, it has not been pursued without error upon occasion.

It deals with people who are largely without voice or organization and must depend on others to speak for them.

Its results are chiefly intangible and its true value may not be known for several years because there is no basis for comparison.

Given these factors, the antipoverty program is a natural target for political opposition.

But we are here today to discuss legislation on its merits.

And we have a right to assume that material brought before us in support of, or in opposition to, pending legislation is accurate in point of fact, particularly where such material bears a committee imprint.

While I have limited knowledge of the ramifications of the entire antipoverty program, I have reliable knowledge of the Women's Job Corps center facility in my home city of Charleston, W. Va.

On the basis of that knowledge, I say to you that the statements made regarding this facility on pages 95 to 100 of the committee report are misleading, a distortion of the facts, and therefore are not worthy of consideration by this committee.

These statements were originally made in this Chamber by spokesmen for the minority on March 21–23 and April 20.

The contentions advanced by the minority spokesmen were two in number:

First. That this installation is a flagrant example of political favoritism and of extravagant diversion of antipoverty funds into the pockets of democratic politicians.

Second. That the financial arrangements which have been made to secure the structure in which the Job Corps is located—a building known as the Kanawha Hotel—were extravagant and wasteful of the public funds.

On April 25, I submitted a complete refutation of the statements, both as to political aspects of placement of the facility and as to the presumed profits to be gathered by the owners of the building.

No documentary evidence counter to my statement has been brought to light during the past 5 months.

Yet the authors of these charges include them in a committee report dated June 1, 1966, long after their statements were challenged.

If this is the type of so-called documentation to be offered in this debate, then obviously the minority cannot hope to destroy the antipoverty program through discussion of the program's merits, or lack of them.

And if these five pages of misleading nonsense are typical of the minority argument, then there is no need to give serious attention to the remainder of their statement.

I am sure that no one here today would contend that the program is perfect, or that mistakes have not been made.

But it should be judged honestly by its objectives and its progress toward them, and by our hopes when the program was authorized.

On that basis we will come to a sound decision.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

TITLE II—AMENDMENTS TO TITLE II OF THE ACT

Community action—Definition of "community"

SEC. 201. Section 202(a)(1) of the Act is amended by inserting "in an attack on poverty" after "utilizes", and by striking out "in an attack on poverty" and inserting in lieu thereof "or any neighborhood or other area (irrespective of boundaries or political subdivisions) which is sufficiently homogeneous in character to be an appropriate area for an attack on poverty under this part".

Community action—Residence of area representatives

SEC. 202. Section 202 of the Act is amended by adding at the end thereof the following new subsection:

"(c) The Director shall not approve a community action program which is conducted, administered, or coordinated by a board which contains representatives from various geographical areas in the community unless such representatives are required to live in the area they represent."

Community action—Use of latest data in making allotments

SEC. 203. Section 203(b) of the Act is amended (1) by inserting after "State" the second time it appears in paragraph (1) the following "(as determined on the basis of the latest calendar or fiscal year data, whichever is later)", (2) by inserting after "States" the second time it appears in such paragraph the following "(as so determined)", (3) by inserting after "State" the second time it appears in paragraph (2) the following "(as determined on the basis of the latest calendar or fiscal year data, whichever is later)", and (4) by inserting after "States" the second time it appears in paragraph (2) the following "(as so determined)".

Community action—Salary limits

SEC. 204. Section 205(a) of the Act is amended by adding at the end thereof the following new sentence: "The Director shall require that where an agency pays an employee engaged in carrying out a community action program at a rate in excess of $12,500 per annum, payment of such excess shall not be made from Federal funds; and any amount paid such an employee in excess of $12,500 per annum shall not be considered in determining whether section 208(a) has been complied with."

Community action—Work training for unemployed

SEC. 205. (a) Section 205 of the Act is amended by striking out subsection (d).

(b) Part A of title II of the Act is amended by adding at the end thereof the following:

"Useful work training for unemployed adults

"SEC. 211–1. The Director shall formulate and carry out programs to provide unemployed adults useful work training opportunities which will enable individuals employed under the program to enjoy opportunity for promotion and advancement, enhance their prospects of normal employment without Federal assistance, and permit or contribute to an undertaking or service in the public interest, including, but not limited to, health, education, welfare, public safety, conservation, development or management of natural resources, recreational areas, Federal, State and local parks and playgrounds, and betterment and beautification of the community or area served by the program. Such work experience shall be combined, where needed, with educational and training assistance, including basic literacy and occupational training. Such program shall be conducted in a manner consistent with policies applicable under this Act for the protection of employed workers and the maintenance of basic rates of pay and other suitable conditions of employment. Assistance under this section shall not exceed 90 per centum of the cost of carrying out programs under this section unless the Director determines, pursuant to regulations adopted and promulgated by him establishing objective criteria for such determinations, that assistance in excess of such percentage is required in furtherance of the purposes of this section. Non-Federal contributions may be in cash or in kind, fairly evaluated, including but not limited to plant, equipment, and services. Of the sums appropriated to carry out this title in a fiscal year, not less than $88,000,000 shall be used only to carry out this section."

Community action—Use of public facilities

SEC. 206. Section 205(e) of the Act is amended by inserting before the period at the end thereof the following: "and to programs which make the maximum utilization of existing schools, community centers, settlement houses, and other facilities during times they are not in use for their primary purpose".

Community action—Funding independent programs; membership in sponsoring organizations

SEC. 207. Section 205 of the Act is amended by adding at the end thereof the following new subsections:

"(f) The director shall carry out this part in such a manner as to insure that, of funds

available for carrying out sections 204 and 205, at least 20 per centum will be used for carrying out independently funded community action programs which are carried on in communities in which there is being carried on concurrently a community action program for which an overall community action agency assumes responsibility for planning, developing, and coordinating communitywide antipoverty programs and provides for the involvement and participation of public and private nonprofit agencies. For purposes of this subsection, a program will be deemed to be independently funded if the grantee is one that develops, and is funded to operate only, programs which are of limited scope and which does not have broad comprehensive community representation on its policymaking board, whether or not the grantee sponsors one or several component programs.

"(g) No officer or employee of the Office of Economic Opportunity shall be an executive officer or a member of the board of directors of any organization (other than a religious organization) with which the Director has entered into a contract under this section to carry out a community action program or a component program thereof."

Community action—Research and demonstrations; narcotics addiction; emergency family loans

SEC. 208. Section 207 of the Act is amended by inserting "(a)" after "SEC. 207.", by striking out "15 per centum" and inserting "5 per centum", and by adding at the end thereof the following: "No grant or contract for a research or demonstration project shall be made under this section after January 1, 1967, except pursuant to an overall plan setting forth specific objectives to be achieved under this section and setting forth priorities among such objectives. Such plan, to the extent it contemplates activities or programs that may be undertaken by other Federal agencies or the making of grants or contracts that might be made by other Federal agencies having demonstration and research responsibilities, shall be approved by the Director only after consultation with such agencies. The Director shall include as part of the annual report required by section 608, or as a separate and simultaneous report, a description of the principal research and demonstration activities undertaken during each fiscal year under this part, a statement indicating the relation of such activities to the plan and the policies of this Act, and a statement with respect to each such category, indicating the time or period, and to the extent possible the manner, in which the benefits or expected benefits of such activities will or are expected to be realized. The Director shall require that all applications or proposals for research, training, or demonstrations shall be filed simultaneously in the appropriate regional office of the Office of Economic Opportunity, and shall require such offices to review and make recommendations with respect thereto within fifteen days from the date of filing.

"(b) The Director shall formulate and carry out under this section programs for the prevention of narcotic addiction and the rehabilitation of narcotic addicts. Such programs shall include provisions for the detoxification, guidance, training, and job placement of narcotic addicts. Of the funds available for carrying out this section in any fiscal year, not less than $12,500,000 shall be used to carry out this subsection.

"(c) The Director shall formulate and carry out under this section a program for making small loans to persons in low-income families to meet immediate and urgent family needs. The total outstanding balance of loans made to an individual under this subsection may not at any time exceed $300. Loans under this subsection shall bear interest at the rate of 2 per centum per annum and shall be made on such other terms and conditions as the Director may prescribe. In carrying out this subsection, the Director shall make maximum feasible use of Federal credit unions. Of the sums available to carry out this section in any fiscal year, not less than $8,000,000 may be used only to carry out this subsection."

Community action—Limitations on assistance

SEC. 209. Section 208(a) of the Act is amended by striking out "three years after the date of enactment of this Act" and inserting in lieu thereof "June 30, 1967", and by striking out "50 per centum" and inserting in lieu thereof "80 per centum".

Community action—Deletion of preference provisions; reservation of funds for Headstart and legal services programs

SEC. 210. Title II of the Act is amended by striking out section 211, and inserting in lieu thereof the following new section 211:

"Headstart and legal services programs

"SEC. 211. The Director shall take such action as may be necessary to insure that, of the sums reserved under section 203(a) for carrying out sections 204 and 205 for each fiscal year—

"(1) not less than $352,000,000 shall be used only for carrying out programs eligible for assistance under such sections which assist young children who have not reached the age of compulsory school attendance and which include (A) the furnishing of such comprehensive health, nutritional, social, educational and mental health services as the Director finds will aid such children to attain their greatest potential, (B) the provision of appropriate activities to encourage the participation of parents of such children and the effective use of their services, and (C) such other training, technical assistance, evaluation and follow-through activities as may be necessary or appropriate; and

"(2) not less than $22,000,000 shall be used only for carrying out programs eligible for assistance under such sections, which provide legal advice and legal representation to persons when they are unable to afford the services of a private attorney, together with legal research and information as appropriate to mobilize the assistance of lawyers or legal institutions, or combinations thereof, to further the cause of justice among persons living in poverty."

Adult basic education—Lack of basic skills

SEC. 211. Section 212 of the Act is amended by inserting after "lanuguage," the following: "or lack of similar basic skills,".

Adult basic education—State plan requirements

SEC. 212. Section 214(a) of the Act is amended to read as follows:

"SEC. 214. (a) The Director shall approve a State plan which sets forth a program for use, in accordance with section 213(b), of grants under this part, and which (consistent with such basic criteria as the Director may prescribe)—

"(1) contains a system of specific priorities adequate to assure the most effective use of funds, having regard to the number of persons described in section 212 in different areas of the State, the extent of their educational deficiencies, and to the degree to which local programs or projects under this part will assist such persons to become more responsible and effective citizens;

"(2) contains specific provisions for cooperative arrangements with appropriate public or nonprofit agencies within the State concerned with problems of poverty, employment, and health related to the purposes of this section, and sets forth specific procedures for implementing such arrangements in connection with local projects and programs, as necessary or appropriate to assure that related services or assistance needed by participants will be provided and that such projects and programs will be carried on in a coordinated manner consistent with the provisions and purposes of this Act;

"(3) provides such criteria as may be necessary to assure that all projects and programs are carried on in a way responsive to the needs and abilities of adults who are educationally and economically disadvantaged and that use is made of services, facilities, staff, systems, and methods that will best contribute to this objective;

"(4) provides that projects and programs initiated or supported under the plan will be subject to adequate procedures for evaluation of their effectiveness and for the dissemination of the results of such evaluations whenever appropriate to interested agencies and persons throughout the State; and

"(5) provides for administration by the State educational agency in accordance with procedures and policies to (A) assure proper disbursement of and accounting for all funds granted under section 213, (B) enable the State agency to make such prompt reports to the Director containing such information as may be required to permit him to determine the current status of operations or actions taken under the State plan, or as may otherwise be necessary to enable him to perform his duties under this part or any applicable provision of this Act, and (C) assure that such supporting books, records, and other documentation will be maintained, and made available to the Director, as he finds reasonably necessary to verify reports or otherwise discharge his responsibilities."

Adult basic education—Reallotments

SEC. 213. Subsections (b) and (c) of section 215 of the Act are amended to read as follows:

"(b) The portion of any State's allotment under subsection (a) which the Director determines will not be required, for the period such allotment is available, for carrying out the State plan (if any) approved under this part shall be available, first, for use within such State for the purpose of grants under section 218(b), and then, for reallotment in accordance with subsection (c).

"(c) Reallotment as authorized by subsection (b) may be made from time to time in such States during any fiscal year as the Director may fix. Reallotments of funds from one State shall be made to other States in proportion to the original allotments to such States under subsection (a) for such year, but with such proportionate amount for any of such other States being reduced to the extent it exceeds the sum of (1) the amount which the Director estimates such State needs and will be able to use for such period for carrying out its State plan approved under this part, and (2) any amount which the Director determines may be allowed for the purpose of grants under section 218(b) in such State; and the total of such reductions shall be similarly reallocated among the States whose proportionate amounts are not reduced. Any amount reallocated to a State under this subsection during a year which is not made available for purposes of grants under section 218(b) shall be deemed part of its allotment under subsection (a) for such year."

Adult basic education—Federal share

SEC. 214. Section 216(b) of the Act is amended to read as follows:

"(b) The Federal share for each State shall not exceed 90 per centum."

Adult basic education—Special projects and teacher training

SEC. 215. Section 218 of the Act is amended to read as follows:

"Special projects and teacher training

"SEC. 218. (a) Not to exceed 25 per centum of the funds appropriated or allocated to

carry out this part for any fiscal year may be reserved for use in making special project grants and in providing teacher training as authorized in this section.

"(b) The Director is authorized to make grants to local educational agencies or other public or private nonprofit agencies for the purpose of special projects which will be carried out in furtherance of the purpose of section 212 and which—

"(1) involve the use of innovative methods, systems, materials, or programs which the Director determines may have national significance or be of special value in promoting effective programs under this part, or

"(2) involve activities in adult basic education, which the Director determines are so coupled with other Federal, federally assisted, State, or local programs, as to have unusual promise in promoting a comprehensive or coordinated approach to the problems of low-income persons with basic educational deficiencies as described in section 212.

The Director shall establish procedures for making of grants under this section which shall (1) require a local or non-Federal contribution of at least 10 per centum of the project costs wherever feasible and not inconsistent with the purposes of this section, and (2) assure that in advance of any grant an opportunity for review and comment will be afforded (A) to the State educational agency of the State in which the project will be carried on and (B) to appropriate local educational agencies (either directly or through the State educational agency) in the case of any grants not proposed to be made to such agencies.

"(c) The Director is authorized to provide (directly or by contract), or to make grants to colleges and universities, State or local educational agencies, or other appropriate public or private nonprofit agencies or organizations to provide, training to persons engaged or are preparing to engage as instructors for individuals described in section 212, with such stipends and allowances, if any (including traveling and subsistence expenses), for persons undergoing such training and their dependents as the Director may by or pursuant to regulation determine. Such regulations shall provide that where such training is in the form of fellowships such stipends shall not exceed the stipend provided for under section 404(a) of the National Defense Education Act of 1958, and that in the case of persons receiving other forms of training such stipend shall not exceed the stipend provided for under section 1102 of such Act."

TITLE II PROGRAMS—DURATION; LIMITATION ON USE OF FUNDS

SEC. 216. Part D of title II of the Act is amended to read as follows:

"PART D—DURATION OF PROGRAM

"SEC. 221. (a) The Director shall carry out the programs provided for in this title during the fiscal year ending June 30, 1967, and the three succeeding fiscal years. For each such fiscal year only such sums may be appropriated as the Congress may authorize by law.

"(b) Of the sums appropriated to carry out this title for a fiscal year, not less than $26,500,000 shall be available only for carrying out part B of this title."

Mr. POWELL (interrupting the reading). Mr. Chairman, I ask unanimous consent that further reading of this title be dispensed with, that it be printed in the RECORD and open to amendment at all points.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

AMENDMENT OFFERED BY MR. QUIE

Mr. QUIE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. QUIE: On page 8, line 20, insert "(1)" after "(c)", and, in line 24, strike out the quotation mark.

On page 8, after line 24, insert the following:

"(2) The Director shall not approve a community action program which is conducted, administered, or coordinated by a board on which representatives of the poor do not comprise at least one-third of the membership.

"(3) The representatives of the poor shall be selected by the residents in areas of concentration of poverty, with special emphasis on participation by the residents of the area who are poor.

"(4) In communities where substantial numbers of the poor reside outside of areas of concentration of poverty, provision shall be made for selection of representatives of such poor through a process, such as neighborhood meetings, in which the poor participate to the greatest possible degree."

Mr. QUIE. Mr. Chairman, we have now moved into title II, community action. If there is any amendment the community action title needs it is this amendment.

Mr. GIBBONS. Mr. Chairman, will the gentleman yield?

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

Mr. GIBBONS. Could the gentleman tell me which numbered amendment that is?

Mr. QUIE. No. 18, I understand.

Mr. GIBBONS. No. 18 A? B? C? I have five numbered 18.

Mr. QUIE. I see the gentleman from Florida now has the amendment.

Mr. Chairman, this provides that every community action board must have representatives of the poor.

This shocks many people, when one says that representatives of the poor should be on a community action board, because, as said by many, if the poor were able to govern a community action board they would not be poor.

In the hearings we have held and the visitations we have had to communities and center cities, I have talked with many poor people who are articulate and able and could effectively serve on a board.

But what this amendment says is "representatives" of the poor. If the poor decide they want to be represented by someone who is not poor, that would be their judgment, but let us make certain they can make the judgment and that at least one-third of the people on the community action board have been selected by the poor to speak for them.

They must have a voice if they are to effectively bring themselves out of poverty.

As I have said many times before, we have seen this type of initiative work in Federal programs. The cooperative extension program is one. The ASCS in the agricultural area is another, in which the people themselves who are to be benefited serve on the board.

There are a number of cities in the country where this does not occur, but there are other places where it does. We can see successful ventures where the poor are involved.

Many people in OEO believe in this philosophy, but what has happened is that many of them do not, and the political power of some mayors in some cities prevents the effective involvement of the poor from occurring.

Mr. GIBBONS. Mr. Chairman, will the gentleman yield?

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

Mr. GIBBONS. Mr. Chairman, I see no objection to this amendment. I would be glad to agree to it.

Mr. QUIE. I am glad that the gentleman has now changed his mind and is agreeing to this.

Mr. HAWKINS. Mr. Chairman, will the gentleman yield?

Mr. QUIE. I will be glad to yield to the gentleman from California.

Mr. HAWKINS. I want to join the gentleman from Florida [Mr. GIBBONS] in support of this amendment. There is one problem that I envisioned under it, however, although I do not think it should not be used as an argument against the amendment. May I ask you whether or not in conference you would be agreeable perhaps to putting an effective date on the operation of the amendment so that those community action boards that will not be able to comply without the procedures set up under this amendment will have an opportunity to comply with the amendment? I would suggest 6 months or some similar period as the effective date of the amendment. I think this is an issue that could be discussed in conference and inserted in the amendment as a perfecting part of it. Would the gentleman have any objection to considering such a delay in the effective date of the amendment?

Mr. QUIE. I think 6 months is too long. We need some time period, but it should——

Mr. HAWKINS. Would 90 days be all right?

Mr. QUIE. I think 90 days would be better, but they can work it out down at OEO as to the time in which to comply. However, 90 days sounds reasonable to me.

Mr. HAWKINS. With that I certainly support the amendment.

Mr. QUIE. Mr. Chairman, there are a number of cities which we have visited where involvement of the poor is not sufficient. We have language in title II now, that the committee put in, that you can have communities of a size which are actually a community. We talk about community action. Can you imagine all of Los Angeles County being in one community? Why, that is the size of the State of Minnesota.

The CHAIRMAN. The time of the gentleman has expired.

Mr. GOODELL. Mr. Chairman, I ask unanimous consent that the gentleman from Minnesota [Mr. QUIE] may proceed for 3 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. QUIE. I hope that the result of the action indicated by the committee will be clear as to what we mean a community to be, so that it really does constitute a community, whether it is within a city or in a rural area and is more than one county. In so doing, though, we must make certain the statutory power putting starch in the backbone of the administrators of the OEO by saying at least a third or a fourth is to be required. That is the only way we will see any success. There may be some rough times because of it, but it will be a success in the community action venture if we do adopt this amendment.

Mr. FRELINGHUYSEN. Mr. Chairman, will the gentleman yield?

Mr. QUIE. I will be glad to yield to the gentleman.

Mr. FRELINGHUYSEN. I thank the gentleman, and I want to say that I contemplated offering an amendment similar to the one which was just offered. As chairman of the Republican Task Force on Economic Opportunity, I might add we did look into the question of what is good about community action programs and why certain ones have gone wrong. In every case I think there has been an indication as to where there have been problems, such as in Philadelphia and Chicago, that there has not been sufficient involvement of the poor. This amendment would certainly be a step in the right direction to secure that involvement.

Because the committee did not do so the Republican Task Force on Economic Opportunity, of which I am chairman, did hold a series of meetings in some of our cities. Specifically, we visited Philadelphia, Chicago, San Diego, and Bakersfield, Calif. Because our time and funds were limited we directed our attention primarily to the effectiveness of the community action program in these communities. We did so for a number of reasons, but primarily because the community action program and its requirement for "maximum feasible participation" of the poor is the only really novel aspect of the poverty program.

I would like to share with you some of our findings. In Philadelphia and in Chicago, we found that genuine participation by the poor in the community action programs was nonexistent. Although the structure of the programs in these two cities is vastly different, the end result is the same: the poverty program has been subverted to the political ends of the city political machine. One witness in Philadelphia, an elected representative of the poor, said: "We were elected as stooges. The program is controlled from city hall." To make sure that the elected representatives of the poor in Philadelphia did not get any ideas about their role, the poverty program placed 118 of the 144 elected representatives, plus 142 of their relatives, on the poverty payroll or in other city government jobs. One witness declared that those running the Philadelphia poverty program were using the program to build a "third force" for Mayor Tate's reelection campaign.

In Chicago, where, of course, the Daley machine is much more sophisticated than its counterpart in Philadelphia, no effort has been made to create even the facade of maximum participation of the poor. The city administration is in firm control. As one witness pointed out, "Neighborhood council members are appointed from the top and are eventually removed at the whim of administrators. Majority decisions of the council have been overruled by the Center's director."

In both Philadelphia and Chicago great care has been taken to see to it that the neighborhood councils have no funds. The decision has been made, as another witness put it, to control rather than to liberate the people in the poverty areas.

In Bakersfield, while there is maximum participation of the poor, there is virtually no participation by the rest of the community. As a result, community acceptance of the program has become an issue on the fall ballot.

A universal complaint at all of our hearings was the inefficiency of OEO machinery in approving programs. One witness in Philadelphia declared that OEO "sits on proposals for an agonizingly long time—it's like dropping a rose petal into the Grand Canyon and waiting for the echo." Reports of waiting as long as 18 months for approval of programs were common in Philadelphia, Chicago, San Diego, and Bakersfield. One witness in San Diego pointed out that projects must be approved at local, regional, and national levels but because of the turnover of personnel evaluating the project it is difficult to learn the status of a project application. A witness in Bakersfield put it more strongly when he said it was impossible to learn the disposition made of an application on the regional and national level.

There were complaints, too, about the application forms—their length and complexity. As a witness pointed out, on the one hand we insist that the poor must participate in the programs but, on the other hand, we force them to find some Ph. D. to write up their program in the appropriate jargon. The end result is that originators of the program do not recognize their offspring and, indeed, after it has gone through the bureaucratic mill the offspring has become a changeling.

Complaints were also registered that OEO sets up too many controls and minute criteria that make it difficult at best to carry out the program on a local level. This is particularly true of the prepackaged programs such as Upward Bound and Headstart. Many witnesses called for greater flexibility so that such programs can be tailored to local needs.

Generally speaking, witnesses had faith in the community action concept and want to see the program continued as it is without restricting funds for programs in specific categories. The categorical approach that is in such disrepute in our public assistance programs should not now be imposed on the poverty program as seems to be the plan under the bill we are now considering.

These are some of our findings. I hope that next year the committee will abandon the notion that all wisdom resides in Washington and will hold hearings in the field. As the gentleman from New York [Mr. CAREY] indicated emphatically yesterday such hearings are necessary, particularly in his own city of New York. I am sorry Republicans have not been there yet and I hope Democrats will join us in these efforts after the election. The Committee has a real responsibility. If they face up to that responsibility they will learn first hand, as the Republican Task Force on Economic Opportunity did, of the hopes people have for the poverty program and their genuine desire to make this program work. They will learn that the people on the frontline of the war have a large contribution to make in the success or failure of this venture.

Mr. POWELL. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman and my colleagues, I want first to pay tribute to the gentleman from Minnesota's labors in this field. He has been, since the inception of this act, struggling to try to make the Office of Economic Opportunity live up to the intent of Congress. On December 23, 1964, I first criticized the poverty program for its absence of poor people on antipoverty committees. Nothing happened. On April 11, 1965, I again made a public criticism of the lack of representation of the poor in the antipoverty programs. Finally I was able to sit down with Mr. Shriver and he sent me a letter, which I hold in my hand, dated May 12, 1965, in which he said that the poor shall not participate where there are "other compelling reasons for their not participating."

Mr. Chairman, I sent that letter back to him.

And finally, on May 12, I received from Mr. Shriver word to the effect that they were going to see that the intent of Congress was carried out.

Mr. Chairman, while it is not incorporated in any written memorandum, Mr. Shriver, over a year ago, in the presence of witnesses in my office, said he believed that the percentage should be one-third. I said, "Fine."

Mr. Chairman, that commitment is not being carried out.

We stand today on the verge of a very bad situation in the Bedford-Stuyvesant area of Brooklyn.

Mr. Chairman, Representative CAREY, our colleague who serves on this committee, from the great State of New York—talked to the Members of this body yesterday about the fact that there were 55 people on the board in the poverty area of Bedford-Stuyvesant in Brooklyn, but that only 2 were representatives of the poor.

Mr. Chairman, that represents a violation of the act, it represents a violation of the intent of Congress, and I believe that this is the strongest point which we are going to be able to make in the entire restructuring of this bill.

Mr. Chairman, I would like to see a unanimous vote in favor of the amendment which has been offered by the gentleman from Minnesota.

Mr. Chairman, I yield back the balance of my time.

Mr. RYAN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I am delighted that the chairman of the full committee, the gentleman from New York [Mr. POWELL], has accepted the amendment which has been offered by the gentleman from Minnesota [Mr. QUIE].

Mr. Chairman, I believe it has been made perfectly clear, not only during the past year, but before, that there is a need for this kind of directive to the Office of Economic Opportunity, so that there will be a more meaningful involvement of the poor in the development and administration of local community action programs and on the community action boards.

Mr. Chairman, this is basic, if we are really going to give people a chance to help determine their own future. The people in the disadvantaged areas should be encouraged to participate in the decisionmaking process. They know better than anyone else what programs are needed to alleviate the problems which this act is designed to correct.

Last year, Mr. Chairman, when this bill was pending on the floor of the House, on July 21, 1965, I offered an amendment which was designed to accomplish this very purpose.

Mr. Chairman, I am pleased that today that purpose is now being supported by the gentleman from New York [Mr. POWELL], the chairman of the committee.

Mr. Chairman, I believe what I argued then is appropriate to say now.

I said then:

> I believe very strongly that there should be a real involvement of people in the area affected, that what we are concerned with as much as poverty, in terms of economic poverty, is also the poverty of power. People in the ghetto communities are powerless. One way to overcome this poverty of power is to provide a process whereby representatives of the community are elected to local Community Action boards.

Mr. Chairman, if poor people are going to be able to help shape their own destiny, then it is essential that there be true representation and the maximum feasible use of elections to select such representatives to serve on policymaking boards or other bodies.

The community action program offers an opportunity for people to work together to identify common interests and to articulate their needs. If the poverty of power is to be overcome, indigenous leadership must be encouraged to emerge. That is why we wrote into the Economic Opportunity Act in 1964, when we first passed it, that a community action program is one "which is developed, conducted, and administered with the maximum feasible participation of residents of the areas and members of the groups served."

Mr. Chairman, the amendment should be adopted.

Mr. GIBBONS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I desire to propound to the gentleman from Minnesota [Mr. QUIE] some questions with reference to his proposed amendment.

It is my understanding that the amendment which has been offered by the gentleman from Minnesota [Mr. QUIE] would apply to CAP boards? Is that what we are now talking about?

Mr. QUIE. Mr. Chairman, if the gentleman from Florida will yield, that is correct.

Mr. GIBBONS. When the gentleman talks about at least one-third of the membership of a board being representatives of the poor or being composed of members of the poor, as the gentleman states in his proposed amendment in subsection 2, the gentleman does not mean that a school board would be required to restructure itself and elect one-third of the members from this group in order to carry out its community action program, or its conduct, as the gentleman proposes in the amendment.

Mr. QUIE. This would prohibit a school board from being the CAP agency.

Mr. GIBBONS. A school board could conduct, let us say, a Headstart program?

Mr. QUIE. Yes. The CAP agency, which is comprised of at least one-third of the representatives of the poor, could contract with the local school board.

Mr. GIBBONS. All we are talking about in this amendment is the CAP agency?

Mr. QUIE. Yes.

Mr. GIBBONS. The so-called umbrella agency, which is the term that has been used rather loosely to describe the CAP agency?

Mr. QUIE. That is right—the umbrella agency.

Of course, sometimes in the larger cities they have component boards running a part of the community action programs in a part of the city, such as in the city of New York, which is a good example of this. These component boards would be required to contain one-third representation of the poor also.

Mr. GIBBONS. Let us take the city of New York, where the city council is actually the governing body in the city and the city itself is conducting a part of a community action program; this would not envision a restructuring of the whole city council?

Mr. QUIE. If the city council is attempting to be the umbrella agency, no. If the city council thought it could be the umbrella agency, then it would not be permissible, because there would have to be at least one-third representatives of the poor on the board.

Mr. GIBBONS. Mr. Chairman, with that understanding I support the amendment.

Mr. QUIE. Mr. Chairman, if the gentleman would yield further, this would not permit, as we have seen in such cases as in Cleveland, where they tried to comply with the urgings of the OEO by appointing some ADC mothers to the Community Action Board and felt that they had representatives of the poor; this spells out that at least one-third of the boards must be selected by the poor themselves.

Mr. GIBBONS. I thank the gentleman.

Mr. REID of New York. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I rise in strong support of the amendment offered by the gentleman from Minnesota [Mr. QUIE] and supported by the chairman of the committee, Mr. POWELL.

I think it is needed. It will provide an opportunity for the poor to have a meaningful and effective voice in the determination and direction of their own future. This is clearly essential both in Bedford-Stuyvesant, New York, to cite one example and in Lawndale, Chicago, to cite another.

Mr. Chairman, I yield back the balance of my time.

Mr. HAYS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I did not intend to get into this debate, but sometimes my pragmatism causes me to get involved in some of these idealistic ideas.

I have no objection to the poor being involved in this. But, on a practical basis, an amendment of this kind, it seems to me, would be just as logical as passing a law saying that one-third of all the defeated candidates for Congress ought to be seated in the House. Or every time a business starts up there ought to be at least one-third of the board of directors people who have gone bankrupt.

Now, a lot of these people that you are going to involve in this have been failures all their lives and they do not know how to make anything run right. If your idea is to put them on here to get them involved and teach them something, that is one thing; but just coming in with an amendment saying you have to have a certain percentage of those who have never been successful in anything to run this program really does not make much sense. You might find you will have more headaches when you get through than you had when you got started.

Mr. GOODELL. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, the gentleman who preceded me stated rather forcefully a viewpoint that I think is largely held by a great many people who do not fully understand the concept of involving the poor in helping themselves. This is not a concept that the poor will run a program themselves or that they know more than the welfare people do or the sociologists or other administrators. That is the key to success in this program.

It offers the poor influence over the type of program that will be put into effect supposedly to benefit them. It gives them some voice in setting priorities. If the planners decide that they want to move into a certain slum area and do something about a recreational park and the people there feel that they would much rather have the money spent on getting rid of rats or the garbage or whatever else it is, they will speak up and they will have some influence. They will have votes. They are not just an advisory committee somewhere that is ignored.

Unfortunately, on our committee when we adopted the original poverty program, we had some discussion about this general language requiring maximum participation of the residents of an area to be served and did nothing to clarify it.

Some of us raised the question that this was ambiguous and would cause

problems. It has caused problems all over this country. In the community action boards there has been almost continuous controversy. How many do you have to have? What is maximum feasible participation? In Chicago they said that the maximum feasible participation of the poor means that we will hire as many of the poor as we can as community representatives, and they do not have a single representative of the poor on the Chicago Community Action Board, selected by the poor. Mayor Daley takes the view of participation of the poor that he can select some people who are poor who will speak supposedly for the poor residents. Of course, they are accountable not to the poor residents of the area, but to Mayor Daley, or the other individual who has appointed him. As a result, you have none of this ferment. You have none of this involvement in the Chicago program. We have had such uneven administration in this program by Mr. Shriver that we have some areas that have been denied funds because they do not have enough involvement of the poor, while Chicago goes right on without a single true representative of the poor. This is just intolerable. We should have set this standard originally. We have the same kind of lack of fuller involvement in Los Angeles, Cleveland, Memphis, San Antonio, St. Louis, Atlanta, Albany, Mobile, Oakland, Chicago, as I have mentioned, Baltimore, Newark, and I could go on, as I am sure the chairman would agree with me.

It is time that we laid out clearly in the statute what we mean. I am very frank to say that a good proportion of my colleagues on the other side of the aisle who are on our committee have opposed this concept. They have been afraid of the concept. They have said "Let us not have poor people involved here on community action boards." I am delighted that we have reached the stage now where we can have an agreement and insist that they have at least one-third representation of the poor.

Mr. REID of New York. Mr. Chairman, will the gentleman yield?

Mr. GOODELL. I yield to the gentleman from New York.

Mr. REID of New York. I thank the gentleman for yielding. In support of the point that he has made about Chicago, it was my clear impression when visiting Lawndale that the number of people there, the indigenous poor that were not fully involved and who had no sense of participation with regard to their future, and decisions relative thereto, amongst other things made clear to me—and I believe to the gentleman from New York—that it is essential that the poor have a conviction that this is a program in which they are involved, and in which they can participate in a meaningful way.

Mr. CAREY. Mr. Chairman, will the gentleman yield?

Mr. GOODELL. I yield to the gentleman from New York.

Mr. CAREY. I am from New York, so I am neutral. But I went to Chicago with the gentleman from New York [Mr. REID]. However, he went alone to the Lawndale area, so I am not going to dispute what he has said.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. GOODELL. Mr. Chairman, I ask unanimous consent that I may proceed for 3 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

The Chair hears none; the gentleman is recognized for 3 minutes.

Mr. GOODELL. I yield to the gentleman from New York.

Mr. CAREY. In the city of Chicago, where I visited, we found excellent programs. I do not think the gentleman from New York [Mr. REID] will disagree with me on this. We found excellently conducted programs in terms of the poverty program. They were almost ideal compared with those in my own city.

Mr. GOODELL. If the gentleman will permit me one sentence, I will continue to yield.

Mr. CAREY. I found more people in opposition because of the section——

Mr. GOODELL. Mr. Chairman, I do not yield further at this time. I would be delighted to yield to the gentleman again in a moment.

I would just like to say to the gentleman that I do not agree with his characterization of the Chicago program. In my observation I have found that most of the people in the West Side, most of the people in the Lawndale area, most of the people in the Woodlawn area, did not feel they were involved in this program, or these programs. Nor did they feel that the programs were really meaningful in reaching them. I think the chairman of our committee has commented persuasively and effectively along the same lines.

Mr. GIBBONS. Mr. Chairman, will the gentleman yield?

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

Mr. GIBBONS. I just want to repeat my offer, and agree with you on this, but I am afraid you are the hardest person I have tried to agree with on anything. If I had opposed the amendment, I do not know how long you would have taken. I agree with you on that interpretation.

Mr. GOODELL. I want to reiterate I am delighted the gentleman has agreed now, and I am very disappointed that 2 years ago the gentleman did not agree, and last year he did not agree, because if he and his Democratic colleagues had we would have avoided most of these problems we had in the community action programs.

Mr. SISK. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I want to say, first, that I do not know a thing about Chicago, or what their problems are, or New York, or most of the other cities that have been mentioned. But I do rise to ask a question of the gentleman from Minnesota—if I may have his attention—because I believe the gentleman from Minnesota is the author of this amendment.

Mr. QUIE. That is correct.

Mr. SISK. I would like to ask the gentleman a few questions about this business of the poor. Lord knows, no politician is crazy enough to oppose the poor. We all talk about the poor. Frankly, some of us still claim to be poor. I would like to have from the gentleman his interpretation of what the poor are. We have had some problems on the community action program with reference to the representatives of the poor. What does the gentleman define a representative of the poor to be?

Mr. QUIE. The gentleman has put his finger on one of the most difficult problems we have, and that is understanding who is poor. As I mentioned in my opening remarks, when the debate began, so far we see the economic figure of $3,000 or thereabouts used for a family of four, but my amendment does not require anybody to take a pauper's oath or come in and declare he is poor to serve on a community action board.

What my amendment does, on number three, if there is a concentration of poverty in the city—everybody recognizes that all large cities have such areas—everyone in such an area would be able to take part in an election process or a neighborhood meeting, if they wanted to use that method, because practically everybody in such a community is poor. The amendment would require, however, an emphasis on participation by the people who are poor. In determining who the poor are in a rural area, people pretty well know who they are, and they would be invited into a neighborhood meeting.

Mr. SISK. If I could cite the gentleman an illustration, we have a couple of areas in my district where we have had fights develop over who was going to be on the commission and so on. What brought about some of this was the fact that certain representatives of OEO claim that to qualify as poor the representative had to have an income below $3,000 in order to serve. Does the gentleman interpret this to mean anything like that?

Mr. QUIE. No. What I am talking about in my amendment—and I hope everyone will understand that—these are representatives of the poor in a city. If in a certain area, there might be an attorney living, and the people who are poor wanted him to be a representative, he, himself, would not be poor, but he could be a representative of the poor, if they selected him.

Mr. SISK. All right. I am inclined to go along with the interpretation of the gentleman. Unfortunately, we have had some people out running around and setting up regulations and trying to tell people how to organize these boards who do not agree with the interpretation of the gentleman. I want to see representatives of the people from areas that have these problems serve on these boards. I think this is excellent. When we go into a community and they have a problem and they select people, I do not wish to see some arbitrary figure set, and say that the representative himself, must have earned less than a stipulated amount.

Mr. HAYS. Mr. Chairman, will the gentleman yield?

Mr. SISK. I yield to the gentleman from Ohio.

Mr. HAYS. Mr. Chairman, the gentleman has put his finger on the problem. We had some voting on this problem in Ohio, and 2 percent of the people voted. Mr. GOODELL says that I do not understand the problem, and maybe I do not. I do understand enough about it, that when he talks about getting the people involved, and then we only get 2 percent involved, and they set up some ne'er-do-wells, who want to stir up trouble and rioting, then we get these speeches about what is wrong with this administration, and they are not doing anything about rioting in the streets.

It might be all right to have your cake and eat it, too; but in the majority party we have the responsibility and we cannot do that.

Mr. SISK. Mr. Chairman, for example, we had a series of elections. We were going to elect a certain number. I believe they decided that 15 members of the commission should be elected. They went out to these areas and publicized it. I know that in one area three people showed up to vote. In one area I believe two people showed up.

The point is that perhaps this is the only way to do it. If we can get enough interest for the people to come in to get a vote, it might be done. I would hope we are not setting a precedent here.

The CHAIRMAN. The time of the gentleman from California has expired.

(By unanimous consent, Mr. SISK was allowed to proceed for 2 additional minutes.)

Mr. SISK. I should merely like to make it clear that we are not here setting up some specific line—whether it be $3,000 or $2,000 or $4,000—to say that an individual, to serve on a commission, shall have an income level below that if he is going to represent the poor.

I believe the gentleman said that was not his intent.

Mr. QUIE. If the gentleman will yield, that is what I said. I stated my intent.

If we adopt this amendment, we will not have confusion all over the country as to the setting up of community action agencies, where they do not know what percentage representation there ought to be as it has been to date. This will make it clear. There will not be vacillating administrators. They will know when they set the program up in the community or request funding that the poor must be represented.

Mr. SISK. I thank the gentleman.

Mr. POWELL. Mr. Chairman, will the gentleman yield?

Mr. SISK. I yield to the chairman of the committee.

Mr. POWELL. Let it be clearly established, in response to the gentleman's statement, there is absolutely no means test involved in this whatsoever.

Mr. SISK. My colleague will agree with me, will he not, that there were attempts at times, certainly in my own State, to set up means tests in the past.

Mr. POWELL. That is correct.

Mr. SISK. That is what I am concerned about.

Mr. POWELL. That is why I am trying to respond to the gentleman's inquiry.

Mr. SISK. That is good. I appreciate the statement.

Mr. GOODELL. Mr. Chairman, will the gentleman yield?

Mr. SISK. I yield to the gentleman from New York.

Mr. GOODELL. The gentleman is absolutely correct. In Los Angeles particularly they set an income level and said that a person must qualify within this income level—I believe $4,000—in order to vote and in order to be elected. That situation developed because we had no clear guidelines, and the local people decided that was what they would try.

That was not our intent.

The OEO went in and said, "It is up to you to work this out any way you want."

The way this is designed is to avoid that problem. It provides that they shall elect them from areas of concentration of the poor. It is not too difficult in any urban area to know where there are concentrations of poverty. They will have representatives elected from that area.

Mrs. GREEN of Oregon. Mr. Chairman, I move to strike the requisite number of words.

I should like to direct a question to the author of the amendment.

I have a contract here between the Office of Economic Opportunity and the National Education Association for $410,000 to expose 24 public school teachers to the Job Corps and conservation programs.

I have received two answers from two different people in the OEO. One of them told me it was financed under the CAP program and the other told me it was financed under title I, the Job Corps. I do not find the language under title I which would authorize it.

If this is financed under CAP, as I believe is the case, how would the amendment affect this? Would the NEA be required to have one-third of the people administering this program selected by the poor?

Mr. QUIE. If the gentlewoman will yield, if a CAP agency contracted with the NEA, the NEA would not have to do it, because the CAP agency can contract for service with anyone. But the CAP which contracted would have to have one-third of its Board which is representative of the poor.

Mrs. GREEN of Oregon. The Office of Economic Opportunity, as I understand it, has contracted with them under the CAP program.

Mr. QUIE. So that the NEA is a community action agency?

To me that is clearly a violation of the law. I cannot see how they could possibly do that. It is hard for me to conceive of it.

We have had a lot of trouble in the Job Corps program. Instead of sending teachers to the Job Corps to learn how to teach seems unrealistic. It would be better to send the personnel of Job Corps to some of our public and private schools to learn how to teach these young people.

Mrs. GREEN of Oregon. If I may say so, I still do not have an answer to my question. If this is financed under title II, what would be the impact of the gentleman's amendment? The contract is between the Director of the Office of Economic Opportunity and the National Education Association.

Mr. QUIE. If by some stretch of the imagination of the Director he considers the NEA to be a community action agency, the NEA would have to have one-third representation of the poor.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota [Mr. QUIE].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. REID OF NEW YORK

Mr. REID of New York. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. REID of New York: On page 12, line 21, "after program thereof", add the following new subsections:

"(h) No funds shall be released to any public or private non-profit agency, or combination thereof, under this section unless

"(1) in the case of a public agency, the grantee organization shall have submitted to the Director a letter or statement from the appropriate public financial officer of the community or of the public agency which will maintain the accounts of such agency, stating that such officer accepts responsibility for providing financial services adequate to insure the establishment and maintenance of an accounting system by such agency and its delegate agencies with the internal controls adequate to safeguard the assets of such agencies, check the accuracy and reliability of accounting data, promote operational efficiency and encourage adherence to prescribed management policies; and

"(2) in the case of a private nonprofit agency, the grantee organization shall have submitted to the Director an opinion from a Certified Public Accountant or a duly licensed public accountant stating that the grantee has established such an accounting system.

"(i)(1) The Office of Economic Opportunity shall make or cause to be made a preliminary audit survey within 3 months after a grant or contract has been made with any public or private nonprofit agency, or combination thereof, under this section to review and evaluate the adequacy of the grantee organization's and its delegate agencies' accounting systems and internal controls.

"(2) Within 30 days of the completion of such survey, the Director shall determine on the basis of the findings and conclusions resulting from such survey whether the accounting systems of the grantee organization and its delegate agencies meet the standards set forth in subsections (h)(1) and (h)(2). If he shall determine that the standards have not been met, he shall immediately notify the grantee organization of his determination and he shall consider whether suspension of further payment of Federal funds under the subject grant is warranted.

"(3) In the event of suspension of any grant funds pursuant to subsection (i)(2), the affected agency shall have 6 months from the date of notice of suspension in which to establish, with the advice of Office of Economic Opportunity auditors, the procedures prescribed in subsection (h). A new audit shall be performed within this period and if, by the end of this period, the Director is still unable to determine that the accounting system meets the required standards he shall terminate the contract or grant.

"(j) The Director shall establish such rules and regulations as may be required to insure that public or private nonprofit agencies, or combinations thereof, maintain the standards of accounting set forth in sections 205

(h)(1) and (2) and (i)(2) during the period of any grant or contract under this section."

Mr. REID of New York. Mr. Chairman, my amendment would place clearly in the law certain accounting and auditing requirements to be followed by community action agencies including provisions for the submission of statements by responsible financial officers, general definitions of adequate accounting systems and requirements for a preliminary audit survey and followup actions.

Mr. Chairman, the Congress and the American people have a right to know that the funds are being expended for the purposes for which they were appropriated and for the benefit of those who most need help and training. Clearly, there have been some serious instances of maladministration and lack of full and accurate accounting procedures.

Mr. Chairman, my amendment provides for letters of certification as to appropriate accounting procedures from the responsible financial officer of the grantee organization.

Second, the Office of Economic Opportunity shall make a preliminary audit survey within 3 months after a grant or contract has been made, to be reviewed by the Director within 30 days, with provisions for suspension of the contract or grant, if so warranted. If this is the case, the grantee organization would have 6 months in which to establish appropriate accounting procedures. If, after these 10 months have elapsed, there is still no agreement as to the appropriate procedures for the grantee organization, the Director shall terminate the grant or contract.

Mr. Chairman, I believe this amendment, providing for appropriate fiscal and accounting controls within a reasonable period of time, will assure sound accounting procedures and insure further that the American people can have confidence in those procedures.

Mr. Chairman, I would like to note that the distinguished gentleman from Michigan [Mr. FARNUM] has been of major assistance in the drafting of this amendment. His very real experience as auditor general of the State of Michigan has been very useful in the preparation of this amendment and I should like to commend the gentleman for his assistance.

Mr. FARNUM. Mr. Chairman, will the distinguished gentleman from New York yield?

Mr. REID of New York. I am happy to yield to the gentleman from Michigan.

Mr. FARNUM. Mr. Chairman, I want to thank the distinguished gentleman from New York, very kindly, for his remarks.

Mr. Chairman, the gentleman from New York is to be commended for his foresight in going over this legislation and bringing this amendment to the floor of the House for consideration.

Mr. Chairman, I have been most happy to work with the gentleman on the amendment.

The amendment will provide new accounting procedures and internal controls that are adequate and necessary in the handling of any public funds and will, also, provide for new preauditing procedures necessary to maintain those controls.

Mr. Chairman, it is my understanding that the chairman of the committee plans to accept this amendment which I am sure both the gentleman from New York [Mr. REID] and I are happy to learn.

Mr. REID of New York. I thank the gentleman from Michigan.

Mr. WYDLER. Mr. Chairman, will the gentleman yield?

Mr. REID of New York. I yield to the gentleman from New York.

Mr. WYDLER. In this amendment which the gentleman from New York [Mr. REID] has offered, do I understand that the provisions of the amendment would apply not only to new organizations or new programs but would apply to present in-house programs?

Mr. REID of New York. It is my understanding that this would—under the term of delegate agencies—cover existing programs as well as newly funded programs.

Our intent is to place into the law the regulations that now exist in OEO and to make them explicit and to cover all sound appropriate accounting procedures within a reasonable period of time.

Mr. WYDLER. Mr. Chairman, if the gentleman from New York will yield further, I would like to propound a question to the gentleman from Michigan [Mr. FARNUM].

Is it the understanding of the gentleman from Michigan [Mr. FARNUM] that this applies to in-house programs as well as to new?

Mr. FARNUM. Mr. Chairman, will the gentleman yield?

Mr. REID of New York. I yield to the gentleman from Michigan.

Mr. FARNUM. It is my understanding that it does apply to all in-house grantees as well as in the new one.

Mr. WYDLER. Mr. Chairman, if the gentleman will yield further, I want to say that I intended to offer an amendment designed to do substantially the same thing. However, I am satisfied that this proposed amendment effectively covers the situation.

Mr. Chairman, I support the amendment.

Mr. REID of New York. Mr. Chairman, I thank the gentleman from New York [Mr. WYDLER].

Mr. GIBBONS. Mr. Chairman, will the gentleman yield?

Mr. REID of New York. I shall be happy to yield to the gentleman from Florida.

Mr. GIBBONS. Mr. Chairman, I have had an opportunity to examine this amendment. I believe it is a very fine amendment, a very constructive amendment proposed by the gentleman from New York [Mr. REID]. I know that the gentleman has looked very diligently into the matter and that he has consulted with the distinguished gentleman from Michigan [Mr. FARNUM] who is a member of the Committee on Appropriations, a member who has had great experience in his former position as auditor for the State of Michigan.

Mr. Chairman, the gentleman from New York [Mr. REID] is to be congratulated for offering this amendment and I assure him that I wholeheartedly accept it. I am just sorry that it has not been previously adopted.

Mr. WYDLER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise just to ask one question of the chairman of the committee, or of the manager of the bill, the gentleman from Florida [Mr. GIBBONS], who is on the floor at the present time.

I have had a situation which exists in the county of Nassau which has been troubling me for about a year. I would like to get it clarified.

We have an OEO program for Nassau County. Under the provisions of the program in our county, the county executive who is the chief executive officer has the power of veto over any member who serves on the board. I consider this to have the effect that he can select the membership of that board.

Do I understand that this power of veto in the chief executive officer of a municipality is within the intent of the act that we are passing?

Mr. GIBBONS. We have just adopted an amendment about 15 minutes ago that will make certain practices illegal.

I think the gentleman from Minnesota [Mr. QUIE] could answer your question as to what would happen in the future.

I am sorry I really do not understand exactly what you are driving at. Perhaps you could tell me a little more clearly.

Mr. WYDLER. Here is the point. The amendment we were previously discussing was an amendment as to the election of representatives of the poor.

Mr. GIBBONS. Not necessarily, if the gentleman will permit me to continue, it dealt with the composition of community action agencies, if I understood the amendment of the gentleman from Minnesota [Mr. QUIE].

Mr. WYDLER. Now I am directing your attention to the question of whether the chief executive officer of an area can properly have under this act the power of veto over the membership of the community action board?

Mr. GIBBONS. The answer to that is—No.

Mr. WYDLER. Well, I called this matter to the attention of Sargent Shriver and I have to tell the gentleman that he told me that this is perfectly proper. I would like to ask the gentleman what I should do now to see that this power is removed from the chief executive officer?

Mr. GIBBONS. Just vote for this bill.

Mr. WYDLER. I would certainly have to take that under advisement.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. REID].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. BELL

Mr. BELL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BELL: On page 13, line 17, after "category," insert the following: "describing the results or findings of such research and demonstration activities, or".

Mr. BELL. Mr. Chairman, my amendment adds a requirement to the bill that the director shall include in his annual report, required by section 608, that he must describe the results of the findings of such research or demonstration activities.

This amendment is described probably better than I could do, in the CONGRESSIONAL RECORD on page 23951 on September 27, and this was submitted by the gentleman from Minnesota [Mr. QUIE], it is titled "Need for Objective Reporting and Evaluation." I recommend that the Members read this article. I think there is an urgent need in this country that there be more public information available to our citizens, as to whether or not a program is operating effectively or not, or as to whether research and demonstration projects are made available to the public.

Hearings have been held many times and the information never seems to get out to the public, or it generally is not disseminated.

I believe that the OEO possibly in many cases could find that it would be substantially to their advantage to have this amendment so that the information will be available to everybody. Nonclassified Government information on research matters should be available to universities and to private individuals and so forth for dissemination to Congress and to the public in general.

Mr. GIBBONS. Mr. Chairman, will the gentleman yield?

Mr. BELL. I yield to the gentleman.

Mr. GIBBONS. Mr. Chairman, it is a very fine amendment as far as I am concerned and I urge its adoption. I appreciate the gentleman showing the amendment to me in advance.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. BELL].

The amendment was agreed to.

AMENDMENTS OFFERED BY MRS. MINK

Mrs. MINK. Mr. Chairman, I offer three amendments which relate to one subject matter and, therefore, I ask unanimous consent that they be considered en bloc.

The CHAIRMAN. Is there objection to the request of the gentlewoman from Hawaii?

There was no objection.

The Clerk read as follows:

Amendments offered by Mrs. MINK:

On page 18, line 22, insert "(a)" after "SEC. 213."

On page 19, after line 24, insert the following:

"(b) Effective for fiscal years beginning after June 30, 1966, section 215(a) of the Economic Opportunity Act of 1964 is amended by inserting 'the Trust Territory of the Pacific Islands,' immediately afer 'American Samoa,' each of the two times it occurs in that section."

On page 20, strike out lines 4 and 5, and insert the following:

"(b) The Federal share for each State (other than the Trust Territory of the Pacific Islands) shall not exceed 90 per centum. The Federal share for the Trust Territory of the Pacific Island shall be 100 per centum."

On page 31, after line 7, insert the following:

"COORDINATION—TRUST TERRITORY

"SEC. 608. Effective for fiscal years beginning after June 30, 1966, section 609(a) of the Economic Opportunity Act of 1964 is amended by striking out 'for purposes of title I and part A of title II,' and inserting 'for purposes of title I and parts A and B of title II' in lieu thereof."

The CHAIRMAN. The gentlewoman from Hawaii is recognized for 5 minutes.

Mr. QUIE. Mr. Chairman, will the gentlewoman yield?

Mrs. MINK. I yield to the gentleman from Minnesota.

Mr. QUIE. Mr. Chairman, we would be glad to accept the amendments.

The CHAIRMAN. The question is on the amendments offered by the gentlewoman from Hawaii.

The amendments were agreed to.

AMENDMENT OFFERED BY MR. DOLE

Mr. DOLE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DOLE: On page 16, line 11, strike out the period and insert "; *Provided, however*, That federal funds shall not be used, directly or indirectly, to prosecute or defend divorce, separate maintenance or annulment actions".

Mr. DOLE. Mr. Chairman, I believe the amendment is self-explanatory and, as read by the Clerk, it would apply to the prosecution or defense of divorce, separate maintenance, or annulment actions. It has nothing to do with child custody or child-support cases.

The matter of judicare was first called to my attention in an article which appeared in the New York Times on Friday, September 2. In that article it was pointed out that 84 percent of the poor who received legal aid in Wisconsin filed divorce cases. The article further stated that a grant of $240,000 was made to 26 northern Wisconsin counties for the purpose of helping the poor, to give the poor legal protection against unfair housing, welfare, credit, and consumer practices.

But the records will also indicate that of the first 86 cases, 72 included divorce matters. There were 63 divorce suits. Apparently this was justified on the basis that many people have been wanting to get a divorce for a long time, but had never had the funds until this program made it possible.

I do not believe we are really getting at the cause or the roots of poverty by subsidizing homewrecking. I have heard a lot of very unusual comments made on the floor in the past 3 days about the success and the failures of this program, but as a lawyer I certainly do not believe Federal funds should be used for this purpose. There should be a prohibition against using any Federal money, either directly or indirectly, for the purpose of defending or prosecuting divorce cases, or separate maintenance actions, or annulments.

I for one feel that this Congress never intended to subsidize or in any way foot the bill for any husband or wife to break up a family. In fact, I have been led to believe by some of the debate and by some of the propaganda that this poverty program, and the billions being spent, was to help hold families together. And what do we do? We attempt to do so on the one hand by spending billions of dollars; then on the other we provide a slush fund for lawyers all around the country so their divorce fees are guaranteed by the poverty program.

Again I cannot believe it ever was the intent of Congress that poverty money be used for this purpose. I have talked with members of the Judiciary Committee, and they advised poverty agency officials in the first instance that all they were doing in implementing "judicare" was creating a slush fund for lawyers. Only about 15 percent of the cases, of the first 86, were for purposes outlined in the original grant.

I trust the House will adopt the amendment. I yield back the balance of my time.

Mr. O'HARA of Michigan. Mr. Chairman, I rise in opposition to the amendment. I do not believe that the poverty program ought to operate a "divorce mill," but I have learned from my own experience in providing free legal services that sometimes the best and the most important thing you can do for a client is to institute some sort of domestic relations suit.

Before coming to Congress, I practiced law in the city of Detroit. I spent a good deal of time then working in a free legal clinic in one of the blighted areas of the city of Detroit. I found we had all kinds of clientele and problems presented to us. One of the most frequent problems we encountered involved domestic relations. It was not usually a case of someone trying to break up a family. If it were that sort of thing we would try to resolve the problem and effect a reconciliation. But we would find many of these people were hopelessly messed up in their domestic affairs.

Perhaps the father had deserted the family 5 or 10 or 15 years ago, and because of lack of funds and lack of knowledge of legal process the mother never would have taken the necessary steps to obtain a legal separation or a divorce. Sometimes it was necessary to go back and try to straighten all this out.

One might conclude, after having examined the facts of the situation, that the best thing that could be done under the circumstances was to assist the client in bringing an action for divorce or legal separation.

Mr. DOLE. Mr. Chairman, will the gentleman yield?

Mr. O'HARA of Michigan. I yield to the gentleman from Kansas.

Mr. DOLE. Mr. Chairman, is there any provision for marriage counseling or some other effort to keep the family together in this bill. I am an attorney, and I have handled a number of divorce cases without collecting a fee. This is a responsibility which we have as members of the bar, to peform some of this work.

It seems, in view of what the gentleman is saying, there should be something provided for marriage counseling.

Mr. O'HARA of Michigan. Let me respond to the gentleman in this way. I do not know about every legal services program, but the one with which I am most familiar does indeed include, as

part of the legal services to the poor, a staff marriage counselor to whom the domestic disputes will be referred in the first instance in an effort to resolve whatever the problem might be.

Mrs. MINK. Mr. Chairman, will the gentleman yield?

Mr. O'HARA of Michigan. I yield to the gentlewoman from Hawaii.

Mrs. MINK. Mr. Chairman, I believe one of the really important services in this kind of program is to provide for the poor in our communities some advice and counsel in the area of their domestic difficulties. Prior to my coming to Congress, I served as an attorney in my own city. I would say the large percentage of my cases dealt with the problems of families. I represented many clients in divorces and separate maintenance actions. I certainly do not have the reputation in my community of being a family or homewrecker. This is not the intention of this bill either, but rather to provide for these people a type of counseling and marriage counseling advice which they so vitally need.

In so many of these cases, our legal aid society has been able to bring families together, and to reunite the families. But certainly we do not want to deprive the counselors in this kind of situation from taking the legitimate cases to court and securing a divorce, or securing for a mother an opportunity to have a court order for support, which can be enforced against a husband perhaps who has left the legal jurisdiction. The Reciprocal Enforcement Act enables that mother then to collect alimony or support from a husband in another State. I consider this to be one of the most vital features of a legal services program, which has been incorporated into the Economic Opportunity Act.

Mr. O'HARA. Mr. Chairman, I thank the gentlewoman for her contribution.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

(By unanimous consent, Mr. O'HARA of Michigan was allowed to proceed for 2 additional minutes.)

Mr. DOLE. I thank the gentleman for yielding. I want to make it clear to the gentlewoman from Hawaii and have attempted, in the amendment and in my statement, that my amendment would not prohibit support or custody actions. I am not suggesting this should not be done. In many cases the husband should be made to pay child support, either under the Uniform Support Act or in some other way.

My amendment deals with divorce actions, separate maintenance actions, and annulment actions. This is where I disagree, and do not feel family separation should be subsidized with poverty program money.

Mr. O'HARA of Michigan. Mr. Chairman, to sum up, I believe if the legal services for the poor operate anything at all like the free legal services program with which I was associated some years ago—and I suspect they do—the attorneys working therein will make every effort to avoid going to court in divorce or separate maintenance or annulment actions.

But sometimes the circumstances are such that that is the only sensible thing to do. I would not like to see a prohibition in the act against a lawyer instituting a domestic relations action when he feels it is the best course to follow.

Mr. SMITH of Iowa. Mr. Chairman, will the gentleman yield?

Mr. O'HARA of Michigan. I yield to the gentleman from Iowa.

Mr. SMITH of Iowa. In some of these cases the legal separation is a fact, but child support has not been established. The amount of child support which can be secured under the criminal laws for desertion is much lower than the amount that can be allowed under a divorce decree.

Mr. O'HARA of Michigan. The gentleman is absolutely correct. I do not believe we ought to have a blanket prohibition against this sort of representation.

I hope the amendment will be defeated.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Kansas [Mr. DOLE].

The question was taken; and on a division (demanded by Mr. DOLE) there were—ayes 23, noes 38.

So the amendment was rejected.

AMENDMENT OFFERED BY MR. ERLENBORN

Mr. ERLENBORN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ERLENBORN: On page 9, strike out lines 15 through 23, and insert the following:

"SEC. 204. Section 205(a) of the Act is amended by adding at the end thereof the following new sentence: 'No person whose compensation exceeds $6,000 per annum and is paid, in whole or in part, from sums appropriated to carry out title II shall be employed at a rate of compensation which exceeds by more than 20 per centum the salary which he was receiving in his immediately preceding employment, but the Director may grant exceptions for specific cases.'"

Mr. ERLENBORN. Mr. Chairman, in the bill before us the section on page 9, section 204, imposes a limitation of $12,500 per year on the amount of salary which may be paid to an employee in a community action program. While I believe the purpose of this section is salutary in holding down salaries, this is the sort of arbitrary action many on the other side of the aisle have accused us of in some of the other amendments.

The fact is that this does not take into consideration the variance in the type of personnel who might be needed, for instance, in Podunk, Ky., or New York City or the city of Chicago or in some small community.

In other words, there is a top limitation of $12,500. That amount of salary could be paid to an employee in the small community, and the same salary could be paid to an employee who is the head of a program in one of our large metropolitan areas. It is an arbitrary figure.

In the hearings in the other body the mayor of the city of New York testified to this particular aspect of the bill. He said, and I would like to quote:

I should like to comment briefly on the proposal to limit the Federal contribution to salaries of community action employees. In New York during the past several months we have learned through hard and bitter experience how difficult it is to attract able talent to municipal government. We have recognized how important it is for local government to be able to offer salaries and fringe benefits comparable to those offered in private industry and the Federal Government.

I am struck by the contrast between the proposal to limit salaries and the advice we so often hear that the war on poverty should adopt more businesslike procedures and improved administrative practices. To do so will require topflight executive personnel—first-rate talent that private business firms would never risk losing by placing an artificial ceiling on salaries.

Senator CLARK, in response to this observation, said, and I quote:

I would like to interrupt you again to indicate my strong concurrence with what you have just said. As the chairman of this subcommittee on manpower, in addition to employment and poverty, I have been running into a critical shortage of skills in all nonprofit areas of our society, including municipal government.

Now, not only is the ceiling wrong, but I think that this section does not attack the just as serious problem of too high a salary, even though it be below $12,500. Let me give you some examples. This is in the Youth Corps rather than in the community action program, but in the Job Corps camp at San Marcos, Tex., here are a few of the representative salary increases of people employed privately and then hired in the Job Corps camp. The manager of personnel. Previous employment, $5,000. Then he was hired at a $10,000 salary. This is under $12,500, but he has a 100-percent increase in his income.

Math chairman went from $4,730 to $10,080. Again a more than 100-percent increase in his salary. There are instances after instances of teachers and other people being hired under this poverty war program and having their salaries increased by 40 or 60 percent or 100 percent or 150 percent.

So I think that the real test here should be: How good a man is he and how much is he worth? The way we can determine this is how much has he been worth in the past to his private or previous employer, whether private or public. So this amendment would not place an arbitrary ceiling on this but would provide that salaries exceeding $6,000 a year cannot be given to a person if the salary is more than 20 percent more than he had been making in his previous employment.

In other words, if a man would be making $15,000, they could hire him at $15,000 or at $18,000. If he does not make but $7,000 a year, then he could be hired at 20 percent more than that. In other words, it sets a limitation based on the worth of the individual rather than the arbitrary ceiling. I think this is a more proper approach, and I hope the amendment will be adopted.

Mr. HALL. Mr. Chairman, will the gentleman yield?

Mr. ERLENBORN. I am happy to yield.

The CHAIRMAN. The time of the gentleman has expired.

Mr. HALL. Mr. Chairman, I ask unanimous consent that the gentleman from Illinois [Mr. ERLENBORN] may proceed for 2 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. HALL. Could this amendment, which I have already complimented the gentleman for, be called a salary restraint amendment under the economic opportunity program?

Mr. ERLENBORN. I think that would be good terminology.

Mr. HALL. Is the gentleman familiar with an insertion I made in the daily RECORD on September 22 of this year, on page A4918, entitled "Poverty Agency Officials Got Big Pay Hikes," referring to the Human Development Corp., which has been generally doing a good job in the St. Louis area as far as I am concerned, but listing therein over 20-some-odd people who had either been transferred into this agency in the past year or had had from 1 to 3 promotions which raised their salaries from an average of between 60 to 80 percent in that given year or by virtue of the transfer alone?

Mr. ERLENBORN. I am familiar with that and I believe this represents further evidence for the need of this amendment.

Mr. HALL. And, Mr. Chairman, if the gentleman will yield further, certainly the gentleman's amendment would prevent these unusual out-of-the-ballpark prices in the hiring of personnel; is that not correct?

Mr. ERLENBORN. That is correct, at least in the community action program.

Mr. HALL. Mr. Chairman, if the gentleman will yield further, this is directly applicable to the community action program and I commend the gentleman from Illinois [Mr. ERLENBORN] and I certainly hope that the amendment which the gentleman has offered will be accepted on both sides of the aisle, because it is needed in order to bring about restraint and to prevent piracy among those who remain behind in their doing a good job in the area of concern.

Mr. ERLENBORN. Mr. Chairman, I thank the gentleman from Missouri for his contribution.

Mr. CURTIS. Mr. Chairman, will the gentleman yield?

Mr. ERLENBORN. I yield to the gentleman from Missouri [Mr. CURTIS].

Mr. CURTIS. Mr. Chairman, I want to compliment the gentleman from Illinois [Mr. ERLENBORN] and also my colleague, the gentleman from Missouri [Mr. HALL], for putting this material into the RECORD.

And, Mr. Chairman, also I might say that the two St. Louis newspapers have been alerted to this problem. Indeed, the Human Development Corp., of St. Louis, has been——

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. CURTIS. Mr. Chairman, I ask unanimous consent that the gentleman from Illinois [Mr. ERLENBORN] may proceed for 2 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CURTIS. Mr. Chairman, will the gentleman yield further?

Mr. ERLENBORN. I shall be happy to yield further to the gentleman from Missouri.

Mr. CURTIS. The Human Development Corp., in the city of St. Louis, has done a good job. And, one of the reasons given—and this is a very interesting reason for providing these high salaries—is that they are asking people to go into temporary jobs and, therefore, they cannot give to them the necessary continuity of employment. And for that reason they have to pay higher salaries.

Mr. Chairman, this, in itself, should send up a warning signal of the danger of these programs, as to how this entire poverty war can actually make a city or community—can actually render them worse off than they were before the war was declared, when the temporary programs recede.

Mr. Chairman, it is my opinion that the amendment which has been offered by the gentleman from Illinois [Mr. ERLENBORN] directs the attention of everyone to this serious problem. And, we have got to get this whole matter coordinated and on a more permanent basis. There must not be this disruption of the Community Chest agencies and other groups which have been doing this welfare and education work in the poverty area for years, by having the Federal Government all of a sudden wake up to the fact that there has been a war on poverty going on in our society for hundreds of years.

It does not behoove the "Johnny-come-latelies" to disrupt the structure and work which has been going on, particularly when the odds are they will ride off to other wars as their attention is directed to other social problems, leaving those on the scene to pick up the pieces.

Mr. WATSON. Mr. Chairman, will the gentleman yield?

Mr. ERLENBORN. I yield to the gentleman from South Carolina.

Mr. WATSON. Mr. Chairman, I should like to join with all of my colleagues in commending the gentleman in the well, the gentleman from Illinois [Mr. ERLENBORN], upon the approach which he has taken to this matter through the amendment which he has proposed.

Mr. Chairman, I realize that this is a difficult area in working out an exact formula, but I believe the manner in which the gentleman has approached it is a very equitable one and I hope the committee managers will agree with the intent and purpose of this amendment.

Mr. Chairman, of all the frauds perpetrated by the Great Society on the American people, the poverty war has to rank in the forefront. Armed with an elaborate political patronage system which has provided thousands of jobs for Democratic politicians, the administration's war on poverty is in reality a war against the poor.

No longer is assistance provided to the poor and needy on a charitable basis. The missionary has been replaced with the man in the grey flannel suit. That man is a $17,000- to $25,000-a-year executive with the Office of Economic Opportunity. The spirit of helping the less fortunate has ever been the earmark of charity, and yet this philosophy seemingly does not prevail in the Office of Economic Opportunity. One cannot help but conclude that current poverty programs are doing more good for the do-gooders than good for the poor.

When the Great Society decided to undertake the ambitious and meritorious project of alleviating poverty in this country, it surely failed to take into consideration that its expensive creation would result in such a complete waste of public funds.

A cursory glance at a few statistics substantiate this view. A simple matter of arithmetic indicates that in the Job Corps program, one of the most cynical and totally fraudulent projects ever funded by the Federal Government, that exactly $164,064 has been spent on each Job Corps graduate. Of the 38,951 enrollees in this program, only 3,080 have graduated. As ridiculous as it may seem, it costs more in 1 year to train an individual to clean parks than it would to send 12 students to Harvard for 4 years.

The mismanagement and irresponsible administration of the war on poverty can be cited in cases too numerous to mention. Almost daily we hear reports of corruption in virtually every program undertaken by the Office of Economic Opportunity. Even the City Council of New Bedford, Mass., unanimously passed a resolution appealing to the President to close a Job Corps center in their city. The war on poverty is only another step toward making the Great Society a "corrupt society." Rather than even considering an expansion of the Economic Opportunity Act, this body should immediately undertake a war on waste and excessive spending which now threatens to bankrupt this Nation.

Despite $2.3 billion in expenditures over the past 2 years, the Office of Economic Opportunity really has not made an impact on poverty but has resulted in a political bonanza of jobs for Democrats at the taxpayers' expense. Its creation was strictly politically motivated and its objectives only tend to duplicate existing programs.

One really does not have to search too far for an answer to the waste by OEO. Embroiled in brutal politics, lacking in coordination and definition, this bureaucratic agency represents the culmination of inefficiency in the executive branch.

Yet, here we are again faced with having to expand this grossly disorganized program of mediocrity. If we took just one-half of the funds being set aside for this program this year and simply gave the taxpayers a break in order for them to give more to reputable charitable institutions, the stigma of deprivation among America's poor would be substantially reduced for the next generation. There is no real guarantee that this year's appropriations will not be used as they have in the past—to increase political patronage among Democratic Party

faithful as was revealed in the debate earlier this week when it was brought to light that the campaign manager of one Democratic Congressman is on the payroll of the Office of Economic Opportunity.

Mr. ERLENBORN. Mr. Chairman, I thank the distinguished gentleman from South Carolina.

Mr. GIBBONS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would like to ask the gentleman from Illinois [Mr. ERLENBORN], the author of the proposed amendment, whether or not we could agree among ourselves that we would temporarily pass over this amendment until we find a Member on our side with whom the gentleman from Illinois would like to discuss it and, perhaps, we may be able to reach an agreement upon the gentleman's amendment.

The CHAIRMAN. The Chair will suggest to the gentleman from Florida that the gentleman would have to ask unanimous consent to pass over the consideration of the amendment at this time or ask unanimous consent that the amendment be withdrawn, either of which would be possible if the gentleman so desires.

Mr. GIBBONS. Well, Mr. Chairman, still using some of my 5 minutes, may I state it is not my intention to try postpone consideration of this amendment which has been offered by the gentleman from Illinois [Mr. ERLENBORN], or to try to arbitrarily cut off debate on it.

I would like to have the opportunity to circulate around a little more on this side to see whether we may be able to agree to the amendment.

Mr. Chairman, I would ask the gentleman from Illinois [Mr. ERLENBORN] if he would not ask unanimous consent to withdraw his amendment with the understanding that we can come back to it later.

Mr. ERLENBORN. Mr. Chairman, I ask unanimous consent to withdraw my amendment with the understanding that the amendment will be considered before we pass from this title to the next title of the bill.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

Mr. CURTIS. Mr. Chairman, reserving the right to object. I yield to the gentleman from Florida [Mr. GIBBONS] at this time.

Mr. GIBBONS. Mr. Chairman, of course, it is the understanding that the gentleman from Illinois [Mr. ERLENBORN] may offer his amendment and will be able to speak on his amendment if we cannot come to an agreement to accept this amendment.

Mr. CURTIS. Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois [Mr. ERLENBORN]?

There was no objection.

The amendment was withdrawn.

AMENDMENT OFFERED BY MR. BELL

Mr. BELL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BELL: On page 16, beginning with line 12 strike out everything through line 14 on page 22, and insert in lieu thereof the following:

"Adult basic education—Revision of program

"SEC. 211. Part B of title II of the Act is amended to read as follows:

"'PART B—ADULT EDUCATION

"'Short title; statement of purpose

"'SEC. 212. (a) This part may be cited as the "Adult Education Act of 1966".

"'(b) It is the purpose of this part to encourage and expand basic educational programs for adults to enable them to overcome English language limitations, to improve their basic education in preparation for occupational training and more profitable employment, and to become more productive and responsible citizens.

"'Definitions

"'SEC. 213. As used in this party—

"'(a) The term "adult" means any individual who has attained the age of eighteen.

"'(b) The term "adult education" means services or instruction below the college level (as determined by the Commissioner), for adults who—

"'(1) do not have a certificate of graduation from a school providing secondary education and who have not achieved an equivalent level of education, and

"'(2) are not currently enrolled in schools.

"'(c) The term "adult basic education" means education for adults whose inability to speak, read, or write the English language constitutes a substantial impairment of their ability to get or retain employment commensurate with their real ability, which is designed to help eliminate such inability and raise the level of education of such individuals with a view to making them less likely to become dependent on others, to improving their ability to benefit from occupational training and otherwise increasing their opportunities for more productive and profitable employment, and to making them better able to meet their adult responsibilities.

"'(d) The term "Commissioner" means the Commissioner of Education.

"'(e) The term "local educational agency" means a public board of education or other public authority legally constituted within a State for either administrative control or direction of public elementary or secondary schools in a city, county, township, school district, or other political subdivision of a State, or such combination of school districts or counties as are recognized in a State as an administrative agency for its public elementary or secondary schools; except that if there is a separate board or other legally constituted local authority having administrative control and direction of adult education in public schools therein, such term means such other board or authority.

"'(f) The term "State" includes the District of Columbia, and (except for the purposes of section 214(b)(1)) the Commonwealth of Puerto Rico, Guam, American Samoa, the Trust Territory of the Pacific Islands, and the Virgin Islands.

"'(g) The term "State educational agency" means the State board of education or other agency or officer primarily responsible for the State supervision of public elementary and secondary schools, or if there is a separate State agency or officer primarily responsible for supervision of adult education in public schools then such agency or officer may be designated for the purposes of this part by the Governor or by State law. If no agency or officer qualifies under the preceding sentence, such term shall mean an appropriate agency or officer designated for the purposes of this part by the Governor.

"'Grants to States for adult basic education

"'SEC. 214(a)(1) From the sums appropriated or made available to carry out this part, not less than 10 per centum nor more than 20 per centum shall be reserved for the purposes of section 218.

"'(2) From the remainder of such sums, the Commissioner is authorized to make grants to States, which have State plans approved by him under section 215 for the purposes of this section, to pay the Federal share of the cost of the establishment or expansion of adult basic education programs to be carried out by local educational agencies.

"'(b)(1) From the sums available for purposes of section 214(a)(2) for any fiscal year, the Commissioner shall allot not more than 2 per centum thereof among Puerto Rico, Guam, American Samoa, the Trust Territories of the Pacific Islands, and the Virgin Islands according to their respective needs for assistance under such section. From the remainder of such sums he shall allot to each State an amount which bears the same ratio to such remainder as the number of adults who have completed not more than five grades of school (or have not achieved an equivalent level of education) in such State bears to the number of such adults in all States.

"'(2) The portion of any State's allotment under paragraph (1) for a fiscal year which the Commissioner determines will not be required, for the period such allotment is available, for carrying out the portion of the State plan relating to adult basic education approved under this part shall be available for reallotment from time to time, on such dates during such period as the Commissioner may fix, to other States in proportion to the original allotments to such States under paragraph (1) for such year, but with such proportionate amount for any of such other States being reduced to the extent it exceeds the sum which the Commissioner estimates such State needs and will be able to use for such period for carrying out such portion of its State plan approved under this part, and the total of such reductions shall be similarly reallotted among the States whose proportionate amounts are not so reduced. Any amount reallotted to a State under this paragraph during a year shall be deemed part of its allotment under paragraph (1) for such year.

"'State plans

"'SEC. 215. (a) Any State desiring to receive its allotment of Federal funds for any grant under this part shall submit through its State educational agency a State plan. A State plan shall be in such detail as the Commissioner deems necessary, and shall—

"'(1) set forth a program for the use of grants, in accordance with section 214(a)(2) which affords assurance of substantial progress, with respect to all segments of the adult population and all areas of the State, toward carrying out the purposes of such section;

"'(2) provides for the administration of such plan by the State educational agency;

"'(3) provides for cooperative arrangements between the State educational agency and the State health authority authorizing the use of such health information and services for adults as may be available from such agencies and as may reasonably be necessary to enable them to benefit from the instruction provided pursuant to this title;

"'(4) provides for grants to public and private nonprofit agencies for special projects, teacher-training and research;

"'(5) provides for cooperation with Community Action programs, Work Experience programs, VISTA, Work Study, and other programs relating to the antipoverty effort;

"'(6) provides that such agency will make such reports to the Commissioner, in such form and containing such information, as may reasonably be necessary to enable the Commissioner to perform his duties under

this part and will keep such records and afford such access thereto as the Commissioner finds necessary to assure the correctness and verification of such reports;

"'(7) provides such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of and accounting for Federal funds paid the State under this part (including such funds paid by the State to local educational agencies); and

"'(8) provides such further information and assurances as the Commissioner may by regulation require.

"'(b) The Commissioner shall not finally disapprove any State plan submitted under this part, or any modification thereof, without first affording the State educational agency reasonable notice and opportunity for a hearing.

"'Payments

"'SEC. 216. (a) Except as provided in subsection (b), the Federal share of expenditures to carry out a State plan shall be paid from a State's allotment available for grants to such State. For the fiscal year ending June 30, 1967, and for the two succeeding fiscal years the Federal share for each State shall be 90 per centum.

"'(b) No payment shall be made to any State from its allotment for any fiscal year unless the Commissioner finds that the amount available for expenditure by such State for adult education from non-Federal sources for such year will be not less than the amount expended for such purposes from such sources during the preceding fiscal year.

"'(c) Payments to a State under this part may be in installments and in advance or by way of reimbursement with necessary adjustments on account of overpayments or underpayments.

"'Operation of State plans; hearings and judicial review

"'SEC. 217. (a) Whenever the Commissioner after reasonable notice and opportunity for hearing to the State educational agency administering a State plan approved under this part, finds that—

"'(1) the State plan has been so changed that it no longer complies with the provisions of section 215, or

"'(2) in the administration of the plan there is a failure to comply substantially with any such provision,

the Commissioner shall notify such State agency that no further payments will be made to the State under this part (or in his discretion, that further payments to the State will be limited to programs under or portions of the State plan not affected by such failure), until he is satisfied that there will no longer be any failure to comply. Until he is so satisfied, no further payments may be made to such State under this part (or payments shall be limited to programs under or portions of the State plan not affected by such failure).

"'(b) A State educational agency dissatisfied with a final action of the Commissioner under section 215 or subsection (a) of this section may appeal to the United States court of appeals for the circuit in which the State is located, by filing a petition with such court within sixty days after such final action. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Commissioner or any officer designated by him for that purpose. The Commissioner thereupon shall file in the court the record of the proceedings on which he based his action, as provided in section 2112 of title 28, United States Code. Upon the filing of such petition, the court shall have jurisdiction to affirm the action of the Commissioner or to set it aside, in whole or in part, temporarily or permanently, but until the filing of the record, the Commissioner may modify or set aside his order. The findings of the Commissioner as to the facts, if supported by substantial evidence, shall be conclusive, but the court, for good cause shown, may remand the case to the Commissioner to take further evidence, and the Commissioner may thereupon make new or modified findings of fact and may modify his previous action, and shall file in the court the record of the further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence. The judgment of the court affirming or setting aside, in whole or in part, any action of the Commissioner shall be final, subject to the review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code. The commencement of proceedings under this subsection shall not unless so specifically ordered by the court operate as a stay of the Commissioner's action.

"'Special projects and teacher training

"'SEC. 218. (a) The sums reserved in section 214(a)(1) for the purposes of this section shall be used for making special project grants or providing teacher-training grants in accordance with this section.

"'(b) The Commissioner is authorized to make grants to local educational agencies or other public or private nonprofit agencies, including educational television stations, for special projects which will be carried out in furtherance of the purposes of this part, and which—

"'(1) involve the use of innovative methods, systems, materials, or programs which the Commissioner determines may have national significance or be of special value in promoting effective programs under this part, or

"'(2) involve programs of adult education, carried out in cooperation with other Federal, federally assisted, State, or local programs which the Commissioner determines have unusual promise in promoting a comprehensive or coordinated approach to the problems of persons with basic educational deficiencies.

The Commissioner shall establish procedures for making grants under this subsection which shall require a non-Federal contribution of at least 10 per centum of the costs of such projects wherever feasible and not inconsistent with the purposes of this subsection.

"'(c) The Commissioner is authorized to provide (directly or by contract), or to make grants to colleges or universities, State or local educational agencies, or other appropriate public or private nonprofit agencies or organizations to provide training to persons engaged, or preparing to engage, as personnel in adult education programs designed to carry out the purposes of this part, with such stipends and allowances, if any (including traveling and subsistence expenses), for persons undergoing such training and their dependents as the Commissioner may by regulation determine.

"'Administration

"'SEC. 219. (a)(1) The President shall, within ninety days of enactment of this part appoint a National Advisory Committee on Adult Basic Education.

"'(2) The National Advisory Committee shall have eight members, consisting of the Commissioner of Education, who shall be chairman, and seven other members who shall, to the extent possible, include persons knowledgeable in the field of adult education, State and local public school officials, and other persons having special knowledge and experience, or qualifications with respect to adult basic education, and persons representative of the general public. Such Advisory Committee shall meet at the call of the chairman but not less often than twice a year.

"'(3) The Advisory Committee shall advise the Commissioner in the preparation of general regulations and with respect to policy matters arising in the administration of this part, including policies and procedures governing the approval of State plans under section 215 and policies to eliminate duplication, and to effectuate the coordination of programs under this part and other programs offering adult education activities and services.

"'(4) The Advisory Committee shall review the administration and effectiveness of the adult basic education program and other federally supported adult education programs as they relate to basic adult education, make recommendations with respect thereto, and make annual reports to the President of its findings and recommendations (including recommendations for changes in this part and other Federal laws relating to adult education activities and services). The President shall transmit each such report to the Congress together with his comments and recommendations. The Secretary of Health, Education, and Welfare shall coordinate the work of this committee with that of other related advisory committees.

"'(5) Members of the Advisory Committee who are not regular full-time employees of the United States, shall, while serving on the business of the Committee, be entitled to receive compensation at rates fixed by the Commissioner, but not exceeding $100 per day, including travel time; and while so serving away from their homes or regular places of business, members may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5 of the United States Code for persons in the Government service employed intermittently.

"'(6) The Commissioner shall engage such technical assistance as may be required to carry out the functions of the Advisory Committee, and the Commissioner shall, in addition, make available to the Advisory Committee such secretarial, clerical, and other assistance and such pertinent data prepared by the Department of Health, Education, and Welfare as it may require to carry out its functions.

"'(7) In carrying out its functions pursuant to this subsection, the Advisory Committee may utilize the services and facilities of any agency of the Federal Government, in accordance with agreements between the Secretary of Health, Education, and Welfare and the head of such agency.

"'(b) (1) The Commissioner is authorized to delegate any of his functions under this part, except the making of regulations, to any officer or employee of the Office of Education.

"'(2) In administering the provisions of this part, the Commissioner is authorized to utilize the services and facilities of any agency of the Federal Government and of any other public or nonprofit agency or institution, in accordance with agreements between the Secretary and the head thereof.

"'(c) (1) Nothing contained in this part shall be construed to authorize any department, agency, officer, or employee of the United States to exercise any direction, supervision, or control over the curriculum, program of instruction, administerion, or personnel of any educational institution or school system, or over the selection of library resources, textbooks, or other printed or published instructional materials by any educational institution or school system.

"'(2) The National Advisory Committee on Adult Basic Education is authorized to encourage the establishment of State and local adult education advisory committees in order to improve reporting of State and local administration of programs under this part. Such local and State advisory committees may be existing groups or especially established by State and local administrators of the programs to assure that the local program is meeting the needs of the community.

"'(d) No grant may be made under this part for any educational program, activity, or service related to sectarian instruction or religious worship, or provided by a school or department of divinity. For purposes of this subsection, the term "school or department of divinity" means an institution or a department or branch of an institution whose program is specifically for the education of students to prepare them to become ministers of religion or to enter upon some other religious vocation, or to prepare them to teach theological subjects.

"'*Funding*

"'SEC. 219. Of the sums appropriated to carry out this title for a fiscal year, not less than $40,000,000 shall be available only for carrying out this part.'"

Mr. BELL (during the reading of the amendment). Mr. Chairman, I ask unanimous consent that the further reading of the amendment be dispensed with.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

The CHAIRMAN. The gentleman from California [Mr. BELL] is recognized for 5 minutes.

Mr. ERLENBORN. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] Sixty-seven Members are present, not a quorum. The Clerk will call the roll.

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

[Roll No. 316]

Albert	Gray	O'Konski
Andrews, George W.	Greigg	Olsen, Mont.
Ashley	Gubser	O'Neill, Mass.
Aspinall	Hagan, Ga.	Passman
Bow	Hansen, Idaho	Pirnie
Brown, Calif.	Harvey, Ind.	Poage
Cabell	Hébert	Pool
Callaway	Howard	Powell
Carter	Johnson, Okla.	Rees
Celler	Jones, Ala.	Robison
Conyers	Jones, Mo.	Rogers, Tex.
Cramer	Kee	Roncalio
Daddario	King, N.Y.	St Germain
Denton	Kluczynski	Scott
Derwinski	Landrum	Stephens
Dickinson	Long, La.	Thompson, Tex.
Diggs	McClory	Todd
Dow	Martin, Ala.	Toll
Duncan, Oreg.	Martin, Mass.	Tuten
Dyal	Martin, Nebr.	Udall
Edwards, La.	Mathias	Utt
Evans, Colo.	Monagan	Willis
Evins, Tenn.	Morrison	Wilson, Charles H.
Feighan	Morse	Wright
Fisher	Moss	
Flood	Murray	
	Nedzi	

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. BROOKS, 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. 15111, and finding itself without a quorum, he directed the roll to be called, when 355 Members responded to their names, a quorum, and he submitted herewith names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

The CHAIRMAN. When the Committee rose, the Clerk had just reported the amendment of the gentleman from California [Mr. BELL].

The Chair recognizes the gentleman from California [Mr. BELL] for 5 minutes.

Mr. BELL. Mr. Chairman, my amendment relieves the Office of Economic Opportunity of its administrative function under title IIB, adult basic education.

It would shift the administrative authority for the program to the Office of Education.

The Office of Education now retains the delegated authority for the program.

The amendment is identical in substance to one adopted Wednesday by the Senate Labor and Public Welfare Committee when it considered amendments to the Elementary and Secondary Education Act.

It is my intention to offer an amendment to the House version of amendments to the Elementary and Secondary Education Act to establish the adult education program as a new title.

I am informed by legislative counsel and the Parliamentarian that this approach will pose no mechanical difficulty.

My amendment would make two important changes in the act:

First, it would provide an expansion of the program.

Second, it would place the entire administrative responsibility for adult education in the Office of Education.

In expanding the program, my amendment does not differ substantially from the provisions of H.R. 15111.

It does make some changes, however.

H.R. 15111 provides that 25 percent or $6.6 million of the $26.5 million provided for the program be used for special projects and teacher training under section 218.

My amendment provides that at least 10 percent but no more than 20 percent of the $40 million authorized be used for the same purpose.

Between $4 million and $8 million would be earmarked for special projects which include innovative methods of teaching adults or programs which promote a comprehensive approach to the problems of adult educational deficiencies, and for the training of adult education teachers.

My amendment, by providing between 10 and 20 percent of the funding for special projects and teacher training, builds in flexibility in meeting the varying needs of the States.

Certain States now have imaginative programs and would more efficiently spend a greater sum on the teaching programs.

The Commissioner would make this determination and assign the funds accordingly.

It is important to note, Mr. Chairman, that my amendment requires a State plan to include cooperation with community action programs, work experience programs, VISTA, work study, and other programs under the Economic Opportunity Act.

It does not eliminate the adult education program from the antipoverty effort.

In addition, my amendment would set up a National Advisory Committee on Adult Basic Education.

Appointed by the President, the eight-member committee would advise the Commissioner in preparing regulations and on policy matters.

The committee would also review the administration and effectiveness of the program and make recommendations to the President annually.

Mr. Chairman, this amendment goes to the very heart of the difficulties that have plagued the poverty program since 1964—administration.

My amendment would simply eliminate OEO as the middleman in the funding procedure.

Under the present setup, title IIB can only be implemented when OEO transfers the funds to the Office of Education, which, in turn, passes them on to the States for further routing.

OEO has been merely acting as a budgetary conduit under title IIB.

The procedure has added to the administrative headaches at OEO and caused months of delays in funding State programs.

It is argued that my amendment would eliminate the imaginative contributions OEO makes to education programs.

I would point out that OEO will continue to develop innovations in adult education under section 207 of the act.

My amendment does not disturb that authority.

Mr. Chairman, my amendment does not go beyond the scope of the changes proposed by H.R. 15111.

It is merely an administrative change that will improve the efficiency of program and free OEO from its purely clerical function in the program.

Mr. BRADEMAS. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from California [Mr. BELL].

Mr. Chairman, let me observe that the amendment of the gentleman from California [Mr. BELL] pays a great compliment to the committee bill in that, as he has already confessed, his own amendment adopts so much of the substance of what would be found in the bill, H.R. 15111.

There are several reasons I think the gentleman's amendment ought to be defeated.

First, he has made very clear he wants to give control of the adult education program to the Commissioner of Education.

I happen to have a high regard for that commissioner, but it does seem to me, Mr. Chairman, that the Commissioner of Education has plenty of thorny problems to keep him very busy these days without adding another very significant area of responsibility.

In the second place may I say to the gentleman from California, the same thing that was said yesterday with respect to the amendment to take project Headstart out of the Office of Economic Opportunity and place it over in the Office of Education. If we were to do what the gentleman is suggesting, we might very well kill the entire adult basic education program for there is no guarantee at all that we are going to be able to write into the Elementary and Secondary Education Act next week an adult basic education program.

A third point I would have to cite in opposition to the gentleman's suggestion is that he wants to expand the program.

Now let me make very clear that I would like very much to expand the program, too. But from time to time we hear something around this place about "fiscal responsibility," and you will observe, I may say to the gentleman from California, that the committee bill stays within the President's budget. If we were to adopt the suggestion of the gentleman from California, we would start busting that budget.

There are perhaps even more profound reasons for opposing the suggestion of the gentleman from California. One of the great assets, in my judgment, in maintaining the adult basic education program within the administrative jurisdiction of the OEO is that we will thereby maintain the maximum focus upon the problems of the poor in the United States, for the fact of the matter is that most of the illiterate Americans 18 years of age and above are within the poverty category.

I think it is clear, if one observes the way in which the adult basic educational program is administered, that there is no requirement in the present statute that a person must be poor to participate in the program.

However, the joint regulations established by the OEO and the OE for the adult basic education program stress that its "primary purpose" is "to provide basic instruction to impoverished adults whose ability to read and write the English language, to quote from the guidelines, constitute a substantial impairment of their employability."

The fact of the direct participation by the Office of Economic Opportunity in the putting together of the guidelines insures that the title II–B program will, to the maximum extent possible, be of assistance to impoverished adults in our country.

There is another reason that I must oppose the gentleman's amendment, and it goes back to the principle of all the Republican amendments, which is to scatter these programs all over Washington, D.C., and to do so after many months of painful effort to establish patterns of cooperation and coordination at the local level—something that the gentlemen on the other side even say they favor. Yet they now come up with propositions that would fragment these programs and scatter them all over the lot.

There is another point I would like to make in opposition to the gentleman's proposition, and that is that in many of our States we have not had sufficient experience in operating these title II–B programs. It has been not an easy task to get them off the ground. For that reason, to rip out the program from its present context, where it is being administered by OEO, and plant it in the Department of Health, Education, and Welfare, would be, I think, a precipitous and ill-advised action.

There is another reason that I think the gentleman's amendment would be a mistake. At the present time we have in process a number of in-depth analyses at the State and local level to evaluate the progress of the adult basic education program. To change the administrative structure of this program at this time without any clear effort to assess the evaluations would be in my judgment an extremely wasteful procedure.

I must say, to conclude, Mr. Chairman, that the reasons are so many for keeping the present administrative structure of this terribly important adult basic education program, and the reasons so sparse for taking it out of the OEO, that I hope the gentleman's amendment is defeated.

Mr. QUIE. Mr. Chairman, I rise in support of the amendment.

As I listened to the gentleman from Indiana, I felt he was making some panic statements about a transfer that has already been accepted by OEO from the inception of this act, since they have transferred adult basic education to the Office of Education to handle and administer now. We saw the agreement in the subcommittee of the gentleman from Kentucky [Mr. PERKINS] where this very amendment was adopted. And when we came into the full committee, it is true, for some unknown reason the majority decided not to make the transfer. We see over in the other body they have made the transfer of adult basic education to the Office of Education. We had exactly the same thing happen in the work-study program. The first year work study was a part of the Office of Economic Opportunity.

It didn't take as long for the majority to become convinced that work study ought to be transferred to the Office of Education and did so when the act was extended last year. This is an identical situation. I cannot see how anybody would oppose this.

Mr. BELL. Mr. Chairman, will the gentleman yield?

Mr. QUIE. I yield to the gentleman from California.

Mr. BELL. Mr. Chairman, I thank the gentleman for yielding.

The transfer in the Senate has just been made. They have done what we are proposing right now. The problem basically is that OEO, with all its different programs, is sometimes in a position where it works toward the detriment of an educational program, because it has to rob Peter to pay Paul, so to speak, and on adult education millions of dollars were not allocated to California. I know that happened to other States also, because of OEO's desire to fund some other program that perhaps they liked better than adult education at that time. What I say is, let us put it where it belongs, in the Department of Education, and let it be handled efficiently and directly.

Mr. BRADEMAS. Mr. Chairman, will the gentleman yield?

Mr. QUIE. I yield to the gentleman from Indiana.

Mr. BRADEMAS. Mr. Chairman, I thank the gentleman for yielding. I believe the gentleman is addressing himself to the Elementary and Secondary Education Act. However, this House is considering the Economic Opportunity Act.

The second point I would make is that, while I am always interested in what is going on in the Senate, I would point out to the gentleman this is the House of Representatives, and we have our own responsibility to make our own judgment.

Mr. QUIE. Mr. Chairman, I will say to the gentleman from Indiana that next week, when the Elementary and Secondary Education Act comes up, I cannot conceive anybody on his side objecting to an amendment, as proposed by the gentleman from California, to put this in the Elementary and Secondary Education Act. It is perfectly germane, and I am sure people on our side would be agreeable to the same amendment.

Mr. GOODELL. Mr. Chairman, will the gentleman yield?

Mr. QUIE. I yield to the gentleman from New York.

Mr. GOODELL. Mr. Chairman, that is a fallacious argument, because in the committee, when both the poverty and education bills were coming before us, the committee made the decision—we think wrongly—to put it in the economic opportunity bill. They did that when the adult education had been added to the elementary and secondary education amendments and was a part of that bill in the subcommittee. The same gentlemen arguing against this transfer were instrumental in seeing that it was put back in the poverty program.

Mrs. GREEN of Oregon. Mr. Chairman, will the gentleman yield?

Mr. QUIE. I yield to the gentlewoman from Oregon.

Mrs. GREEN of Oregon. Mr. Chairman, in the State of Oregon, such programs are carried on under the Department of Education. It seems to me this amendment would bring about better programing and that there would be a wiser expenditure of funds. As far as my State is concerned, I feel compelled to support this amendment, at this time, to transfer this to the Office of Education, where I believe it belongs.

Mr. QUIE. I thank the gentlewoman.

Talking about fragmented programs, this is fragmented now. We ought to put all education programs under the Office of Education or else put them all in OEO.

Mr. GOODELL. Mr. Chairman, will the gentleman yield?

Mr. QUIE. I yield to the gentleman from New York.

Mr. GOODELL. Mr. Chairman, the argument is used that we should not transfer this because we have a variety of needs to coordinate in OEO. We could just as well argue that we have a variety of educational programs such as vocational rehabilitation, higher education, and all education programs which should not be under the Office of Education, but should be put over under OEO. This does not make any sense. Coordination should occur in one agency of the Government, at the Cabinet level, in HEW. The Office of Education is prepared to do this. Let us coordinate our various education programs in one agency, and not worry so much about coordinating adult basic education with small business, and with farmers' loans, and with other programs that have nothing to do with education. This is precisely what the amendment of the gentleman proposes.

The CHAIRMAN. The time of the gentleman has expired.

Mr. GOODELL. Mr. Chairman, I move to strike the last word.

Mr. WAGGONNER. Mr. Chairman, will the gentleman yield?

Mr. GOODELL. I yield to the gentleman from Louisiana.

Mr. WAGGONNER. Mr. Chariman, do I correctly understand that the crux of this present argument revolves around whether or not these funds, which will be used for education, will be administered as they presently are by OEO, or will they be transferred completely to the Commissioner of Education for administration?

Mr. GOODELL. Mr. Chairman, that is essentially true, although it should be added that under the present setup the action of the administration is delegated by OEO to the Office of Education in most instances. The problem is that OEO determines how much money will be allocated. If they take the money from adult education and put it in some other program, no one ever knows how much money they should have gotten in adult education.

Mr. WAGGONNER. Can the gentleman solve the problem by giving to Harold Howe, the Commissioner of Education, this additional authority? Some of us are having more than the usual amount of trouble with Mr. Howe now you know. He is prone to assume powers for himself without basis. Some of us have had considerable trouble dealing with him as things are.

Mr. GOODELL. The gentleman will have the same problems he refers to, whoever administers this program, I fear. He can solve it in this respect: there would be a specific allocation of funds to the Commissioner of Education. He would have a specific program, and would allocate the funds to the States. All of the various States that have basic education programs going would be able to supplement their programs and know how much money was coming in.

This will provide for intelligent administration of the program, instead of the confusion we have had.

Mr. BELL. Mr. Chairman, will the gentleman yield?

Mr. GOODELL. I yield to the gentleman from California.

Mr. BELL. The gentleman is exactly correct.

So far as dealing with the Commissioner of Education is concerned, there would be no difference from what there is under the Poverty Act. There would be the same problem.

Essentially the OEO is merely a funder. It merely, one might say, gets in the way, to a degree. It is the in-between area which is not needed. It does add to the confusion, by the fact that they change funds around to whichever program they seem to like at that time. What suffers? Adult education.

There are 370,000 people in the United States today who want basic adult education. They should have the opportunity to get that education and have the funds available for it.

Mr. FASCELL. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, today we have before us for our consideration a most important piece of legislation—the 1966 amendments to the Economic Opportunity Act. Enactment of this bill is essential to enable the continuation of the many successful programs begun during the past 2 years. The activities of the Office of Economic Opportunity have not been without criticism, but on the whole I feel that the antipoverty effort has had some remarkable results and should definitely be continued.

The changes proposed by H.R. 15111 have come from careful study and examination of the strengths and weaknesses of the programs in existence. In its proposals, the committee has tried to correct certain inadequacies in the regulations and administration of the program. There has been a frank realization that perhaps the community action programs and the Job Corps have not been as successful as had been hoped. The authorizations requested for these programs are modest. Hopefully, many of the difficulties in these programs stemmed from their innovative nature, and can be overcome with more careful planning and administration.

The amendments propose that the Neighborhood Youth Corps, Headstart, and VISTA programs be expanded. These three programs have demonstrated their effectiveness in accomplishing their goals and deserve increased appropriations.

The Neighborhood Youth Corps has given help and hope to hundreds of thousands of young persons by enabling them to remain in school, return for more education, or become gainfully employed. If these men and women can receive the education, training, and motivation at this crucial period of their lives, they may be able to break out of the cycle of poverty.

The accomplishments of the Neighborhood Youth Corps, which had 278,000 enrollees in fiscal year 1965 and 528,000 enrollees in fiscal 1966, more than justify the increased expenditures requested in these amendments. During fiscal year 1966, $271 million was obligated to support the 1,477 Neighborhood Youth Corps projects. The proposal before us asks for $496 million for this program.

The amendments request that the amounts of money appropriated for the Headstart programs be increased from $180 million currently obligated, to $352 million for fiscal year 1967. The programs conducted this past summer enrolled more than half a million children of preschool age. It is estimated, however, that there are about four times this number who should have the opportunity to attend Headstart classes. Increased funds for this program will mean that it can continue to grow, and can continue to emphasize a broad approach to preschool classes, including health examinations, nutritional supplements, family involvement, and psychological services. Such a program is a sound investment in the future—the earlier we reach the children of poverty the greater the chance of helping them.

These educational programs are geared toward children and youth, which is generally the age group referred to when one talks of formal education. I would give full support to these two programs. Another education program, in which I am most interested, but which does not receive as much public attention is that of adult basic education. In the past, unfortunately, adult education has meant cultural and academic enrichment programs for middle and upper class adults who wished to learn new ideas and skills. This is certainly a valid and useful concept and should continue to be supported.

The adult basic education to which I am referring involves the teaching of reading, writing, and computational skills to adults who are considered functionally illiterate. The purpose of this type of program is to enable these persons to be prepared to support themselves, participate in occupational training, and continue with further education in order to open additional employment opportunities. The OEO has estimated that there are almost 11 million persons between the ages of 18 and 64 who have less than an eighth grade education. The adult basic education program in the Economic Opportunity Act was conceived to provide classes for as many of these persons as possible. To quote from a recent Office of Education report on educational deficient adults:

> The unskilled and the undereducated have largely been "screened out" of regular training programs provided under MDTA, ARA, and other Government-sponsored training projects. Their limited preparation has made their acceptance into current training programs virtually impossible. As a result, they cannot hope to compete for available jobs which make ever-increasing demands in skill, training, and education.

It is well known that those without basic reading, writing, and computational skills cannot qualify for the type of skilled job for which there is a growing demand in this country. The type of job these people can qualify for is the one which is likely to disappear as automation occurs. The unemployment rate is substantially higher among those with less education. Although many say the emphasis should be placed on antipoverty programs for younger Americans, I feel very strongly that this group needs and deserves aid.

A program of this nature not only helps the man or woman who directly participates in it. Enabling these adults to become literate and, therefore, able to hold better jobs indirectly affects their families. A study reported in a recent book, "Poverty Amid Affluence," by Oscar Ornati, points up the importance of the educational level of the father of a low-income family:

> Having or not having money does not in itself and of itself determine educational levels. The fact of low income does not preclude the possibility of a high school or even a college diploma. The level of education achieved by the father is more significant than his income in determining the importance given to education in the home and the degree of interest shown in the child's progress in school.

Our continuing support of adult basic education programs is essential to enable many of our older citizens to continue to

be able to find work, and to help them and their families rise from the difficulties of poverty. I have myself introduced legislation which would expand educational programs for adults to enable them to overcome English language limitations, to improve their basic education in preparation for occupational training and more profitable employment and to become more productive and responsible citizens. Under the Economic Opportunity Act, 45 State plans have been approved with plans in 9 States pending. There was a total enrollment of 37,991 in fiscal year 1965, and an enrollment of 75,000 estimated for fiscal year 1966.

I would hope that this program will continue to grow and serve more people. The proposed amendments offer several changes designed to strengthen and improve existing programs. They outline criteria to govern the administration of State plans, with emphasis on coordination with related programs such as employment training and job counseling. To encourage innovative programs, funds will be made available for grants directly to local groups for special projects. Twenty-five percent of the funds appropriated could be reserved for special project grants and for training of adult basic education teachers. These proposed changes may be expected to improve the adult basic education programs already in existence.

Other proposals in this bill would revamp the work experience program, initiate programs of rehabilitation of narcotic addicts, expand job opportunities for the hard-core unemployed older worker, and continue support of legal aid activities. In short, I feel that these amendments are well thought out and make an effort to initiate changes in programs where problems have arisen. I urge support of this bill.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. BELL].

The question was taken; and on a division (demanded by Mr. BELL) there were—ayes 40, noes 61.

Mr. BELL. Mr. Chairman, I demand tellers.

Tellers were ordered, and the chairman appointed as tellers Mr. BELL and Mr. GIBBONS.

The Committee again divided, and the tellers reported that there were—ayes 50, noes 73.

So the amendment was rejected.

AMENDMENT OFFERED BY MR. ICHORD

Mr. ICHORD. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ICHORD: On page 16, line 11, before the period, insert the following: ": *Provided*, that all proposals for programs of legal advice and legal representation shall not less than 60 days prior to their approval, or, in the case of existing programs, prior to any additional funding under the title, be submitted by the applicant to the bar associations in the areas intended to be served by the program for such association's review, comments, and recommendations".

Mr. ICHORD. Mr. Chairman, this amendment is prompted by a legal representation program that was approved in the State of Missouri embracing five counties in my district and four counties in the district of the gentleman from Missouri [Mr. HUNGATE]. This particular program was conceived by a professor at the University of Missouri. In the application for approval of the program the misrepresentation was made that all of the local bar associations were in favor of the plan. Subsequently thereto, eight or nine bar associations met and disapproved the particular application.

Mr. Chairman, I think that the amendment is very simple and I believe it is very explicit. It merely requires that before these programs are approved or funded they must be submitted to the local bar associations in order that the local bar associations can make comments and recommendations.

Mr. Chairman, I believe that this is absolutely essential, because if these programs are to be successful, they must have the cooperation of the members of the local bar associations.

Mr. Chairman, as to this specific program, I want to make clear the fact that it is not as yet funded.

Mr. Chairman, the intent of this amendment is to require the Office of Economic Opportunity to submit this program to the local bar associations for comment and suggestions before the application is funded.

Mr. GOODELL. Mr. Chairman, will the gentleman yield?

Mr. ICHORD. I am happy to yield to the distinguished gentleman from New York.

Mr. GOODELL. Mr. Chairman, I would hope that in my asking the distinguished gentleman from Missouri to yield and rising in support of his amendment I shall not deliver the kiss of death to it. However, I want the gentleman to know that I favor his amendment and I want the gentleman to know that it is an excellent amendment and express the hope that it will be accepted on the other side of the aisle.

Mr. ICHORD. Mr. Chairman, I wish to state to the distinguished gentleman from New York [Mr. GOODELL] that I have conferred with the managers of the bill at great length, and I believe this amendment will be agreed to by the managers of the committee bill.

Mr. Chairman, I know that the gentleman from Florida [Mr. GIBBONS] has a similar situation and is in favor of the amendment.

Mr. LENNON. Mr. Chairman, will the gentleman yield?

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

Mr. LENNON. Mr. Chairman, I want to commend the gentleman from Missouri very highly upon his purpose in offering this amendment.

Mr. Chairman, those of us in the North Carolina delegation have heard from our State bar associations, our district and county associations, which associations have been very much concerned about the manner in which this question has been handled.

Mr. Chairman, it is my opinion that the gentleman from Missouri should be commended by all of the Members of the House for bringing this question to our attention and, Mr. Chairman, I would like to see it adopted unanimously.

Mr. ICHORD. Mr. Chairman, I would like to make it clear that this does not give the local bar association a veto over the proposed programs but merely gives the various bar associations the opportunity to present suggestions and recommendations thereon.

Mr. O'HARA of Michigan. Mr. Chairman, I move to strike the last word.

Mr. Chairman, as the gentleman from Missouri indicated, he discussed this matter with me and with other members of the committee before offering it. Speaking for myself, I see nothing wrong with the amendment that the gentleman from Missouri [Mr. ICHORD] has offered.

Mr. Chairman, knowing the gentleman's deep interest in this matter and his deep interest in providing the best possible free legal service programs for the poor, I certainly intend to support his amendment.

However, Mr. Chairman, I would not want it thought that as a matter of practice or policy that the Office of Economic Opportunity is not already doing this. In fact, they are very sensitive about getting bar association consultation in these projects. They have informed me that over one-half of all the legal service programs approved by them are operated by the bar associations. Another one-third of such programs while not sponsored by the bar associations, enjoy bar association participation.

Now, Mr. Chairman, because they were disturbed by the situation which the gentleman from Missouri [Mr. ICHORD] has brought to our attention, OEO issued a memorandum in August of this year to their legal services program regional representatives, insisting that they satisfy themselves that the local bar associations had indeed been consulted with respect to any legal services program. I hope the amendment will be approved.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Missouri [Mr. ICHORD].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. QUIE

Mr. QUIE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. QUIE: On page 15, line 15, after "shall be", insert "transferred to the U.S. Commissioner of Education to be".

The CHAIRMAN. The gentleman from Minnesota [Mr. QUIE] is recognized for 5 minutes.

Mr. QUIE. Mr. Chairman——

Mr. ERLENBORN. Mr. Chairman, will the gentleman yield?

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

Mr. ERLENBORN. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I have asked for this time to pose a question to the gentleman from Florida [Mr. GIBBONS] because we are about to complete our work on title II.

The gentleman from Florida and I have had some discussion about the amendment that I previously offered and

then withdrew at the gentleman's suggestion.

As I understand it, this amendment could be applicable on a broader basis to both the Job Corps and to community action programs if it were in title VI.

We came not to a complete agreement but quite close to an agreement on my amendment so it is my intention not to offer the amendment to title II but to offer the amendment to title VI later on. I hope we may have the same agreement at that point on the amendment as we might have had as to title II.

Mr. GIBBONS. I think I can certainly assure the gentleman that that will be the case.

Mr. QUIE. Mr. Chairman, after that colloquy I will remind my colleagues that the amendment I am offering would transfer Project Headstart to the Office of Education.

The way it will do this will be to transfer the $350 million earmarked in this bill to the U.S. Commissioner so that he could do it in conjunction with his administration of title I of the Elementary and Secondary School Act. The same authority that the Director has presently will be given to the Commissioner of Education.

At the time the Project Headstart and the preschool programs were made part of the Office of Economic Opportunity, the Elementary and Secondary School Act was not law. But since that time under title I of the Elementary and Secondary School Act, many preschools both summer and all year around have been funded by the Office of Education. So we find many schools in the country that are funded by both agencies.

CAP's were informed last summer that only one-third of their money should be used for the Project Headstart. When they asked where else they were going to get the money, it was suggested that they go to the Elementary and Secondary School Act for the money, which they did.

This makes for confusion and an extra amount of redtape for all of our schools in the country to be involved in.

Some of you might ask the question—What does this do with that percentage of private schools that have Headstart programs in their schools?

There is no change in the authority which we have given under this act to the Director when we transfer over to the Commissioner of Education. If we do this for 1 year, we can then move into a complete amalgamation of these two programs. But as far as the local schools are concerned, their money would all come from the U.S. Commissioner of Education and, therefore, we would be taking one more step toward coordinating the programs and consolidating them and making them administered by one agency in order to prevent confusion.

I hope that the amendment will be adopted.

Mrs. MINK. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I rise in strong opposition to this amendment. We have discussed this in connection with the substitute bill that the minority offered and which was defeated earlier in our committee deliberations. It is again being raised.

Both Members of the minority as well as Members of the majority side acknowledge that one of the truly outstanding programs that has evolved out of the Office of Economic Opportunity Act is the Headstart program. I think we are in complete agreement about this.

If our local school agencies were in a position to implement a program such as this, my question to the Members on the minority side is why did they not do so prior to the impetus and stimulus given to this idea by the Economic Opportunity Director?

I think that what we are considering here is a major attempt on the part of the minority side to gut one of the truly outstanding features of our economic opportunity program. Headstart is the brain child of the Office of Economic Opportunity and it has worked. It has benefited some half-million youngsters in our communities across the country. This is not a sincere effort to try to create better coordination, because there has been no criticism that the program has not been coordinated well in our local communities. What they are seeking here is to put under the Office of Education a program which has worked successfully under the administration of the Economic Opportunity Director.

Our local communities now operate some 26,000 school systems. They already have had tremendous difficulty in coming forth with programs under the new Primary, Secondary Education Act. If we were to review the record of their own suggestions and their own programs over the last year of the Elementary Secondary Education Act, we would see that of the half-billion dollars devoted to title I under that act, less than 10 percent of the funds given to our local school systems has gone into the preschool education area. So what is really needed here is the continued attention, the continued direction and stimulus of an independent agency like the Office of Economic Opportunity to continually emphasize the importance of this program by directing special attention to the 3- and 4-year-old children, so that when they can get into our school systems, they will at least be on an equal par with the youngsters from better families.

One of the most important problems that will be encountered if we should transfer this program to the Office of Education is some of the legal difficulty that now confronts our local school systems in directing their attention to the area of preschool education. Most of our school systems have a responsibility for the education of youngsters from the 1st grade, perhaps, to the 12th grade. To ask them now to direct their attention with special funds in the preschool area I think would be an unnecessary burden.

Furthermore, if we will recall the argument given by the minority, which has been accepted by our side, that we need to stimulate the interests of the poor themselves in formulating programs which will help their children, by directing that the program be administered by the Office of Education, we will take the program away from the poor, away from their participation.

Headstart, as we have conceived it, continues to be a community action activity, for the poor themselves to see and to understand the need of special attention for these youngsters at the early preschool age.

If we turn these programs over to our school boards, where will be the participation of the poor? They certainly are not represented truly on the 26,000 school boards across the country. We will be taking away from the poor one of the great activities which we have seen develop under this Economic Opportunity Act, in which they have been direct participants.

I, therefore, ask you to vote down this amendment, and thereby keep this Headstart program in the Office of Economic Opportunity; a program which they started, to which they have given great leadership, and continue to encourage the participation of the poor in programs of self-help for themselves and for their own children.

I yield back the balance of my time.

Mr. SCHEUER. Mr. Chairman, I am hopeful that this body will preserve the integrity of the Headstart program and keep it in the poverty program where it belongs. There are few communities in the Nation where the impact of Headstart has not been felt. The devastating effects on children of an environment of poverty are beginning to be reversed. More than a million children are better nourished, in better health, and better equipped to enter school as a result of this pioneering program.

But the rapid and sweeping success of Project Headstart must not keep us from addressing ourselves to the question of what needs to be done to increase substantially the reach and effectiveness of this program.

First, more of the program must be available to more children. Summer programs should become year-round programs, centers open only a few hours a day should be expanded so that full-day programs are available in all communities and the numbers of children reached must be greatly increased. We must create crash programs to meet the problems of the desperate shortage of adequate physical facilities and insufficient number of trained personnel for Headstart projects. Both of these problems loom considerably larger as the program moves increasingly to year-round projects, when we can no longer depend on the personnel and facilities left free by school holidays.

Second, the Headstart program must be made available to younger children in addition to the 4- and 5-year-olds who are now eligible. It has become increasingly clear that many of the problems of deprivation which create candidates for the Job Corps during adolescent years have their origins very early in life. We must move to utilize the techniques we have successfully developed to supplement the care and nurture of the family through well-designed arrangements like those of Project Headstart, to children at an earlier age—as soon as they can benefit from stimulation and support

from outside the home, and before the damage from deprived homes and slum neighborhoods becomes so severe that it is irreparable.

It is becoming clearer that the damage from environmental deprivation and poverty is beginning to take serious toll and is making permanent inroads upon the child's personality and development—during the child's first years of life.

Third, we must face the question of what changes are needed in our schools if the advances achieved by Headstart are not going to be lost when the Headstart youngsters become part of the school system.

Headstart has pioneered in a large scale demonstration of the dramatic and profound impact on disadvantaged youngsters of a program which makes possible small classes, a comprehensive spectrum of services, including not only educational, but also health and social service provisions, and parent outreach and participation, training and employment of persons from the neighborhoods served, in new kinds of nonprofessional roles which can be steps up the career ladder to fully qualified teacher status.

The implications of this experience for our school systems cannot continue to be sidestepped or ignored.

This Congress should continue to give the OEO's Project Headstart the utmost in encouragement and support. But we must not stand by and see a demonstrably effective medicine being prescribed in grossly inadequate dosages.

We hope that we may soon see substantial progress in the expansion of the program to more children, for longer hours of the day, for more months of the year, to much younger children, to include greater parent involvement and to where we can see a substantial impact of the basic principles of Headstart on the Nation's public school system.

We must realize these goals if we are to honor our commitment to reverse the grave damage that poverty has wrought among millions of American children. If we do the whole job during the Headstart years, we will eliminate the flow of high school dropouts out of the school system—and into Job Corps centers—or worse.

Mr. BELL. Mr. Chairman, I move to strike the requisite number of words, and rise in support of the amendment of the gentleman from Minnesota.

Under the OEO, the program is not really reaching its potential. Of the 3 million children in need of help, only 743,000 are reportedly being reached. I do not believe this is enough.

Presently, communities must deal both with the Office of Education for preschool funds that are available and, under the Elementary and Secondary Education Act, with the OEO for Headstart funds under the Poverty Act. It is another duplication. In a manner of speaking, it is somewhat similar to the program of the adult education.

Indications are that the guidelines requirements are different under each program. This compounds the confusion. I do not believe it is necessary.

As an educational program, Headstart belongs in the Office of Education, with the ongoing preschool programs located there now. We would then have one agency in Washington administering the entire preschool program. The funding would be from the Office of Education through the State educational agencies, and turned over to the local community educational boards.

Mr. Chairman, I believe the amendment is a good one and should be supported.

Mr. GOODELL. Mr. Chairman, I move to strike the last word.

Mr. Chairman, in a simple statement, I believe the gentleman's amendment now answers all the various criticisms that were made earlier. It allocates from the funds that the majority would allocate to Headstart. It leaves the bill exactly as it is, as far as Headstart is concerned. All it does is that it poses the simple issue: Shall we go on with this very mixed-up administration, with two different agencies in Washington giving funds for Headstart with nobody knowing how much money shall go to localities from each agency, or shall we pinpoint right now the money from this bill to be administered by the Office of Education in connection with its programs under title I of the Elementary and Secondary Education Act? We will then have united the administration and can give to Headstart the kind of administration that will eliminate confusion at the local level.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota [Mr. QUIE].

The question was taken; and on a division (demanded by Mr. QUIE), there were—ayes 26, noes 45.

So the amendment was rejected.

Mr. PERKINS. Mr. Chairman, I move to strike the last word.

(By unanimous consent, Mr. PERKINS was allowed to proceed for 3 additional minutes.)

Mr. PERKINS. Mr. Chairman, I happen to represent a district that has benefited tremendously from the enactment of the Economic Opportunity Act. Unemployment has persisted too long and at much too high a rate in eastern Kentucky, perhaps higher and longer than any other congressional district. The Job Corps, the work experience and training program are reaching for the first time families and individuals with training, work income, real hope, and substantial assurance of future employment. Other programs have not reached them. This act does reach them.

The Job Corps has worked out well in the district that I represent. I have one Job Corps located near Frenchburg, Ky. The Neighborhood Youth Corps is enabling youngsters in many areas of eastern Kentucky to return to and stay in educational programs. I believe this body certainly should give a great deal of consideration before turning its back on the youngsters who have been taken off the street, and have been given useful training and work experience, and have been kept in school by such programs as the Neighborhood Youth Corps and the Job Corps.

Likewise, the district I am privileged to represent has benefited from the work study program.

As to community action programs, there has been a lot of controversy, but I daresay there is not a congressional district in the United States which has not received worthwhile benefits from community action programs.

In the Seventh Congressional District of Kentucky remedial health and preventive sickness programs have had real meaning and effect. The list of programs which are producing telling results in eastern Kentucky as a result of this act are impressive.

I certainly want to take this opportunity to compliment the ad hoc subcommittee which has worked so diligently and faithfully in bringing H.R. 15111 to the floor of the House. I feel that this bill makes improvements in the legislation and will permit progress to be made in extending economic opportunities to millions of American citizens.

By and large, this legislation is working well in the country, and the amendments will be helpful.

My distinguished colleague, the gentleman from Florida [Mr. GIBBONS] who has put in many long and faithful hours in helping to fashion these amendments, is due the admiration and praise of this body and the American people for the work that I hope will be completed this afternoon by the overwhelming passage of this bill.

I do have some reservations about title V. I helped to work out title V in 1964 when we enacted the original legislation. It was a very simple title. It utilized experience gained from demonstrations under section 1115 of the Social Security Act and authorized work experience and training programs for jobless parents and other needy persons that would otherwise be on relief or charity without any hope of employment.

One of the reservations I have about the amendments to title V is the denial of training and work to an enrollee beyond 24 months. I am hopeful that if not here, this restriction will be removed in conference. I believe the 2-year restriction is totally unreasonable and unrealistic. Many of the hard-core unemployed we are trying to reach in this title have had little or no formal education. Can we expect to bridge the chasm of years of unemployment and undereducation in less than 2 years? For many, a transfer from the program to private employment can be accomplished in 2 years or less and is in fact now being done in the case of many. But for many others, this 24-month restriction will have the effect of pushing them back onto relief. It makes far more sense to me to turn relief funds into payment for constructive work performed on needed community projects and retain such persons in the training program where they can acquire the skills and education needed for them to find places in private employment even if such period requires several years.

This program is extremely important to marginal farm families. Under this program today approximately 40 percent of the funds that have been expended

under title V have been expended in the rural areas of the country. I am pleased that funds for title V were increased at my suggestion from $25 million to $115 million by the full committee.

In conclusion, Mr. Chairman, my point is that we are going to destroy useful work experience and training for thousands of needy people if the 24-month provision prevails in the final version of this bill. It is my feeling we should not push these people, who are mostly relief recipients, back on relief simply because we have not finished the retraining job in 24 months.

AMENDMENT OFFERED BY MR. WIDNALL

Mr. WIDNALL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WIDNALL: on page 14, in line 10, insert a quotation mark after the period, and strike out lines 11 through 23.

Mr. WIDNALL. Mr. Chairman, this amendment would delete the authorization to the Director of OEO to formulate a program of small loans to low-income families to meet immediate and urgent family needs. The only tool suggested in this provision for administering these loans is the Federal credit union, which is to be used to the greatest extent possible. Nothing in relation to the administration of this program is adequately spelled out, either in the language of the bill or in the report. It is apparent that a possible good idea has been tacked onto this bill without any great thought as to how it would work, whether it would work, or what affect it might have on existing institutions that already serve the poor and those of moderate income, such as Federal credit unions.

I am reluctant to take a position which may be misunderstood as being in opposition to the goal this one paragraph loan program proposal has in mind, particularly since I understand its genesis was in large part due to difficulties experienced during last year's New York subway strike. At the time of the strike, I pointed to the inadequacy of the only program the Federal Government seemed willing or able to use, the small business loan program. And I wondered at the fact that although in at least one instance churches in the Harlem section of the city banded together to rent transportation for stranded, low-income workers, the poverty people never moved in to assist in such an obviously valuable undertaking.

Nevertheless, I ask you today to consider the question of whether this hastily added and generalized provision does not deserve more care and inspection before enactment into law. And I ask you to consider the fact that you and I also have an obligation to see that existing institutions serving low-income and moderate-income citizens such as the Federal credit union system are properly protected too.

The provision as it now stands puts a limit on the amount of the loan, $300, and the amount of interest—2 percent per annum—and then says that the loan "shall be made on such other terms and conditions as the Director may prescribe."

The laws governing Federal credit unions, which pass through the committee upon which I am ranking minority member, Banking and Currency, direct that loans from Federal credit unions can be for maturities not exceeding 5 years. There is no $300 limitation amount. Interest is restricted to no more than 1 percent per month on unpaid balances. Those eligible for loans are the members of the Federal credit union. The Federal credit union system is placed under the general supervision of the Director of the Bureau of Federal Credit Unions in HEW.

There is nothing in the language of the provision before us that amends the Federal credit union laws. Nor is there anything that suggests how these laws will square with the requirements of the new loan provisions, as the OEO Director sees them. Are we indirectly amending these laws? What effect will this have on the ability of Federal credit unions to pay their regular low-income and moderate-income members a decent dividend? Will the local credit union committee on loans still pass on each loan? How do the credit unions get this money to lend out? How will the borrowers qualify and pay for membership? Who is really in charge, the Director of the Bureau of Federal Credit Unions, or the Director of OEO? For that matter, will the restrictions on the Federal credit unions now in the law, if they are not amended, inhibit the usefulness of this provision in the poverty bill? We simply do not know any of the answers to these questions; at least they are not apparent in any phase of the legislative history of this provision.

The program suggested by this provision could be useful, if properly considered and integrated into existing programs. It will not accomplish its purpose in its present form. We do not have the time, in 5 minutes of debate on an amendment, on the floor today, to perfect the language. The poverty program has been criticized in the past for delay, confusion, overlapping of functions, and lack of clarity of purpose and direction in the language used by Congress. Many of the amendments already considered and accepted to this bill have sought to correct past difficulties. It makes no sense to turn around and legislate in another problem program. I urge therefore that this section be deleted, and that a program of this sort be fully considered and worked out in conjunction with the knowledgeable committee in the area of Federal credit unions. If this is done, I pledge my own personal support to such an approach.

Mr. FARBSTEIN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I could understand the feeling of the gentleman who just spoke if this was a subject dealing with credit union, banks and loans of a very substantial nature. However, this is merely a situation to assist families in emergency situations. This has nothing to do with credit unions. In order to become a member of a credit union, you have to make deposits, you have to build up your credit. Then you can borrow money. There is no such intention as that in this situation.

I say to the gentleman, there is no point in making a murder case out of this. This is solely to assist poor families who, as a result of an emergency situation, find themselves penniless. They find themselves in a situation where they have no money to pay for food for their families. They have no money to pay the rent for their families as a result of conditions beyond their control.

For example, if a man loses his job, until he can collect his unemployment insurance he may have no resources or no source to which he can go to borrow a small sum of money.

Remember this only applies to individuals who find themselves and their families in an emergency situation. These people have no bank credit. These people have no resources. They have no place to which they can go to borrow money. The only thing they can do is to go to the relief agency and say, "Please give me money to buy food for my family and so that I can have money for rent so I may have a place where my family can sleep."

This is to help these poor individuals.

We are only asking for the right to make loans of $75 a week for 4 weeks.

In the subway strike in New York which lasted for an appreciable period of time, there were families whose breadwinners could not get to work. Because they were unable to get to work, they were unable to earn any money.

I do not see any point in making a big thing out of this. I do not see any point in raising questions as to whether or not this will violate any banking laws or credit union laws.

This is for poverty-stricken people. This is to help families who are in dire necessity. This is not for those people who are able to afford to join credit unions so that they can make loans from the credit unions.

The head of this program will establish rules and regulations so that this money will be repaid. The terms will be fixed by the man in charge of the program. The terms of the loans will be fixed by him.

The determination will have to be made that the borrower is a family man who is temporarily financially embarrassed before a loan may be made under this section, it is for the purpose of keeping him from going on relief or going around desperately seeking some funds with which to support his family for a short period of time.

Mr. WIDNALL. Mr. Chairman, I understand clearly the purpose and the goal that the gentleman intends by this but I would like the gentleman to explain to me and to the House why it says, "in carrying out this subsection the director shall make maximum, feasible use of Federal credit unions." If the Federal credit unions have nothing to do with this and their rules and regulations do not apply, why do you even mention them in the legislation?

Mr. FARBSTEIN. I may say to the gentleman that if the credit union laws

apply, well and good. But the situations I have reference to—and we are making legislative history by this debate—basically have nothing to do with credit unions. Why the language was put in, I am at a loss to say at this moment. But the legislative history that I seek to make is that these loans shall be made to families who find themselves in emergency situations and where they are unable to buy food, clothing or to pay their rent. I say in these situations we at least have the possibility of getting the money repaid when the borrower can return to his job.

When you force families on relief, you put them on charity. This is to keep these people from being compelled to go on charity, to enable these families to keep their standing in the community.

Mr. WIDNALL. Will the gentleman agree to delete these two lines, "in connection with this subsection, the Director shall make the maximum, feasible use of Federal credit unions"?

Mr. FARBSTEIN. Yes, I would, and am satisfied this makes legislative history on the provision.

The CHAIRMAN. The time of the gentleman has expired.

Mr. QUIE. Mr. Chairman, I move to strike the last word.

The CHAIRMAN. The gentleman from Minnesota is recognized for 5 minutes.

Mr. QUIE. Mr. Chairman, I yield to the gentleman from New Jersey.

Mr. WIDNALL. Mr. Chairman, in view of the agreement by the gentleman from New York, if that is acceptable to his side of the aisle, I would ask permission to withdraw the amendment pending on the Clerk's desk, and to amend the section on page 14 by the deletion of line 19 and line 20 down to the word "unions." In other words, strike out from (c) the words: "In carrying out this subsection, the Director shall make maximum feasible use of Federal credit unions."

Mr. GIBBONS. The gentleman moves to strike out that language?

Mr. WIDNALL. Yes.

Mr. FARBSTEIN. That is perfectly all right with me.

Mr. GIBBONS. It is all right with me.

Mr. QUIE. It is acceptable to our side.

The CHAIRMAN. Is there objection to the request of the gentleman from New Jersey [Mr. WIDNALL]?

The Chair hears none.

There was no objection.

The Clerk read as follows:

Amendment offered by Mr. WIDNALL——

Mr. WIDNALL. Mr. Chairman, I offer an amendment, to modify my amendment.

The modified amendment of Mr. WIDNALL is as follows: On page 14 strike out line 19 down through the word "unions" on line 20.

Mr. GIBBONS. Mr. Chairman, we accept the amendment.

Mr. FARBSTEIN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. FARBSTEIN. What are we voting on? If I understand this correctly, the amendment is withdrawn upon condition that the proponents agree to the deletion of that portion of the language that makes reference to credit unions. Is that correct?

Mr. WIDNALL. That is correct. With that agreement, I have moved to strike out the two lines that were read by the Clerk.

Mr. GIBBONS. Mr. Chairman, I ask unanimous consent that the Clerk restate the amendment.

The CHAIRMAN. Without objection, the Clerk will restate the amendment.

There was no objection.

The Clerk read as follows:

Amendment offered by Mr. WIDNALL: On page 14, line 19, strike out line 19 and 20 through the word "unions."

The CHAIRMAN. The question is on the amendment offered by the gentleman from New Jersey.

The amendment was agreed to.

AMENDMENT OFFERED BY MR. BUCHANAN

Mr. BUCHANAN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BUCHANAN: On page 9, after line 13, insert the following:

"COMMUNITY ACTION—PROHIBITION ON USE OF RELIGIOUS INSTITUTIONS

"SEC. 204(a) The first sentence of section 205(a) of the Economic Opportunity Act of 1964 is amended by inserting before the period at the end thereof the following: ', except that the Director shall make no grant to, and shall not contract with any establishment of religion, church or other religious body'.

"(b) The amendment made by subsection (a) shall not apply with respect to programs approved prior to the enactment of this Act, except that no payments with respect to such a program shall be made after the end of the current contract, or the end of the current fiscal year, whichever is sooner, or for any new contract."

And renumber the sections which follow accordingly.

Mr. BUCHANAN. Mr. Chairman, on December 9, 1965, Sargent Shriver, Director of the Office of Economic Opportunity, in a speech to the national convention of the AFL–CIO in San Francisco, said:

Three or four years ago it was practically impossible for a Federal agency to give direct grants to a religious group. Today we have given hundreds without violating the principle of separation of church and state.

In testimony before the Subcommittee on Constitutional Rights of the Committee on the Judiciary, Mr. Donald M. Baker, who is General Counsel of the Office of Economic Opportunity, said:

Approximately 6 percent of the component programs are run by a church or a church-related institution.

In a 1-hour television special, presented by CBS on Sunday, March 27, 1966, entitled, "The Church and Poverty," Commentator Stuart Novins reported that 10 percent of all poverty program projects are now in the hands of church or church-related groups.

There is little question, therefore, that this is a present practice of the Office of Economic Opportunity.

Concern has, however, been expressed over this policy by various publications, by religious leaders, and indeed concern ought to be expressed because of recent decisions of the courts, casting grave doubt upon its constitutionality.

Mr. THOMPSON of New Jersey. Mr. Chairman, will the gentleman yield for a brief question?

Mr. BUCHANAN. I will yield to the gentleman from New Jersey for a brief question; yes.

Mr. THOMPSON of New Jersey. Mr. Chairman, I am at a bit of a loss to understand the second paragraph of the amendment offered by the gentleman from Alabama.

I gather the gentleman fears the constitutionality of any grants to religious institutions. Is that correct?

Mr. BUCHANAN. Precisely; yes, sir.

Mr. THOMPSON of New Jersey. Yet, in the second paragraph, the gentleman says the amendment shall not apply with respect to programs approved prior to the enactment of the act. Are some constitutional and others not?

Mr. BUCHANAN. No, not at all. The amendment will not apply until the current contract expires, or the end of the fiscal year, in order that there may be time for an orderly transfer of these responsibilities without destroying the effectiveness of the program itself. This is all I mean.

I will not yield further, because my time will be lost.

In 1948, Justice Frankfurter said in McCollum against the Board of Education:

Separation means separation, not something else. Jefferson's metaphor in describing the relation between church and state speaks of a "wall of separation" not a fine line easily overstepped.

In 1963, we had the ruling of the Supreme Court in the Abington School District case. Justice Douglas said, in I believe the clearest decision on this question:

The most effective way to establish any institution is to finance it, and this truth is reflected in the appeals by church groups for public funds to finance their religious schools. Financing a church either in its strictly religious activities or in its other activities is equally unconstitutional, as I understand the establishment clause. Budgets for one activity may be technically separable from budgets for others. But the institution is an inseparable whole, a living organism, which is strengthened in any department by contributions from other than its own members.

Such contributions may not be made by the State even in a minor degree without violating the establishment clause. It is not the amount of public funds expended, . . . it is the use to which public funds are put that is controlling. For the first amendment does not say that some forms of establishment are allowed, it says that "no law representing an establishment of religion" shall be made. What may not be done directly may not be done indirectly lest the establishment clause become a mockery.

Mr. Chairman, I believe the Christian church, as it has for 2,000 years, ought to be in the business of conducting a war on poverty, but we are mistaken if we feel every program has to be a Government program, or has to be a federally financed or federally directed or federally connected program.

I must protest that the Christian church can stand on its own feet, with its own people, who through their own voluntary giving can carry on their own programs in the field of charity.

I must protest the connection between church and state in this 10 percent of the poverty programs that, according to the recent testimony, are church-connected, that this is an unwise and improper and indeed, I believe, unconstitution connection.

Let the Government continue its work in this field. This is a sign of the influence of the Judeo-Christian tradition upon our whole society, that government cares about people. But let the church, separately and under its own volition, with its own people, continue its voluntary work, so that we not lose our religious freedom by breaking down the wall of separation between the two, and that we not violate the Constitution in order to achieve what may well be a worthy purpose.

Stanley Lowell, writing of religious liberty, said—and I agree with him:

> The religious establishment will be no more palatable in its welfare garb than in the garb of inquisition. The reason: We have known something better. We have had it and enjoyed it for a century and a half. It must be preserved for generations as yet unborn as the finest portion of our heritage.

Mr. THOMPSON of New Jersey. Mr. Chairman, I rise in opposition to the amendment.

I will not use 5 minutes, for it is not necessary. It is not necessary because of the fact that the gentleman, however good are his intentions, has obviously failed to write his own amendment in such a way as to carry out those intentions as I understand them. What he really would say, in effect, is that some unconstitutional activity is taking place now, but let us phase it out and have a transitional process between constitutionality and unconstitutionality. Either there are unconstitutional actions being condoned, as they would be by him until the contracts expire, or there are not. The place for a question like that is perfectly clear. It is in the courts.

The amendment is defective on its face and without merit. In my judgment it should be defeated.

Mr. MACGREGOR. Mr. Chairman, I move to strike the requisite number of words.

I rise in support of the Buchanan amendment. I believe it is sound. The argument of the gentleman from New Jersey [Mr. THOMPSON] overlooks the classic regard we have in America for the sanctity of contracts.

Mr. BUCHANAN. Mr. Chairman, will the gentleman yield?

Mr. MACGREGOR. I am pleased to yield to the gentleman from Alabama.

Mr. BUCHANAN. I would merely say that this amendment sought to provide for an orderly transfer of these responsibilities, cutting off all such programs by the end of this fiscal year, or when current contracts expire, if such expiration occurs before the end of this fiscal year. If the gentleman would like to amend the amendment and cut them off, as of this moment, I would certainly accept that amendment.

I say further, I agree with the gentleman that the courts indeed in time will rule on this subject and will rule against such grants, but I feel Congress ought not pursue and continue policies where there is such grave doubt as to their constitutionality.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Alabama [Mr. BUCHANAN].

The amendment was rejected.

Mr. GOODELL. Mr. Chairman, I move to strike the last word.

Mr. Chairman, we are nearing the end of the debate. There will not be a great many more amendments offered.

Let me say at the outset that in committee and in the House what changes have been made in this legislation have been peripheral. If any Members believe they can go back home and say to their people, "We have redirected this program, we have corrected what is wrong with it," they are wrong. I would advise them not to say that, because they will find as a result of some of the changes that have been made, but more importantly of the changes that have not been made, that this program is going to get worse and more controversial. There is going to be more waste. There is going to be more diversion of funds from the poor. There is going to be more cynicism and more hopelessness on the part of the poor. There is going to be more frustration among the taxpayers.

Those who vote for this legislation, who have been here supporting the legislation and listening to the debate, are very much in the position of the man asked by the waitress how he liked his soup. He said, "To tell you the truth, I am kind of sorry I stirred it."

In this debate we have pointed out some of the things that are wrong with this legislation. Unfortunately, the investigations that have been carried on by the committee did not. We had legislative hearings and legislative investigations that were a travesty on the legislative process, a tragedy for the poor and a tragedy for the taxpayers.

With reference to the bill that comes before us, it is comparable to the situation of the man who went to the doctor and who was told what was wrong with him and what he ought to do.

He said, "Are you all fixed up?" And he answered, "No. The doctor prescribed what I should do, but it was too expensive, so, for a small fee, he just touched up my X-rays."

Now, that is what we are doing in this bill. We have just touched up the X-rays a little bit and put in a few amendments keyed to the emotions of the people and saying, "Look, we did a little something about this." But we have not gone to the real problem in this poverty legislation. What you are ready to enact today is going to be a disappointment to the taxpayers and it is going to be a disappointment to the poor. The irony of it is that some of the poor came down here lobbying for a bill that came out of this committee which, if they had understood the bill, they would be against it. When I had a chance to talk with some of them about it, they were against the committee bill and for the Republican opportunity crusade. Talk to your community action directors back home. They are against the earmarking of funds in this committee bill, and the poor are against the earmarking of funds for community action. They do not want the legislation that way.

In the general debate the gentleman from Minnesota [Mr. QUIE] and I presented once again our poverty memos. They now number 40. We said not one of the major discrepancies alleged in this poverty program in our poverty memos has been contradicted. We had the chairman of the committee [Mr. POWELL] stand up 2 days ago and wave around a packet of cards and say, "Here—here is the refutation of every one of the poverty memos." We said, "Will you please put them into the RECORD?" You look at the RECORD. There is not a single thing in there refuting these allegations. The cards did not go in. This is typical of the way that they are trying to resist legitimate complaints documented about this program. They do not want to hear the criticisms. They say that it is all cleared up and that we are just rehashing old things that were wrong.

We have not changed the direction of this program significantly at all in the committee this year or in the Committee of the Whole House. I say to you, all of you, that you will have an opportunity perhaps to vote on a recommittal motion. You had an opportunity to vote on a substitute that would have corrected most of these things. You have had the opportunity to vote on amendment after amendment that would do something meaningful for this bill. You have turned them down—all of them except one that would have any significant impact. I say that this legislation, if it passes in its present form, on balance, is going to hold out again the high promise and the low performance that we have seen in poverty legislation in past years. It is not a question of whether we war on poverty. It is not a question of whether or not we are trying to eliminate poverty. There is not a single person on this House floor who does not want to eliminate poverty. But this is not the way to do it in this legislation.

Mr. Chairman, I hope that you will vote the legislation down and mandate our committee to do the job we should have done long ago.

MOTION OFFERED BY MR. FINO

Mr. FINO. Mr. Chairman, I offer a preferential motion.

The Clerk read as follows:

> Mr. FINO moves that the Committee do now rise and report the bill to the House with the recommendation that the enacting clause be stricken out.

Mr. AYRES. Mr. Chairman, I ask unanimous consent that the gentleman, in view of the interest in this, be given 5 additional minutes.

The CHAIRMAN. On a preferential motion, for which the proponent has 5 minutes and for which one opponent has 5 minutes, at which time the motion is put to the Committee, it is not in order.

The gentleman from New York [Mr. FINO] is recognized for 5 minutes.

Mr. FINO. Mr. Chairman, I rise and offer this preferential motion to return this bill to committee where it can be redrawn in a spirit of cool reason and calculated intent.

I do not think multibillion-dollar legislation should be drawn on the floor. But I want to go further. I want to draw into controversy the entire essence of the poverty program.

What is poverty, gentlemen? What is it? Is it lack of dollars? I doubt it. The people that carved this Nation out of a wilderness were poor in dollars, but rich in a sense of being. Rich with a sense of being part of a great nation. Rich with the pride in making something of themselves. Rich with the sense of self-help and hard-won success. No, gentlemen, poverty is not a lack of dollars, and dollars will not cure it.

I can tell you this from my own experience. I was born in what present-day sociologists would call a ghetto, because it was a very Italian neighborhood. I am proud to still represent that neighborhood today.

My parents were immigrants. They came to the United States with nothing in their pockets, but hope in their hearts. All they looked for was work—any kind of work. They found it, and they worked hard to raise a family.

They never thought to use the word "deprived." It was not in their dictionary. Without two nickels to rub together on many a day, they were never deprived. How could they be? They had faith and hope in America. They knew that this great country rewarded those of her sons and daughters who helped themselves. And so it did.

My parents—like so many of your parents—followed a great trail to the fullness of American life. One hundred years ago, some of your ancestors followed the Oregon Trail or the Santa Fe Trail. My parents trod the tenement trail, from the Lower East Side north to Little Italy in the Bronx, where I was born.

My family never sought alms from the Government. My father worked on the subways, and we knew what it was like to be poor in the sense that we had no dollars, but we were not poor in the sense that we had lost our faith in America.

Thirteen years ago, when I was sworn in as a Congressman, it was the proudest day in my parents' life. America had not let them down.

I remember the days of my childhood. I have fought hard for opportunity, but I will not fight for undue privileges. The spirit of the "tenement trail," no less than the spirit of the western frontier, has made America great. I will not betray it. I will not give it a dollar label and call it the "war against poverty."

I will not betray my heritage of looking to America's principles for inspiration. I will not sit quietly while this legislative monstrosity is passed to contradict every principle of self-help that made our Nation great.

My parents saw the Statue of Liberty and thus gained the faith for their American tomorrow. I suggest that we have a new Statue of Liberty in the civil rights acts that have been passed, and beyond that, we must be careful lest self-help—which has made America great—be sacrificed at the altar of political opportunism.

The motion that I have offered does not kill the poverty bill, but it does give the Education and Labor Committee power to report back a clean bill to the House and perhaps even be granted a rule that will make only one substitute in order next week.

Before we vote on final passage, the charges which have been made against Mr. Shriver should be answered. He should have an opportunity to answer these charges, and if they be true, he should resign.

But more than that, we should weigh carefully what we do. We have the tradition of America—the spirit of a nation that has hauled itself up by its own bootstraps—in our hands. There is a limit as to how far we can bend that spirit. There is a limit to the dollar label that can be put on it and to the dollar help that can eradicate it.

In fairness to the poor, do not kick the American dream into the gutter. If it is thrown aside, a part of America is thrown aside, and another part of America betrayed—our immigrant past. The body does not live by bread alone. And neither does the body politic of this Nation.

So I urge you to vote favorably on my motion in order that the bill may be sent back to committee to be redrawn carefully and consistently with the principles of our past, rather than thrown together piecemeal on the floor of the House as a grand gesture of political opportunism.

I hope that the war against poverty can be turned into a war against poverty of the spirit. This is more than necessary—it is imperative. Our fathers and forefathers never rioted aimlessly in the streets screaming for burning.

This anarchy is a fire we must not feed with carelessly designed legislation that fuels passions with wild talk of deprivation and then offers only political dollars as a cure.

Let your head and your heart vote as one. Send this bill back, so that it may be redrawn to serve all America in the spirit that has made our Nation great.

Mr. GIBBONS. Mr. Chairman, I rise in opposition to the preferential motion and to claim the 5 minutes allocated thereunder for our side.

Mr. Chairman, I had not prepared for this offering of the preferential motion. I had thought that we had been working constructively here today, giving and taking, with Members of the minority on the other side of the aisle.

We have been doing it for 2 days under the 5-minute rule. We continued it through 2 days of general debate and 11 quorum calls trying to get some suggestions as far as this program is concerned. I personally have put in thousands of hours on this program. I can only speak for myself. But I think the members of the subcommittee have done the same thing. Frankly, none of us are geniuses enough to solve all the problems that are bundled together in the program and in the problems that we face.

But yesterday as I was sitting at this desk, the gentleman from Texas [Mr. CABELL], the former mayor of Dallas, gave me an advertisement out of the Dallas newspaper. I think it is most appropriate that I talk about this ad at this particular time because the title of this ad is "Big Joke." That is what this amendment is—the big joke.

The "Big Joke" ad that came out in the Dallas newspaper shows a young fellow driving his Mustang car and he has a real smart bumper sticker on the back which says: "I fight poverty—I work." This is an ad that was put in the newspaper by the businessmen of Dallas, Tex., which says in the copy down here:

> Harry put the bumper sticker on his car because he believes poor people should work for a living instead of taking Federal handouts.
>
> Harry doesn't know it, but the people who run the war on poverty in Dallas County agree. These are the 150 non-salaried directors of Dallas County Community Action Committee, a local, nonprofit corporation.
>
> They feel so strongly about this that they have set up many programs designed to provide the poor with the education and training they need to support themselves.
>
> They want to help get the poor off welfare rolls and on payrolls.

These are not my words. These are the words of the businessmen of Dallas, Tex.

> Harry calls the war on poverty a "worthless giveaway program."

Those are the same words we just heard over here. That is because he does not know what is going on in Dallas. The ad goes on:

> That's because he doesn't know that DCCAC has no money, food or clothing to give away.

All it gives to the poor are "the tools they need to help themsleves," to get out of poverty and get the education and the motivation to get the job done. The ad goes on to say:

> Poverty is expensive when you treat it halfway with handouts. Four out of five children brought up on welfare raise their own families on welfare. And taxpayers, including you, Harry, must support them. Laugh that off.

This ad was not paid for by any dewy-eyed idealist. This ad was paid for by 150 businessmen in Dallas, Tex., who know what the war on poverty is all about, and they did not come here on the last day after 4 days of debate and make an unserious motion to send this bill back to the committee with its enactment clause stricken.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on the preferential motion offered by the gentleman from New York [Mr. FINO].

The question was taken.

Mr. FINO. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed Mr. GIBBONS and Mr. FINO as tellers.

The Committee again divided, and the tellers reported that there were—ayes 128, noes 118.

So the preferential motion was agreed to.

Accordingly, the Committee rose; and the Speaker, having resumed the chair, Mr. BROOKS, 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. 15111) to provide for continued progress in the Nation's war on poverty, had directed him to report the bill back to the House with the recommendation that the enacting clause be stricken out.

The SPEAKER. The question is, Shall the enacting clause be stricken out?

The question was taken, and the Speaker announced that the noes appeared to have it.

Mr. GERALD R. FORD. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered. The question was taken; and there were—yeas 156, nays 208, answered "present" 1, not voting 67, as follows:

[Roll No. 317]

YEAS—156

Abbitt	Downing	Michel
Abernethy	Duncan, Tenn.	Mills
Adair	Edwards, Ala.	Mize
Anderson, Ill.	Ellsworth	Morton
Andrews, Glenn	Erlenborn	Mosher
	Everett	Nelsen
Andrews, N. Dak.	Findley	O'Neal, Ga.
	Fino	Passman
Arends	Flynt	Pelly
Ashbrook	Ford, Gerald R.	Poff
Ashmore	Fountain	Quie
Ayres	Frelinghuysen	Quillen
Baring	Fuqua	Randall
Bates	Gathings	Reid, Ill.
Battin	Gettys	Reifel
Belcher	Goodell	Reinecke
Bell	Gross	Rhodes, Ariz.
Bennett	Grover	Rivers, S.C.
Berry	Gurney	Rogers, Fla.
Betts	Haley	Roudebush
Bray	Hall	Rumsfeld
Brock	Halleck	Satterfield
Broomfield	Hansen, Idaho	Schneebeli
Brown, Clarence J., Jr.	Hardy	Schweiker
	Harsha	Shriver
Broyhill, N.C.	Harvey, Mich.	Sikes
Broyhill, Va.	Henderson	Skubitz
Buchanan	Herlong	Smith, Calif.
Burleson	Hosmer	Smith, N.Y.
Burton, Utah	Hull	Smith, Va.
Byrnes, Wis.	Hungate	Springer
Callaway	Hutchinson	Stanton
Cederberg	Ichord	Talcott
Chamberlain	Jarman	Taylor
Clancy	Johnson, Pa.	Teague, Calif.
Clausen, Don H.	Jonas	Teague, Tex.
	Jones, N.C.	Thomson, Wis.
Clawson, Del	Kornegay	Tuck
Cleveland	Kunkel	Waggonner
Collier	Laird	Walker, Miss.
Colmer	Langen	Watkins
Conable	Latta	Watson
Cooley	Lennon	Watts
Cramer	Lipscomb	Whalley
Cunningham	Long, La.	Whitener
Curtin	McCulloch	Whitten
Curtis	McEwen	Widnall
Dague	McMillan	Williams
Davis, Ga.	MacGregor	Wilson, Bob
Davis, Wis.	Mailliard	Wyatt
Devine	Marsh	Wydler
Dole	Martin, Nebr.	Younger
Dorn	Mathias	
Dowdy	May	

NAYS—208

Addabbo	Brooks	Conte
Anderson, Tenn.	Burke	Conyers
	Burton, Calif.	Corbett
Annunzio	Byrne, Pa.	Corman
Ashley	Cahill	Craley
Bandstra	Callan	Culver
Barrett	Cameron	Daniels
Beckworth	Carey	Dawson
Bingham	Casey	de la Garza
Blatnik	Celler	Delaney
Boggs	Chelf	Dent
Boland	Clark	Diggs
Bolling	Clevenger	Dingell
Brademas	Cohelan	Donohue
Dulski	Keogh	Rhodes, Pa.
Duncan, Oreg.	King, Calif.	Rivers, Alaska
Dwyer	King, Utah	Roberts
Edmondson	Kirwan	Rodino
Edwards, Calif.	Krebs	Rogers, Colo.
Evins, Tenn.	Kupferman	Ronan
Farbstein	Leggett	Rooney, N.Y.
Farnsley	Long, Md.	Rooney, Pa.
Farnum	Love	Rosenthal
Fascell	McCarthy	Rostenkowski
Feighan	McDade	Roush
Fogarty	McDowell	Roybal
Foley	McFall	Ryan
Ford, William D.	McGrath	St Germain
	McVicker	St. Onge
Fraser	Macdonald	Saylor
Fulton, Pa.	Machen	Scheuer
Fulton, Tenn.	Mackay	Schisler
Gallagher	Mackie	Schmidhauser
Giaimo	Madden	Secrest
Gibbons	Mahon	Senner
Gilbert	Matsunaga	Shipley
Gilligan	Matthews	Sickles
Gonzalez	Meeds	Sisk
Grabowski	Miller	Slack
Green, Oreg.	Minish	Smith, Iowa
Green, Pa.	Mink	Stafford
Grider	Moeller	Staggers
Griffiths	Moore	Stalbaum
Hagen, Calif.	Moorhead	Steed
Halpern	Morgan	Stratton
Hamilton	Morris	Stubblefield
Hanley	Multer	Sullivan
Hanna	Murphy, Ill.	Sweeney
Hansen, Iowa	Murphy, N.Y.	Tenzer
Hansen, Wash.	Natcher	Thomas
Hathaway	Nix	Thompson, N.J.
Hawkins	O'Brien	Trimble
Hays	O'Hara, Ill.	Tunney
Hechler	O'Hara, Mich.	Tupper
Helstoski	Olson, Minn.	Ullman
Hicks	Ottinger	Van Deerlin
Holifield	Patman	Vanik
Holland	Patten	Vigorito
Horton	Pepper	Vivian
Huot	Perkins	Waldie
Irwin	Philbin	Weltner
Jacobs	Pickle	White, Idaho
Jennings	Pike	White, Tex.
Joelson	Powell	Willis
Johnson, Calif.	Price	Wilson, Charles H.
Jones, Ala.	Pucinski	
Karsten	Race	Wolff
Karth	Redlin	Yates
Kastenmeier	Reid, N.Y.	Young
Keith	Resnick	
Kelly	Reuss	

ANSWERED "PRESENT"—1

Zablocki

NOT VOTING—67

Adams	Gray	O'Konski
Albert	Greigg	Olsen, Mont.
Andrews, George W.	Gubser	O'Neill, Mass.
	Hagan, Ga.	Pirnie
Aspinall	Harvey, Ind.	Poage
Bolton	Hébert	Pool
Bow	Howard	Purcell
Brown, Calif.	Johnson, Okla.	Rees
Cabell	Jones, Mo.	Robison
Carter	Kee	Rogers, Tex.
Daddario	King, N.Y.	Roncalio
Denton	Kluczynski	Scott
Derwinski	Landrum	Selden
Dickinson	McClory	Stephens
Dow	Martin, Ala.	Thompson, Tex.
Dyal	Martin, Mass.	Todd
Edwards, La.	Minshall	Toll
Evans, Colo.	Monagan	Tuten
Fallon	Morrison	Udall
Fisher	Morse	Utt
Flood	Moss	Walker, N. Mex.
Friedel	Murray	Wright
Garmatz	Nedzi	

So the motion was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Hébert for, with Mr. Albert against.

Mr. Pool for, with Mr. O'Neill of Massachusetts against.

Mr. Fisher for, with Mr. Kluczynski against.

Mr. Derwinski for, with Mr. Daddario against.

Mr. McClory for, with Mr. Nedzi against.

Mr. Scott for, with Mr. Garmatz against.

Mr. Selden for, with Mr. Fallon against.

Mr. Murray for, with Mr. Friedel against.

Mr. Hagan of Georgia for, with Mr. Aspinall against.

Mr. Cabell for, with Mr. Moss against.

Mr. George W. Andrews for, with Mr. Howard against.

Mrs. Bolton for, with Mr. Zablocki against.

Mr. Gubser for, with Mr. Monagan against.

Mr. Utt for, with Mr. Denton against.

Mr. Stephens for, with Mr. Olsen of Montana against.

Mr. Rogers of Texas for, with Mr. Gray against.

Mr. Minshall for, with Mr. Flood against.

Mr. Dickinson for, with Mr. Todd against.

Mr. Martin of Alabama for, with Mr. Udall against.

Mr. King of New York for, with Mr. Brown of California against.

Mr. Harvey of Indiana for, with Mr. Kee against.

Mr. Tuten for, with Mr. Dyal against.

Until further notice:

Mr. Adams with Mr. Bow.

Mr. Johnson of Oklahoma with Mr. Robison.

Mr. Walker of New Mexico with Mr. Morse.

Mr. Evans of Colorado with Mr. Martin of Massachusetts.

Mr. Edwards of Louisiana with Mr. Carter.

Mr. Gregg with Mr. Rees.

Mr. Purcell with Mr. Toll.

Mr. Wright with Mr. Roncalio.

Mr. Thompson of Texas with Mr. Landrum.

Mr. Dow with Mr. Morrison.

Mr. ZABLOCKI. Mr. Speaker, I have a live pair with the gentlewoman from Ohio [Mrs. BOLTON]. Had she been present she would have voted "yea." I voted "nay." I withdraw my vote and vote "present."

The result of the vote was announced as above recorded.

The SPEAKER. Under the rules of the House, the House will resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H.R. 15111.

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 further consideration of the bill H.R. 15111, with Mr. BROOKS in the chair.

AMENDMENT OFFERED BY MR. GOODELL

Mr. GOODELL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. GOODELL: On page 11, beginning in line 18, strike out "FUNDING INDEPENDENT PROGRAMS;"

On page 11, line 22, strike out "subsections" and insert "subsection".

On page 11, beginning with line 23, strike out everything down through line 14 on page 12.

On page 12, strike out "(g)" and insert "(f)".

Mr. GOODELL. Mr. Chairman, first let me say that it is our disposition at this stage, having offered a substitute and a variety of amendments, and the only significant amendments, with the exception of one, having been turned down, not to offer the series of amendments that are still ahead of us, but to pick only those that we feel are of the greatest importance, this being one of them, and there may be one or two others. I think the mood of the House is clear. We would like to proceed expeditiously, and we will do everything we can to cooperate.

Mr. GIBBONS. Mr. Chairman, will the gentleman yield?

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

Mr. GIBBONS. I shall be glad to yield the same amount of time that I take up to the gentleman from New York.

I ask this question now merely for the purpose of trying to find out how many more amendments we have, and not for the purpose of asking even unanimous consent that debate cease, or anything like that. I want to try to find out where we are. Can we discuss that for a moment?

As I understand it, we have the gentleman's amendment which affects title II. Then will we be through with title II, with the exception of an amendment which the gentleman from Illinois [Mr. ERLENBORN] intends to offer?

Mr. QUIE. Mr. Chairman, if the gentleman will yield, I can speak for Mr. ERLENBORN. He is going to offer his amendment as an amendment to the amendment of the gentlewoman from Oregon [Mrs. GREEN] to title VI.

Mr. GIBBONS. Then, is this the last amendment on title II which we will have?

Mr. GOODELL. It is the last one I know of that will be offered by Members of the Committee on our side. Whether there are any from Members themselves, I do not know. There are a number of others we have put aside, and they will not be offered.

Mr. GIBBONS. Does anybody have any amendments on title III or title IV? We have one on title V which I know about.

Mr. QUIE. Mr. Chairman, if the gentleman will yield further, he has one on title V?

Mr. GIBBONS. We have Mr. CURTIS' amendment which will be offered to title V, and then Mr. BROYHILL's amendment.

Mr. QUIE. Mr. Chairman, if the gentleman will yield further, I do not intend to cut off debate. I believe the House has made up its mind on most of these things.

If I have consumed too much of the gentleman's time, I will see what I can do to get him some more time.

Mr. GOODELL. I thank the gentleman.

Mr. Chairman, this is one of the more critical amendments. It is very simple. In the bill that came out of the committee, we have a provision that requires 20 percent of the community action funds be used for independent programs. It requires one-fifth of the money in community action to be used for independent programs.

As a practical matter, the whole theory of community action programs was to have local umbrella agencies called community action boards—which would be in charge of making the decisions and allocating the funds locally—working up the plans. The committee arbitrarily has said that 20 percent of the money must go outside of these umbrella agencies, must go to private groups that are unrelated to the community action boards. These groups need not even have approval from the community action board, or submit their plans to the community action board.

Here we are, running off in the other direction again. The umbrella agency is set up at the community level to represent the local government, the schools, the poor, and those who represent the private agencies, et cetera. That is the representative group that should be allocating the funds and making the decisions. Here suddenly they are going to move along and say, "Some of these community action boards we do not like, we do not like their decisions." So the director should have the authority to go in and set up his own program, get his own private agency funded, and they can run programs all their own.

I would say to you that this will create infinitely more chaos on the local level. It is unnecessary. The Director now under the law has his discretion where he wishes to exercise it.

The CHAIRMAN. The time of the gentleman from New York has expired.

(By unanimous consent, Mr. GOODELL was allowed to proceed for 2 additional minutes.)

Mr. GOODELL. Mr. Chairman, under the law today, the Director has the discretion of funding private groups if he wishes. If he thinks the community action board in a given case is unrepresentative, if they are going the wrong way, if they are ignoring certain groups in our society, he may fund private agencies and private programs.

But under the amendment that is in the committee bill—that I would strike—the Director is going to be required to spend at least 20 percent of his money in the community action program on private agencies and private groups that are unrelated to the community action board, who have not submitted their plans to the community action board necessarily, and certainly have not had the approval of the community action board.

I would hope that we could strike this section from the committee bill.

Mr. GIBBONS. Mr. Chairman, I rise in opposition to the amendment.

This is another one of the points we discussed in the committee time and time again. We had our ups and downs on it in the committee. The committee believed, by a majority vote, that this was a good provision. We put it in.

I ask the Committee of the Whole to support our committee and leave in the amendment, as it is.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. GOODELL].

The amendment was rejected.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

TITLE III—AMENDMENTS TO TITLE III OF THE ACT

Rural areas—Loan authority

SEC. 301. Section 302(a) of the Act is amended by striking out "exceeding $2,500 in the aggregate" and inserting in lieu thereof "resulting in an aggregate indebtedness of more than $3,500 at any one time".

Title III programs—Duration

SEC. 302. Part C of title III of the Act is amended to read as follows:

"PART C—DURATION OF PROGRAM

"SEC 321. The Director shall carry out the programs provided for in this title during the fiscal year ending June 30, 1967, and the three succeeding fiscal years. For each such fiscal year only such sums may be appropriated as the Congress may authorize by law."

Mr. GIBBONS (interrupting the reading). Mr. Chairman, I ask unanimous consent that the title be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. RYAN. Mr. Chairman, I move to strike the last word.

Mr. Chairman, potentially one of the most significant sections of the Economic Opportunity Act is section 311 which authorizes the Director to develop a program of loans, loan guarantees and grants to meet "the special needs of migratory workers and seasonal farm laborers and their families in the fields of housing, sanitation, education, and day care of children."

Earlier this year the Office of Economic Opportunity assisted several groups in Mississippi in developing sound proposals for mutual self-help housing and community development. These proposals were a timely response to the technological revolution in Southern agriculture, largely financed by Federal diversion payments, which is resulting in the displacement of hundreds of thousands of farmworkers. On March 31 of this year, I and nine other Members of the House were assured by the Director that these self-help housing proposals were being expedited. On the same day the Assistant Director for Congressional Relations wrote that he hoped for final action within 2 weeks. Yet, within 24 hours of these assurances, OEO's Deputy Director for Community Action, in a meeting with the applicants themselves, said that certain provisions were untenable—provisions which, as it later developed, had been drafted by OEO.

It is hard to believe that OEO had any intention of funding these projects after that. Yet, as far as I know, it has never told the applicants to stop hoping and preparing for Federal assistance. Instead it has quietly revised its guidelines on rural housing to disqualify all seasonal farmworkers who have not had multiple employment during the preceding year, and it has curtailed its definition of "allowable project costs" so that only those who have already qualified under other programs, or who have independent resources, can qualify.

The record of the Senate hearings contains information on this episode, and I understand that the Senate report will make it clear that OEO should conduct a genuine rural housing program. I certainly hope that OEO will now resume negotiations with the Mississippi applicants in the spirit of cooperation and concern which the Director expressed in his telegram of March 31 to us.

AMENDMENT OFFERED BY MR. DE LA GARZA

Mr. DE LA GARZA. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DE LA GARZA: On page 23, line 21, after the period, add the

following ": *Provided, however,* That of the funds appropriated for the fiscal year ending June 30, 1967, not less than $28,500,000 shall be for the implementation of section 311, part B, title III of this Act."

Mr. DE LA GARZA. Mr. Chairman, title III of the bill is the part concerning loans to rural areas and special programs for the migratory workers and seasonal farm laborers and their families. It is my understanding that under the bill as submitted by the committee, the sum of $57 million is authorized for this section. This would be divided, I am informed, $23.5 million for the migrant programs and the balance for the rural or farm loan special programs under this title.

Mr. Chairman, the purpose of my amendment is to take the $57 million and divide it in half, thereby allowing $28.5 million for the loan program and $28.5 million for the special programs for migratory workers and seasonal farmworkers.

Mr. Chairman, these people are, as I am sure all here would agree with me, the poorest of the poor, and the expenditures or the amount authorized to be expended the last fiscal year for the special programs was roughly $25.2 million. Therefore, this bill will reduce the amount to these unfortunate people by $1.7 million. We cannot afford to do this. We cannot turn our backs on these people who need our help so badly. Mr. Chairman, everyone must help in his own way. This is the way that I can help. Here is the area where my jurisdiction lies—in the U.S. House of Representatives. It is true that those in the local communities should help; those in the counties should help; and those on the State level should help—each in his own way. This is my way to try to help these people, a great number of which come from my district in deep south Texas.

I might inform the Committee that this will not add to the overall estimate of the bill. It will reduce in a small amount the funds allocated to these long-term rural loans. But, there are only so many small farms, and since these loans are of long-term duration, it would be only logical that the number of loans would decline from year to year. Therefore, we would be doing no harm by this amendment to the rural loan program and yet we would be doing so much for the migrant and seasonal workers who I have already told you need our help so badly.

I would like to further express my sentiments to the Committee by stating the fact that the majority of these people are honest but humble people, the greater part of which are good citizens, loyal to this country and to its ideals. They are not the ones that we have seen riot in the streets or disobey the laws established by our Government and by the several States and municipalities. They have no one here to speak for them but me at this time and I most respectfully urge my colleagues on both sides of the aisle to consider the acceptance of this amendment.

Mr. QUIE. Mr. Chairman, will the gentleman yield?

Mr. DE LA GARZA. I yield to the gentleman from Minnesota.

Mr. QUIE. I thank the gentleman for yielding. I wish to say, for our side, we would be glad to accept that amendment.

Mr. DE LA GARZA. I thank the gentleman very much.

Mr. GIBBONS. Mr. Chairman, we also believe it is a good amendment, and urge its adoption.

Mr. DE LA GARZA. I thank my colleague very much.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas [Mr. DE LA GARZA].

The amendment was agreed to.

Mr. HAGEN of California. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman and Members of the Committee, I merely rise to ask the gentleman from Florida [Mr. GIBBONS] some questions which he may or may not be able to answer.

I assume that when the committee amended the act it considered all portions of it, even those which are not affected by the bill before us; is that correct?

Mr. GIBBONS. Yes. This act is not the administration bill. This is almost a complete rewrite of the whole act. We considered everything in the act.

Mr. HAGEN of California. My first question relates to title III, part B, the migrant labor section, which is entitled section 311 of the Economic Opportunity Act. In 1965 there were some amendments made to that section.

I was wondering if there was any particular motivation back of those amendments.

Mr. GIBBONS. Very frankly, I have not had a chance to refresh my recollection on this. Of course, there was some motivation, but I would hate to speak now, a year after we adopted those, and tell you exactly what we had in mind. The RECORD of Congress at that time would be the best evidence of it.

Mr. HAGEN of California. Let me ask you this question, then: As it was initially enacted, the bill provided for assistance to State and local agencies without specifying the nature of it, as to whether it would be a loan or a grant. In 1965 it was changed to a program of loans, loan guarantees, and grants. Also at the conclusion of that section it refers to limiting this assistance to programs of benefit to migrant and seasonal workers in the fields of housing, sanitation, education, and the day care of children. Three of those identifying words or phrases I think are fully self-explanatory, but I am wondering why you did not somewhere in the act adopt a definition of education. As I read the act, there is no definition in there whatsoever of what education amounts to and what programs it might encompass.

Mr. GIBBONS. I would have to say to the gentleman that the word "education" is a very broad term and includes informal education as well as formal education. It is really America's biggest business, and I do not know really how to define it.

Mr. HAGEN of California. Let me ask you a further question. It would not include organizing a cooperative store, for example? That would not amount to education? Or even organizing a credit cooperative? That is not education, is it?

Mr. GIBBONS. Not in my book; it is certainly not.

Mr. HAGEN of California. That is not your understanding of it?

Mr. GIBBONS. No. Education would not go to the point of taking an overt act of forming a corporation. No.

Mr. HAGEN of California. I appreciate that. I would not consider such a program—program of education and certainly not a program relating to housing, sanitation, or day care.

Mr. GIBBONS. That would be something else and not education.

Mr. HAGEN of California. I appreciate the gentleman's answer, because I have a grant in my area that involves this problem of potential organizing activities under the guise of education. I notice also, although reference is made to private nonprofit institutions or nonprofit organizations or nonprofit associations in the act that these terms are never defined in the act, either. Are they?

Mr. GIBBONS. No. But I would imagine for nonprofit corporations there are lots of definitions that would be primarily controlled by State statutes or local statutes.

Mr. HAGEN of California. May I ask this question: Has the Director of OEO ever adopted a set of acceptable definitions in this area?

Mr. GIBBONS. I cannot answer that question right now, because I just do not know.

Mr. HAGEN of California. I have two more questions, and then I will sit down.

What is the status of carryover financing of a grant which was made, let us say, in 1965 but has never been implemented by the advancement of funds? Is that still a valid grant under the law?

Mr. GIBBONS. I do not know at this time, but if I can get unanimous consent, when we go back into the House I will try to come back in the context of this colloquy and answer the question under general leave.

Mr. HAGEN of California. I have one further question which you might wish to make the same request on. What is the authority of the Director of OEO to revoke grants once made but not implemented?

Mr. GIBBONS. I would think a grant once made but not implemented can be revoked; a grant is not a contract and it can be revoked at any time.

Mr. HAGEN of California. Particularly if it was a 100-percent grant.

Mr. GIBBONS. That is right.

Mr. HAGEN of California. I thank the gentleman. It is my belief that his forthright answers go a long way toward solving a problem in my congressional district.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

TITLE IV—DURATION OF PROGRAMS UNDER TITLE IV OF THE ACT

SEC. 401. Section 407 of the Act is amended to read as follows:

"DURATION OF PROGRAM

"SEC. 407. The Director shall carry out the programs provided for in this title during the fiscal year ending June 30, 1967, and the three succeeding fiscal years."

AMENDMENT OFFERED BY MR. DINGELL

Mr. DINGELL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DINGELL: On page 24, strike out lines 1 through 8, and insert the following:

"TITLE IV—AMENDMENTS RELATING TO TITLE IV OF THE ACT

"SEC. 401. Sections 402, 405, and 406 of the Act are amended by striking out 'Director' where it appears in such sections and inserting in lieu thereof 'Administrator of the Small Business Administration'.

"SEC. 401. Sections 403 and 404 of the Act are hereby repealed.

"SEC. 403. Section 407 of the Act is amended to read as follows:

" 'DURATION OF PROGRAM

" 'SEC. 407. The Administrator of the Small Business Administration shall carry out the programs provided for in this title during the fiscal year ending June 30, 1967, and the three succeeding fiscal years.'

"SEC. 404. Section 402 of the Act is amended by inserting '(a)' after 'SEC. 402.', and by adding at the end thereof the following new subsection:

" '(b) To the extent necessary or appropriate to carry out the programs provided for in this title the Administrator of the Small Business Administration shall have the same powers as are conferred upon the Director by section 602 of this Act.'

"SEC. 405. Sections 405, 406, and 407 of the Act, as amended by these Economic Opportunity Amendments of 1966, are respectively renumbered as sections 403, 404, and 405 of the Act.

"SEC. 406. Section 606 of the Act is amended by striking the words 'and IV' where they appear in subsections (a) and (d) thereof."

Mr. DINGELL. Mr. Chairman, I would like to make it abundantly clear that in offering this amendment, I do so as a friend of the legislation now pending before us. I have voted against every amendment which I have viewed as being of a restrictive or crippling nature. It is my purpose not to cripple the legislation now pending before us but to assist in its passage and to help in its passage, in an effort to have better and more efficient and more capable administration of this particular program.

Mr. Chairman, I offer an amendment to transfer to the Small Business Administration full authority for the small business poverty loan program contained in title IV of the Economic Opportunity Act. These loans are already fully funded out of SBA's revolving fund, and my amendment would continue this. However, the present law places SBA in the position of a delegate agency receiving its policies, authority, and supervision from OEO. This has caused many problems and delays in the administration of the program.

The business of SBA is making loans, and the time has come to put it clearly in charge of the small business poverty loan program. My amendment would allow closer alinement of this program with the traditional lending programs of SBA, and would thus permit more vigorous and efficient administration, to the benefit of the war on poverty and the taxpayer as well.

The small business poverty loan program is designed to encourage small business entrepreneurship in lower income groups. It is particularly aimed at minority groups to whom the doors of business opportunity have generally been closed. The loan criteria place primary emphasis on the character and management potential of applicants, with deemphasis of conventional bank collateral requirements; and the program stresses continuing management assistance to loan recipients.

However, the worthy objectives and concept of this program have been much hampered by the organizational and policy framework within which it has been forced to operate. Under the present arrangement, though the carrying out of the program has been delegated by OEO to SBA, OEO has made the major decisions and exercised close control over administration of the program. Loan applications are required to be screened through small business development centers—SBDC's—which are nonprofit community action organizations funded by the Government and set up to assist and advise potential applicants and then refer selected applications to SBA. The SBDC's are also supposed to help provide management assistance to poverty loan recipients. OEO has limited the program to communities where there are SBDC's operating, and in effect has thus given these private groups the ability to control the pace of the program and to select the persons who are to be referred to SBA for loan action. In addition to this private layer in the program, which has not worked either efficiently or fairly, OEO has run all over the lot on eligibility rules for the program. First it permitted poverty loans both to the poor and to those hiring the poor; then it restricted poverty loans to the very poor, who are the least likely to have business management potential; and finally, though these OEO eligibility levels have been raised somewhat, there is still serious question as to whether they are realistic.

Needless to say, this OEO and SBDC approach has barely gotten the program off the ground. OEO admitted at the hearings on this bill that up to the beginning of this year it had made less than 900 small business poverty loans throughout the United States. The program has obviously been hampered by the many policy changes imposed by OEO, by the inexperience, inefficiency, and malfunctioning of the SBDC's, and by problems of delay and coordination between SBA, OEO, and the SBDC's. My amendment would clearly put SBA in charge of the program. This would eliminate split authority and overlapping functions for the program and the delays and problems of supervising SBDC's. It would allow increased utilization of SBA's experienced professional staff of financial assistance and management assistance personnel.

I sincerely believe that since the Federal Government is paying for this loan and management assistance, it can be done better and less expensively through using SBA's professional staff than the present system of paying an excessive price for the sometimes doubtful aid of the privately run SBDC's. This change would result in more efficient utilization of money available for the program, and thus should encourage broader coverage than has been possible to date.

SBA, of course, would still maintain coordination with OEO and with interested private organizations and local groups, but the program would be placed on a sound administrative basis.

A consensus has developed among those best informed on title IV loans that the program should be transferred to SBA. At recent hearings held by the House Small Business Committee concerning Small Business Administration operations and related matters, Chairman JOE L. EVINS raised the question as to whether this program might not be better implemented under the sole administration of SBA. Ranking minority member ARCH A. MOORE asked whether "it might be wise to bring this—title IV—into its rightful home and let the people—SBA—who are so close to it underwrite this program administratively and see if we cannot get it off the ground."

Administrator Bernard Boutin of SBA conceded that the present situation has many shortcomings.

Even the Office of Economic Opportunity itself suggests that the program might be better administered by the SBA. While recently appearing to present testimony before Congressman JOHN C. KLUCZYNSKI, who was presiding as chairman of House Small Business Subcommittee No. 5, Assistant Director Robert Perrin of OEO made a number of observations about the title IV program, including that the cost of making loans was averaging over 20 cents per dollar lent. Mr. Perrin's overall conclusion was that perhaps the title IV program could "better be handled solely as an SBA operation."

The full House Small Business Committee, as part of its hearings on SBA activities, submitted written interrogatories to Sargent Shriver, Director, Office of Economic Opportunity. Chairman JOE L. EVINS asked Mr. Shriver:

What is the attitude of the Office of Economic Opportunity concerning the suggestion that the Small Business Administration be given sole jurisdiction over the title IV lending program?

Mr. Shriver's response was that "OEO has no objection to the SBA's administration of the program * * *." Mr. Shriver then went on to point out that OEO had proposed in fiscal year 1967 authorization legislation, as part of the administration program, to have SBA fund all

SBDC cost, thus increasing SBA jurisdiction over the program. He also noted that it would require legislation to shift overall responsibility for the title IV loan program to SBA.

For these reasons I strongly urge adoption of my amendment to transfer statutory authority for this small business poverty loan program from OEO to SBA.

Mr. Chairman, the analysis to which I have referred follows:

SECTION-BY-SECTION ANALYSIS OF AMENDMENT TO TITLE IV OF H.R. 15111

(Transfer of poverty loan program to SBA)

SECTION 401

This section amends the small business poverty loan authority and related authorities and limitations of Title IV of the act by deleting the word "Director" and substituting "Administrator of the Small Business Administration." The effect of this change is to transfer statutory authority and responsibility for the program from OEO to SBA.

SECTION 402

This section deletes as unnecessary section 403 of the act, relating to coordination with community action programs, and section 404 of the act, relating to financing under the Small Business Act.

Section 403 presently requires specific determination by the Director of OEO that small business poverty loans are consistent with community action programs. Such specific determination by OEO appears unnecessary and could conflict with the transfer of authority and responsibility for the program to SBA. Sections 611 and 612 of the Act, the general coordination sections, would still be applicable to provide continued coordination between OEO, SBA, and the community action programs. Accordingly, the amendment deletes section 403.

Section 404 presently states that small business poverty loan functions delegated to SBA may be financed with SBA's revolving fund established by section 4(c) of the Small Business Act. As recently amended by Public Law 89-409, section 4(c) of the Small Business Act now specifically provides that SBA's revolving fund may be used for the purpose of carrying out the small business poverty loan program provided for in Title IV of the Economic Opportunity Act. Therefore, section 404 is duplicative and no longer needed, and is accordingly deleted.

SECTION 403

At present section 407 of the Act allows the Director of OEO to continue the small business poverty loan program through June 30, 1967.

H.R. 15111 would extend such authority of the Director through June 30, 1970. This amendment also would extend the program through June 30, 1970, but provides for its continuation by the Administrator of the Small Business Administration (rather than the Director of OEO), in line with the transfer of the program to SBA.

SECTION 404

This section provides that the SBA Administrator in carrying out the Title IV program shall have the same incidental administrative powers as the Director of OEO presently has with respect to the program. This includes such matters as authority to collect and sell loans made under the program, and to disseminate information to the public on the program.

SECTION 405

This section takes account of the amendment's deletion of sections 403 and 404 of the Act, and therefore renumbers the remaining sections in Title IV.

SECTION 406

This section amends section 606 of the Economic Opportunity Act to discontinue OEO's authority to use its revolving fund for Title IV loans. This authority has never been exercised since SBA's revolving fund has been utilized instead. With complete transfer of the program to SBA there appears no need for continuation of this OEO authority, and the amendment accordingly deletes it.

Mr. CAREY. Mr. Chairman, will the gentleman yield?

Mr. DINGELL. I am glad to yield to the gentleman from New York.

Mr. CAREY. Mr. Chairman, I wish to commend the gentleman in the well [Mr. DINGELL].

Mr. Chairman, the gentleman from Michigan [Mr. DINGELL] has made an exhaustive study of the SBA and SBDC, as chairman of the subcommittee which handles this legislation, of the Committee on Small Business.

Mr. Chairman, I have discussed this amendment with the gentleman from Michigan.

Mr. Chairman, could we agree that the net effect of the amendment, if adopted, would move the entire section over into SBA, for all intents and purposes?

Mr. DINGELL. The gentleman from New York is correct, if the gentleman means to say that my amendment would move the lending authority of the SBDC from the OEO to the Small Business Administration.

The gentleman is entirely correct on this point.

Mr. CAREY. Mr. Chairman, if the gentleman will yield further, is it not also true in our discussion it was agreed that the activities of the SBDC's which are operating effectively, and are being well managed, and are doing a good job would not be impaired by this transfer?

Mr. DINGELL. I would suppose the SBDC's would be able to continue the same functions that they are where they are operating well. I would point out, however, that my subcommittee, our Committee on Small Business, sent investigators back to the city of Detroit and they found there is rather sad management there. They found that there is rather gross mismanagement; some of it is presently being investigated by the Department of Justice.

Mr. CAREY. Where there is mismanagement, of course, you would expect the SBA, under the able administration of Mr. Boutin, would look into those things and suspend those activities. Where, however, the community is being served and low-income persons are getting a chance to get into their own business and manage their own affairs in order to lift themselves up by their own bootstraps, these activities would not be curtailed by the transfer? Is that correct?

Mr. DINGELL. I would not believe it would be curtailed. I would be well satisfied that the SBDC's could continue to do precisely what they are doing; but that the administration of the program and the handling of the program subject to the requirements of the act that we are now considering would be in the SBA.

Mr. CAREY. I thank the gentleman.

Mr. EVINS of Tennessee. Mr. Chairman, will the gentleman yield?

Mr. DINGELL. I yield to the gentleman.

Mr. EVINS of Tennessee. I would like to associate myself with the remarks of the gentleman from Michigan and to say that I support his amendment.

Mr. Chairman, we held extensive hearings on this matter. The law says that these poverty loans shall be equitably distributed and in some areas there have been none at all. In some of the cities and other areas of the country they have not even been set up. We have a recognized loan agency, the Small Business Administration. They are competent and capable of making the loans. It has been very difficult under this new process. It is rather cumbersome. The gentleman has a good amendment and I would hope the gentleman from Florida [Mr. GIBBONS] would accept the amendment to improve the program.

Mr. GIBBONS. Mr. Chairman, will the gentleman yield?

Mr. DINGELL. I yield to the gentleman.

Mr. GIBBONS. I just have a few questions to ask about this because I am not quite clear what you are attempting to do here. In title IV, the employment and investment incentive section, you are taking sections 401, 402, and 403 and transferring them over to the SBA. Is that right?

Mr. DINGELL. The effect of this amendment is as follows: In sections 402, 405, and 406 of the act, wherever the word "Director" appears that is stricken, and in lieu thereof would be inserted, under my amendment, "the Administrator of the Small Business Administration" so as to transfer the lending functions.

My only purpose is to move the lending functions here over to the SBA. I am not trying to terminate the existence of the Small Business Development Center. I hope they will continue in existence the centers. I hope that they will continue to provide counsel, guidance, and management assistance, and all the things which they are doing, which I regard as being very valuable.

All I want to do, however, is to get the lending program into the hands of the agency which has demonstrated it handles the taxpayers' money well and efficiently.

Mr. GIBBONS. May I ask then where would the administrative costs of the Small Business Development Centers come from under your amendment?

Mr. DINGELL. The administrative costs of the SBDC's would have to come from the budget of the Office of Economic Opportunity and not from the SBA. The administrative costs of administering the loans would be in the SBA.

Mr. GIBBONS. I understand that in your amendment you have a deadline of October 15 to transfer all of these functions. Am I correct in that?

Mr. DINGELL. The gentleman is correct. The deadline is as prescribed by the statute which is before us which says, "the Administrator of the Small Business Administration, to carry out the program provided in this title during the fiscal year ending June 1967, and the three succeeding fiscal years." So the

deadline here so far as the movement of the program, and so forth, as is fixed in the statute which is before us. In other words, my amendment does not fix a date for moving this thing at all.

Mr. GIBBONS. Mr. Chairman, I have no objection to the amendment. I am glad to have it.

Mr. DINGELL. I certainly thank the gentleman from Florida.

Mr. CORMAN. Mr. Chairman, will the gentleman yield?

Mr. DINGELL. I yield to the gentleman.

Mr. CORMAN. Mr. Chairman, I want to join both the gentlemen in the well and the chairman of the Committee on Small Business in urging the adoption of this amendment.

Mr. MULTER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I am in complete agreement with the intent and purport of the amendment insofar as it attempts to eliminate any duplication of work and a duplication of the expenditure of money. I have read the amendment offered by the gentleman, and I have very considerable reservations about it. I am afraid that if the amendment should prevail, unless it is improved in conference, what will happen here is that this entire program as to small business development centers will come to a halt on October 15. Everyone admits that they want these centers to continue. They are doing a good job where they are needed in each locality within the poverty areas, and we do not want that to stop. It is all right to transfer the lending function to where it belongs in SBA, but unless there is a directive and a transfer of money to SBA with which to administer the loan programs, SBA will not be able to do the job that is required by this amendment.

SBA is presently using all the funds that have been appropriated to it for purposes of their program. Unless they get more money they cannot take on this additional work now of sending men and women into these centers to do the processing of these loans. There is a duplication now. A borrower brings the application for the loan into the center, it is processed there and recommended, and then it goes to the SBA, and then it is fully processed a second time by SBA before the loan is made.

In order to avoid that duplication, SBA must get the manpower and the money to send these people into these centers to do the job. There is no provision in this amendment to do that. Unless we can do that we are going to bring this program to a halt on October 15.

Mr. DINGELL. Mr. Chairman, will the gentleman yield?

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

Mr. DINGELL. I would point out to the gentleman that he has already indicated that SBA is doing everything now with its existing funds to process these loans and applications. I would point out to my good friend further that this amendment does not eliminate the SBDC's.

Lastly, I would point out under existing law and practice and appropriations that SBA, the Small Business Administration, is presently at this time charged with the administrative costs of processing the loans and applications after they leave the SBDC.

Mr. MULTER. The gentleman has already said that twice. The fact is, although we want to avoid duplication in processing these loan applications which are initiated in the centers, unless and until you give the SBA the manpower and the money to send people into these centers, instead of these people taking their applications into the local center, they will have to chase down to the branch office or to the regional office with them.

I am willing to stop the duplication, but not so precipitously as your amendment calls for. This will call a halt to the program as of October 15, and it will take you 2 or 3 months or more before you can get it into operation again in the local community where it belongs.

The idea of the amendment is good. Unfortunately, the language in the amendment is such that it will call a halt to this important lending operation.

In addition, we all agree that these centers should continue to operate as to all their functions. Unless you authorize the money and then appropriate it, all these centers will have to cease operating because they are funded under this program. They will have to stop operating on October 15 unless you authorize and appropriate the money to SBA for it.

Mr. DINGELL. Mr. Chairman, will the gentleman yield further?

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

Mr. DINGELL. The gentleman is absolutely incorrect on this point. The administrative costs of processing the loan at this moment are being borne by the SBA.

Mr. MULTER. Let us talk about the same thing.

Mr. DINGELL. The gentleman is entirely incorrect.

Mr. MULTER. Let us talk about the same thing. SBA money which is being spent by SBA processors and lending specialists in the SBA offices—they are being paid out of SBA payrolls. The people who are being paid out of this program are the people in the centers who are initiating these loans and processing them in the first instance before recommending them to the SBA offices. I go along with you that we ought to eliminate the duplication, but while you are trying to eliminate the duplication inadvertently—not deliberately, but inadvertently—you do successfully stop the program until SBA can get more money and manpower into these centers.

Mr. QUIE. Mr. Chairman, I rise in support of the amendment. I will not use the whole 5 minutes, but I am glad that the gentleman from Michigan has caused the Members on his side to see the light on this one title anyway, that they should transfer that to an existing agency. We tried to do this in our substitute to a number of the other titles as well. I commend the gentleman on the job he had done and assure him of our support on this.

Mr. WILLIAM D. FORD. Mr. Chairman, I move to strike the requisite number of words.

Mr. DINGELL. Mr. Chairman, will the gentleman yield?

Mr. WILLIAM D. FORD. Mr. Chairman, I yield to the gentleman from Michigan.

Mr. DINGELL. Mr. Chairman, I simply wanted to assure the House that it is not my intention to kill the SBCD's. I want to have better administration of this program.

I would point out in connection with this, that the administrative cost of making these loans to the SBCD's run 20 cents on every dollar of loan. I think this is something we as custodians of the people's money should feel concerned about.

I want to emphasize that I went into the point raised by the gentleman from New York [Mr. MULTER], who preceded me, and I wish to point out that I was satisfied this amendment as drawn would not cripple the bill, would not cripple the SBDC's, and would not prevent the loans from being made.

The loans are now being processed by the SBA. The SBDC's will continue to exist and will continue to be funded from OEO budgets, something which now exists. If they wish to add to these intakes for these loans, I think it is commendable. I wish to point out the careful and close scrutiny of the taxpayers' money, subject to arrangements laid down in the previous enactments will afford protection to the taxpayers. This is the protection we need.

This is the only purpose of my amendment.

I thank the gentleman from Michigan for yielding to me.

Mrs. GREEN of Oregon. Mr. Chairman, will the gentleman yield?

Mr. WILLIAM D. FORD. I yield to the gentlewoman from Oregon.

Mrs. GREEN of Oregon. Mr. Chairman, I rise in support of the amendment offered by the gentleman from Michigan and take this time to point out only one thing, that in the original War on Poverty Act in 1964, or in the 1965 amendments, or in the 1966 act, there is no authorization for any funds for the title IV, so I cannot see that Mr. DINGELL's amendment is going in any way to cripple the program that has been carried on, nor will it change the financial arrangements that have been made.

Mr. COLLIER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the amendment, but I am frank to say I am somewhat surprised that this committee, dealing with this area of the bill, in the scrutinizing manner that I would have presumed they did, would accept an amendment that would provide a sweeping change of this nature in this particular section of the poverty program.

I think it would be well here to point out that the committee perhaps should have had some inkling, shall I say, as to the failure—and I repeat the word "failure"—of the conduct of this particular area of the poverty program.

The Small Business Subcommittee, as I understand, held hearings and no one from the Office of Economic Opportunity came down because, "No person of authority was there available to testify." Is that correct? I am not talking about the subcommittee. I am talking about the full committee.

Mr. DINGELL. We did hold hearings in the full committee and we had very extensive and helpful participation from the Office of Economic Opportunity. Mr. Robert Perrin testified at length, and he was most helpful.

Mr. COLLIER. That is true. But is it not also true that Mr. Perrin, when he testified, prior to the time the hearings were being held on this bill, said, No. 1, that no significant unemployment was created under the title IV; and that, No. 2, the cost of making loans was very expensive, and title IV loans were very expensive? He went on to say—and I believe the House ought to know this, because this amendment should not have been necessary if the bill was properly written in the first place.

I quote Mr. Perrin, in his testimony before the subcommittee:

> We at OEO sometimes question whether this program properly is part of the arsenal of weapons over which we have primary and statutory jurisdiction.
>
> Perhaps it could better be handled solely as an SBA operation, possibly in connection with a broadened loan program that reaches a group of small business that is almost as disadvantaged because it is beyond maximum eligibility of OEO loans and below the minimum requirements for regular SBA loans.

Then he went one step further. I presume this testimony was available to the committee when it was writing this legislation.

I quote Mr. Perrin again:

> Therefore, I do not suggest that this be abandoned as a weapon in the war against poverty. But I believe we must consider whether the present method is the most effective way of providing the needed assistance.

I would say that the amendment of the gentleman from Michigan is long overdue. It is a sound amendment. I would hope it would bring some order out of the chaos in this area of the program.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan [Mr. DINGELL].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. RYAN

Mr. RYAN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. RYAN: On page 24, strike out line 3, and insert in lieu thereof the following:
>
> "SEC. 401. Section 402 of the Act is amended by inserting after the first sentence thereof the following new sentence:
>
> "'In making, participating in, or guaranteeing loans under this section, the Small Business Administration shall encourage qualified loan applicants who are indigenous construction contractors or subcontractors operating in poor areas, and qualified persons seeking to establish such concerns.'
>
> "SEC. 402. Section 407 of the Act is amended to read as".

Mr. RYAN. Mr. Chairman, the purpose of this amendment is to encourage loans for construction work in the poverty areas by indigenous contractors and subcontractors.

I have discussed this amendment with the chairman of the committee and with the gentleman handling the bill [Mr. GIBBONS]. I hope that it will be acceptable to the Committee.

This amendment underlines the importance of encouraging and helping to finance indigenous contractors and subcontractors in poverty areas and those who wish to go into the construction business.

A number of leaders of both political parties, in the past few months, have proposed plans to help rebuild our central cities. It is clear that a great amount of construction and rehabilitation work will be needed in the poverty areas during the next decade. Housing, hospitals, and schools all must be constructed.

In addition to giving a new physical facade to the poor areas of the country, I hope such programs will provide opportunities for small businessmen and jobs for the people who live there. When a new hospital is built in Harlem, I would hope that some of the construction subcontractors and contractors would be from Harlem. When a new school is built in Bedford-Stuyvesant, I would hope that some of the subcontractors and contractors who helped to build it would be from Bedford-Stuyvesant. When a building is rehabilitated in the West Side urban renewal area, I would hope that some of the subcontractors and contractors who helped to rebuild it would be from the area itself. For to end poverty, we must not only build new homes and hospitals and schools, but we must provide people with new businesses, new skills, and new jobs. And what kind of employment could be more relevant than the rebuilding of one's own neighborhood?

For the most part, however, it has been impossible for the poor themselves to participate in the rebuilding of their neighborhoods. Apprenticeship opportunities have been closed; the poor have lacked the necessary skills; and those who would like to have set up work for themselves have lacked capital.

My amendment would help to make it possible for poor people to get work in the construction business. By encouraging prospective construction contractors to obtain loans under title IV, we would enable them to participate in management training programs; and it would help them to get the assistance of the private business community, as outlined in section 402 of the Economic Opportunity Act.

Most important, of course, the prospective contractor or subcontractor would have the benefit of a loan of up to $25,000. While no one could build a skyscraper with $25,000 in capital, a contractor or subcontractor could begin to start a modest construction business.

The model case, I suppose, would be a young man who had been working in the construction business for 5 or 6 years. Perhaps by now he is a superintendent. He knows the ins and outs of the business pretty well and would like to start his own firm, but he has no money and no good source of credit. Today there is no place for him to go.

If he could get a loan under title IV, however, he would be in a position to start his own small firm. He would have a line of credit to finance the purchase of materials and the hiring of laborers. Thus, he would be in a position to make a bid on a job.

I think, for example, of the 114th Street demonstration project in Harlem, where a block of houses is currently being rehabilitated. The young man might be able to subcontract for some of the wiring work, if this were his specialty, or some of the carpentry or the plumbing. The prime contractor would take him seriously because he would be backed up by the $25,000 loan.

I am told by people in the industry that with $25,000 in capital a new subcontractor like the one whom I have described could bid for at least $100,000 of business.

Mr. Chairman, there is a further reason why we should encourage people from the target communities to go into the construction business. According to a number of studies, no other sector of American industry is so labor-intensive. These studies indicate that a million dollars of expenditures create between 135 and 167 man-years of labor. Interestingly enough, they also indicate that residential construction produces more jobs and more income than any other form of construction investment.

Thus, if one of our purposes under this title is to provide more jobs for people in the poverty communities, the best investment for us to make may be in stimulating construction. For it would appear that we could thereby get the maximum number of jobs for our investment. And it seems fair to predict that borrowers under my amendment would for the most part employ people from the target area as well.

Mr. CAREY. Mr. Chairman, will the gentleman yield?

Mr. RYAN. I am glad to yield to my colleague.

Mr. CAREY. I should like to take this time to get some clarification on the amendment.

It has been my experience that in some of the neighborhood rehabilitation projects, one of the things which is very difficult to do is to hold down the per unit cost to a rent schedule which the families living in the area can afford, so that they will not be dislocated. In doing this the overall contractor has to go shopping for the best possible construction costs. Sometimes the indigenous contractor does not have the facilities, does not have the help, does not have the knowhow he needs to bring his costs down.

That is why I view this as possibly a dangerous amendment, which might force up construction costs.

Mr. RYAN. The gentleman has missed the point of the amendment. The purpose of the amendment is to encourage the Small Business Administrator, who will administer the title IV loan program under the Dingell amendment, to

make such loans. This has no bearing on whether or not an individual contractor will or will not get the work. The amendment has nothing to do with the cost factor.

This will merely make it possible for people in the poverty areas, who have not been financially able in the past to get construction contracts or subcontracts, to obtain loans from the Small Business Administration putting them in a position to compete for the work. This has nothing to do with whether or not they will eventually get the work. It will merely help on financing.

It does not require financing, but says that the Small Business Administration shall be encouraged to make this kind of loan.

This amendment highlights the problem which exists in the poverty areas, such as Harlem and Bedford-Stuyvesant. Too many people, who have the ability and experience to go into business for themselves and subcontract for the work, whether it be plumbing or wiring or whatever it may be, are denied the opportunity. The purpose of title IV is to provide incentive loans.

That is the reason for this amendment. It is a salutary amendment.

Mr. CAREY. Mr. Chairman, will the gentleman yield further?

Mr. RYAN. I yield to the gentleman.

Mr. CAREY. There is no priority intended in the amendment, then? No priority of loans to these indigenous contractors?

Mr. RYAN. There is no priority intended as far as work is concerned. The amendment directs that loans be encouraged to indigenous contractors and subcontractors in the poverty areas.

Mr. CAREY. Then you will have the administrator make a decision in his own judgment as to who among two competing contractors should have priority. Is that correct?

Mr. RYAN. The administrator would make the decision as to which one should have priority in the loan, and certainly the sponsor or the public agency would make the decision as to who should get the work.

Mr. CAREY. The gentleman's amendment then would set up priorities for the administrator which may make for a very untenable situation.

Mr. RYAN. This is in line with the act as it exists at present. Title IV itself puts particular emphasis on certain loans. The amendment is intended to encourage the loans I have described. I hope the Committee will accept it.

Mr. GIBBONS. Mr. Chairman, will the gentleman yield?

Mr. RYAN. I yield to the gentleman.

Mr. GIBBONS. I cannot accept it because I do not understand the amendment. I have read it about a dozen times, and I cannot understand what you mean by "section 402. Section 407 of the Act is amended to read as."

Mr. RYAN. That is merely technical, in order to conform with your bill, but the substance relates to section 402. The amendment goes to section 402 of the Economic Opportunity Act. The gentleman has had the amendment for 3 days and committee counsel looked at the amendment. It has been redrafted to conform with the views of his counsel so that it would be satisfactory as far as the technicalities of the bill are concerned. There are no problems as far as the technical language is concerned. I understand that the amendment was acceptable to the chairman of the committee.

Mr. QUIE. Mr. Chairman, I rise in opposition to the amendment.

The gentleman from New York may have provided this amendment to the majority side 3 days ago, but this is the first that I have heard of it, and listening to it I cannot see how the majority could ever accept this amendment. It is really ridiculous, the idea that the OEO should go out hunting for indigenous contractors to try to bring them in here. If private enterprise is for anything, they should be hungry for the business.

Mr. GIBBONS. Mr. Chairman, will the gentleman yield?

Mr. QUIE. I yield to the gentleman.

Mr. GIBBONS. We have not accepted it.

Mr. THOMPSON of New Jersey. Mr. Chairman, will the gentleman yield?

Mr. QUIE. I yield to the gentleman.

Mr. THOMPSON of New Jersey. And we do not intend to.

Mr. QUIE. I might say that I am feeling better all the time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. RYAN].

The amendment was rejected.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

TITLE V—REVISION OF TITLE V OF THE ACT

SEC. 501. (a) Title V of the Act is amended to read as follows:

"TITLE V—WORK EXPERIENCE AND TRAINING PROGRAMS

"Statement of purpose

"SEC. 501. It is the purpose of this title to expand the opportunities for constructive work experience and other needed training available to persons (including workers in farm families with less than $1,200 net family income, unemployed heads of families and other needy persons) who are unable to support themselves or their families.

"Transfer of funds

"SEC. 502. In order to permit the carrying out of work experience and training programs meeting the criteria set forth in part D of title II of the Manpower Development and Training Act of 1962, the Director is authorized to transfer funds to the Secretary of Health, Education, and Welfare to enable him (1) to make payments under section 1115 of the Social Security Act for experimental, pilot, or demonstration projects which provide pretraining services and basic maintenance, health, family, basic education, day care, counseling, and similar supportive services required for such programs, and (2) to reimburse the Secretary of Labor for carrying out the activities described in such part D of title II of the Manpower Development and Training Act of 1962. Costs of such projects and activities shall, notwithstanding the provisions of the Social Security Act and the Manpower Development and Training Act of 1962, be met entirely from funds appropriated to carry out this title: *Provided*, That such funds may not be used to assist families and individuals insofar as they are otherwise receiving or eligible to receive assistance or social services through a State plan approved under titles I, IV, V, XIV, XVI, or XIX of the Social Security Act.

"Limitations on work experience and training programs

"SEC. 503. (a) The provisions of paragraphs (1) to (6), inclusive, of section 409 of the Social Security Act, unless otherwise inconsistent with the provisions of this title, shall be applicable with respect to work experience and training programs assisted with funds under this title.

"(b) Participation of individuals in work experience and training programs shall be limited to 24 months, except that nothing in this subsection shall prevent the provision of necessary and appropriate follow-up services for a reasonable period after an individual has completed work experience and training.

"(c) In the case of any work experience and training program approved on or after July 1, 1967, not more than 80 percent of the costs of projects or activities referred to in section 502 may be paid from funds appropriated or allocated to carry out this title, unless the Director determines, pursuant to regulations adopted and promulgated by him establishing objective criteria for such determinations, that assistance in excess of such percentage is required in furtherance of the purpose of this title. Non-Federal contributions may be in cash or in kind, fairly evaluated, including but not limited to plant, equipment, and services.

"(d) Not more than 12½ percent of the sums appropriated or allocated for any fiscal year to carry out the purposes of this title shall be used within any one State.

"Duration of programs

"SEC. 504. The Director shall carry out the programs provided for in this title during the fiscal year ending June 30, 1967, and the three succeeding fiscal years. For each such fiscal year only such sums may be appropriated as the Congress may authorize by law."

(b) The amendments made by this section shall not apply to any grant or agreement made pursuant to title V of the Economic Opportunity Act of 1964 prior to the date of enactment of the Economic Opportunity Amendments of 1966, except that no person shall be permitted to remain as a participant in any program carried on pursuant to any such grant or agreement for a period of more than two years after such date.

Mr. GIBBONS (interrupting the reading). Mr. Chairman, I ask unanimous consent that title V be considered as read and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

There was no objection.

AMENDMENT OFFERED BY MR. CURTIS

Mr. CURTIS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CURTIS: Beginning with line 12 on page 24, strike out everything down through line 7 on page 27, and insert in lieu thereof the following:

"TITLE V—WORK EXPERIENCE

"Statement of purpose

"SEC. 501. It is the purpose of this title to train and equip individuals inured to the perpetual cycle of public assistance and welfare to become self-supporting and capable of sustaining their families. In carrying out this purpose the Secretary of Health, Education, and Welfare shall have exclusive Federal authority and shall utilize and coordinate the facilities and programs available at State and local levels, including, to the extent possible, those in the private and voluntary sector. The Secretary shall give special emphasis to equipping individuals with the

motivation, discipline, and training necessary to hold permanent jobs in private, profitmaking enterprises.

"SEC. 502. The Secretary of Health, Education, and Welfare (hereinafter referred to as the 'Secretary') shall determine eligibility for programs under this title with due consideration to meeting the following criteria:

"(a) Training offered to participants shall be constructive from the standpoint of upgrading the employability of individuals;

"(b) Eligibility for public assistance of individuals and families shall continue without diminution during periods of participation;

"(c) Participants may engage in gainful employment without pay from their employers for limited periods up to a maximum of two years: *Provided*, That the Secretary shall determine that they are not being exploited as a source of free labor;

"(d) Participants employed under this title shall not displace or adversely affect regular employees (including substitute workers) or additional workers who would otherwise be hired by employers participating in the program;

"(e) Employment by private, profitmaking enterprises, or public or private nonprofit agencies, shall be approved by the Secretary only if the Secretary determines that there is a reasonable chance that the employer will hire the individual participant upon successful completion of the agreed upon training;

"(f) All participants in the program shall be provided basic education as an integral part of their training if they have need for such education;

"(g) To the extent possible, the Secretary shall utilize all existing Federal, State, local, and private programs to provide training and education to participants.

"(h) In the event there is no existing program of education or training available to participants, the Secretary is authorized to make grants or contracts to provide such programs of assistance;

"(i) In determining eligibility under this title, special emphasis shall be given to individuals with less than eight years of formal schooling who lack the background for effective performance as employees and citizens.

"Payments for experimental, pilot, and demonstration projects

"SEC. 503. In order to stimulate the adoption of programs designed to help unemployed fathers and other needy persons to secure and retain employment or to attain or retain capability for self-support or personal independence, the Secretary of Health, Education, and Welfare is authorized to use funds appropriated or allocated to carry out this title to make payments for experimental, pilot, or demonstration projects under section 1115 of the Social Security Act (42 U.S.C. 1315), subject to the limitations contained in section 409(a) (1)-(6), inclusive, of such Act (42 U.S.C. 609(a) (1)-(6)), in addition to the sums otherwise available pursuant thereto. Workers in farm families with less than $1,200 net family income shall be considered unemployed for the purposes of this title. The costs of such projects to the United States shall, notwithstanding the provisions of such Act, be met entirely from funds appropriated or allocated to carry out the purposes of this title."

Beginning with line 8 on page 38, strike out everything down through line 13 on page 40.

Mr. CURTIS (interrupting the reading of the amendment). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD at this point. I have supplied a copy.

Mr. GIBBONS. That is right. The gentleman was very courteous and supplied us with a copy.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CURTIS. Mr. Chairman, this is the amendment that I discussed during general debate on the bill when there was a colloquy of some length between the gentleman from Kentucky [Mr. PERKINS] and myself, in an effort to point out why we felt this was advantageous.

Mr. Chairman, the purpose of the amendment—and this is what, in effect, I believe it does accomplish—is to vest this program of work experience and training in the Department of Health, Education, and Welfare where it presently is, instead of as in the way the bill is herein written, putting it over in the Department of Labor.

Now, Mr. Chairman, this is an area with which the Committee on Ways and Means has been concerned, of course, because of our jurisdiction over social security legislation and unemployment insurance, but more particularly, the disability insurance and old-age assistance, aid to dependent children, the blind, and so on, the very areas where education and welfare, and I would say in the field of unemployment insurance, employment touch each other.

Now, Mr. Chairman, when the 1964 act came in, some of us on the Ways and Means Committee on my side were consulted about the amendment that was to be made to the Social Security Act—and the judgment was that this function should be in the Department of Health, Education, and Welfare. And, I believe the manner in which it has worked indicates that this is the proper place for it.

Also, Mr. Chairman, I would observe that the Secretary of the Department of Health, Education, and Welfare, Mr. Gardner, in testifying before the subcommittee of the Special Committee on Education of this full Committee on Education and Labor, of which I believe the gentlewoman from Oregon [Mrs. GREEN] is the chairman, stated in answer to this particular program as follows, during a colloquy between him and the gentleman from Minnesota [Mr. QUIE]:

Secretary GARDNER. The work experience program the Welfare Administration handles.

Mr. QUIE. Is this directly under the office of the Commissioner?

Secretary GARDNER. No, I am sorry. The Welfare Administration is over at the far end of the chart here. It administers the public assistance programs.

Mr. GIBBONS. The Bureau of Family Services handles it.

Secretary GARDNER. That is under the Welfare Administration, which is one of the operating agencies.

Mr. QUIE. How do you feel this has been working, as a means of getting some of the people who are on relief back into employment?

Secretary GARDNER. I feel it has been working very well indeed. The Welfare Administration is dealing year in and year out with the kinds of people who need this kind of program. The typical work programs and educational programs that have been mounted in other areas tend to hit at a higher level of social competence and skill. The Welfare Administration is dealing with people who really have, in general, been neglected by other agencies, local and Federal. By adding to its general responsibility for assisting with financial and social services, by adding to that the possibility of moving some of these people into the kind of work that will get them back on their feet, it has been a very effective thing.

Mr. Chairman, other groups have written in with reference to this particular matter.

Mr. Chairman, on May 3, 1966, Mr. Raymond Hilliard, Director of Public Aid for Cook County, Ill., advised that legislation to place the work experience program—title V—under the Labor Department would be most unfortunate for the following reasons:

First. The Department of Labor has had no experience whatever with what are now the hard-core poor people—welfare recipients. These are people who by reason of inability to read or psychological disturbances or by family brokenness, by all things that could be said are hard-core slum living. Welfare administrators and personnel live with these people. The Department of Labor from top to bottom has never seen them. The Department of Labor in the past has preferred to pass them by as if they did not exist.

Second. The people enrolled in title V programs are, for the most part, those in no way qualified for jobs. This is an area of preparation; for preparation for jobs. If the program is transferred to the Department of Labor, it would be handled similar to the Manpower Development and Training Act.

Mr. Hilliard said:

The day MDTA can do what the Department of Welfare is doing under Title V, I will be glad to give it to them.

Third. Mr. Hilliard said:

Title V is just really beginning to get rolling and show. I would be worried about Labor. . . . I would be more worried about Labor than with it at OEO. I think the Title V Program in Chicago would grind to a halt and I am not sure it would ever get organized.

He pointed out a change from HEW would involve a process of going through the same problem of getting acquainted with the people and chasing all of the likely sounding but fruitless approaches.

Fourth. Mr. Hilliard stated the relationship of his Department with HEW has been eminently satisfactory, with one big exception. The one exception has to do with a multitude of forms, most of which he feels are unnecessary. He felt it would be a great help if HEW would concentrate on some simplification of reporting.

Mr. Chairman, indeed, most of these people, many of them are in the families where aid to dependent children benefits are paid and where there are all sorts of other social problems associated with such families.

Some, Mr. Chairman, are rehabilitation cases where a person is unemployed because there has been an automobile accident or an industrial accident, or a serious sickness or disability or whatever it may have been, and we are trying to

get the man back into the labor force through the rehabilitation programs.

Also, Mr. Chairman, we can take, for instance, the aid to the blind, which is another area involved, the sheltered workshop concept. There are so many areas that require the attention of trained social workers and others in education as well as welfare. The Department of Labor and the U.S. Employment Service, of course, does not have this kind of trained technicians. It deals with the sole question of unemployment.

Mr. Chairman, this still must be coordinated and, of course, the USES can be helpful and it should be, in trying to get these welfare people prepared for and placed in permanent jobs wherever possible.

However, a great deal, and, in fact, the main emphasis of this goes beyond mere training to rehabilitation and must remain in the Department of Health, Education, and Welfare. This is what my amendment seeks to do.

Also, I make reference to a communication of May 3, 1966, from Mr. Charles Lewis, executive secretary to Mr. L. L. Vincent, Commissioner, Department of Welfare, State of West Virginia, who pointed out that they would be opposed to legislation transferring the work experience program to the Department of Labor, for almost the same reason and further stated:

1. The Department of Labor in the past has shown no particular interest in people who are in the Title V program and have no record of finding these people jobs.

2. The Department of Labor's training programs adhere to groups with educational levels higher than the people in the Title V program.

3. The Department of Labor has tried programs with this particular group without very much success.

4. HEW has spent the last year setting up Title V programs nationwide and a transfer at this time might well lead to administrative chaos.

I am looking to see if the gentleman from Kentucky [Mr. PERKINS] is on the floor because I wanted to call attention to the fact that the gentleman during general debate 2 days ago very eloquently pointed out why in his judgment it was inadvisable to shift this program from where it is now essentially in Health, Education, and Welfare over to the Department of Labor. I again say the purpose of my amendment is to keep this work experience and training program in the hands of Health, Education, and Welfare rather than the Department of Labor.

Mr. O'HARA of Michigan. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the gentleman from New York [Mr. GOODELL] this afternoon during debate said that if the poor understood this bill, they would be against it. I would like to suggest that if my friends on the minority side understood title V they would be for it because title V does not do anything but improve what has been one of the weakest parts of the poverty program.

Title V is the work experience and training title.

The committee in its survey of operations under the poverty program has found that, unfortunately, title V has been long on experience and short on training, and that less than 45 percent of those who have received training under title V have been able to obtain jobs after completing their programs.

Mr. CURTIS. Mr. Chairman, will the gentleman yield?

Mr. O'HARA of Michigan. I yield to the gentleman.

Mr. CURTIS. Would the gentleman agree that the type of person, though, in this program is probably the most difficult type for us to get back into the job market and, therefore, that is one of the explanations for the low percentage of them getting back into the labor market?

Mr. O'HARA of Michigan. I will deal with that in just a second, if the gentleman will permit me.

Only 45 percent of those completing the present title V program have been able to find employment.

I would ask you to contrast this with the manpower development and training program in which approximately 75 percent of those completing training have been able to find employment.

It is true that the work experience program deals exclusively with a very low-income individual and in great part those who are on welfare or who are unemployed parents. You might expect that the placement rate would not be as high for them as it would be for the population generally. But that would not justify the 30-percent difference we find in this where MDTA trainees have a 75-percent placement rate and trainees under the present title V have a 45-percent placement rate. You will find that among these MDTA graduates with their 75-percent placement record, over 50 percent are people who have been unemployed for more than 15 weeks and are considered long-term unemployeds.

What have we done, Mr. Chairman? That is the important question. We have done no great violence to the work experience and training program. We have kept the welfare administrators and the Department of Health, Education, and Welfare in this program. We have said that with respect to their functions, they shall provide: "pretraining services and basic maintenance, health, family, basic education, day care, counseling, and similar supportive services."

In other words, all aspects of the personal problems of these people, with which HEW can deal best, will be dealt with by HEW. The actual training and placement activities shall be carried on by the Labor Department under a new part of the Manpower Development and Training Act.

MDTA's training effort now is being redirected to meet the needs of the disadvantaged; 65.9 percent of the training slots will be used to retrain persons in this group. This is not, Mr. Chairman, a matter of wishful thinking or pious generalities. This represents a firm commitment of the Labor Department, based on a systematic and comprehensive development of program plans. It is also worth pointing out that over 100,000 severely disadvantaged persons have already been reached under the experiment and demonstration program which the Labor Department administers under MDTA.

In other words, we recognize that this is a program with two facets. One is the personal support that the individual needs and he can get best from the welfare administration; and two, the training he needs to help him equip himself for a job. We think he needs both.

We think HEW can provide the supportive services best and we think the MDTA can provide the training best.

That is what we have attempted to do in the new title V, and I think the committee ought to be congratulated for doing so.

Mr. CURTIS. Mr. Chairman, will the gentleman yield?

Mr. O'HARA of Michigan. I yield to the gentleman from Missouri.

Mr. CURTIS. First, let me assure the gentleman I agree with one thing. This is a matter of judgment on balance. If HEW were to handle it, certainly they should utilize the manpower training and the USES—U.S. Employment Service. But the point I wish to emphasize is that the aid to the blind program is a welfare program; the old-age assistance person we are trying to help; the disabled person; the rehabilitation of people. These are concentrated in the welfare cases. The sheltered workmanship approach cannot really be done through the manpower training program or the functions of USES. I think by the very clientele that are on relief the main thrust must be in the Department of Health, Education, and Welfare. Of course, I am just rearguing the points.

Mr. CAREY. Mr. Chairman, I move to strike the requisite number of words.

The CHAIRMAN. The gentleman from New York is recognized for 5 minutes.

Mr. CAREY. Mr. Chairman, I do not intend to take 5 minutes, but I take this time to call to the attention of the Committee that a new section has been added to the bill which I think is of long-range importance. That is section 601 in title VI, referring to administration of the act. Here we require the director to stimulate and encourage States and local communities to encourage, by all possible means, each person over 18—particularly those receiving welfare payments or other forms of welfare assistance—whose inability to read and write English, or lack of basic skills, impairs his ability to become employed and self-reliant. In other words, we are requiring that those who are on welfare somehow learn to read and write so they can get jobs.

Basically, the theory of the section is there is no right to stay illiterate. In fact, if a person cannot read today, fundamentally he cannot get a job. He cannot read the rules which govern employment, and he, therefore, is unemployable.

It also calls for a number of other programs which we think will bring

about a decrease in dependency. I refer to title V. It would accomplish what Raymond Hilliard, the late great Commissioner of Welfare in Chicago, accomplished. That was reducing his city's welfare program through the use of this kind of encouragement for literacy training, employability, and upgrading of skills. We mean this to be a working attempt to reduce welfare. It is an important section, which was added to the bill at my instance.

Mr. QUIE. Mr. Chairman, I rise in support of the amendment.

As was pointed out by the gentleman from Missouri, the Department of Labor does not have experience with this type of person. We have been concerned with the Department of Welfare for some time looking upon the needs of these people as only a matter of doling out more money. However, we now have raised their horizons in providing a training program. I have seen some of the training programs in Minnesota operated by the Welfare Department, and I would say—judging from the success that they have—that they are doing an exceptionally good job.

I brought this up to Secretary Gardner when he appeared before the Green subcommittee, and he spoke favorably about how HEW was handling the program at the present time. Rather than taking the time now to read, I shall ask to extend my remarks when we go back to the House again.

But he turned to Mr. Colmen, who was with him, and he said:

The MDTA program is essentially a training program providing for instruction in a more or less formal setting. It does include the possibility for on-the-job training, but HEW's interest in it is essentially classroom instruction, both in skill and attitude development to enable an individual to get and hold a job. I think that the other program tends to have an educational orientation, but in a somewhat more informal way, and I think more loosely directed at the maintenance of the family, and not so much at the training and skill development of the individual.

I might also point out that Mr. Hilliard himself, who was just mentioned a few moments ago, has pointed out a number of reasons why the transfer should not be made, and this appears on page 157 of the minority views in the report on the bill, as follows:

On May 3, 1966, Mr. Raymond Hilliard, director of public aid for Cook County, Ill., advised that legislation to place the work experience program (title V) under the Labor Department would be most unfortunate for the following reasons:

1. The Department of Labor has had no experience whatever with what are now the hard-core poor people who by reason of inability to read or physchological disturbances or by family brokenness, by all things that could be said are hard-core slum living. Welfare administrators and personnel live with these people. The Department of Labor from top to bottom has never seen them. The Department of Labor in the past has preferred to pass them by as if they didn't exist.

2. The people enrolled in title V programs are, for the most part, those in no way qualified for jobs. This is an area of preparation for preparation for jobs. If the program is transferred to the Department of Labor, it would be handled similar to MDTA. "The day MDTA can do what the Department of Welfare is doing under title V, I will be glad to give it to them," Mr. Hilliard said.

3. "Title V is just really beginning to get rolling and show. I would be worried about Labor * * * I would be more worried about Labor than with it at OEO. I think the title V program in Chicago would grind to a halt and I am not sure it would ever get organized," Mr. Hilliard said. He pointed out a change from HEW would involve a process of going through the same problem of getting acquainted with the people and chasing all of the likely sounding but fruitless approaches.

4. Mr. Hilliard stated the relationship of his Department with HEW has been eminently satisfactory, with one big exception. The one exception has to do with a multitude of forms, most of which he feels are unnecessary. He felt it would be a great help if HEW would concentrate on some simplification of reporting.

Mr. GOODELL. Mr. Chairman, will the gentleman yield?

Mr. QUIE. I yield to the gentleman from New York.

Mr. GOODELL. This proposal to transfer the work experience programs of the Labor Department is one of the most contradictory actions that I think the committee took. Many of our colleagues on the other side of the aisle were extremely upset about this action.

I might say that the work experience program under title V has been delegated to HEW. It is a program for getting people off the welfare rolls. It logically belongs in HEW. They have coordinated their program and a variety of State and local programs. They have expanded effectively their previous programs to try to get people off the welfare rolls, particularly breadwinners.

Now, suddenly, when the program is getting underway, and it has been one of the more successful programs, we are going to transfer the responsibility and jurisdiction to an entirely different Department and into an entirely different complex of administration. It makes very little sense at all to do this. It does not belong under the manpower training program.

The theory of the work experience training program is quite different from the manpower training program. Here is a program which, by giving special aid, by giving training to breadwinners, can give them jobs and get them off the public welfare rolls.

I oppose the transfer in the committee bill and strongly support the amendment offered by the gentleman from Missouri [Mr. CURTIS].

Mr. QUIE. Mr. Chairman, let me just conclude by quoting from Mr. Hilliard. He said:

The day MDTA can do what the Department of Welfare is doing under Title V, I will be glad to give it to them.

Mr. THOMPSON of New Jersey. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I have noted very carefully this amendment by the gentleman from Missouri, and I cannot help but oppose it vigorously. Let me just point out one section of it which to me borders on the absurd. In section (c) it says:

Participants may engage in gainful employment without pay from their employers for limited periods up to a maximum of two years: *Provided*, That the Secretary shall determine that they are not being exploited as a source of free labor.

Mr. CURTIS. Mr. Chairman, will the gentleman yield?

Mr. THOMPSON of New Jersey. I yield to the gentleman from Missouri.

Mr. CURTIS. Mr. Chairman, if the gentleman thinks that is ridiculous, I suggest to the gentleman it is not.

Mr. THOMPSON of New Jersey. Mr. Chairman, I did not say it was ridiculous. I said it was absurd.

Mr. CURTIS. Then, absurd. I suggest to the gentleman to go and look at some of the sheltered workshops and see how they get people back into the labor field. It is frequently done in this fashion. This is not absurd.

Mr. THOMPSON of New Jersey. They get a little bit less than the minimum wage, but they do not work as free labor, as this would require.

Mr. CURTIS. Yes. Sometimes, that is correct. This is not my opinion. I suggest the gentleman go and check. It is obvious he knows nothing about the subject matter.

Mr. O'HARA of Michigan. Mr. Chairman, will the gentleman yield?

Mr. THOMPSON of New Jersey. I yield to the gentleman from Michigan.

Mr. O'HARA of Michigan. Mr. Chairman, I want to make the first point that we are not transferring this whole program to the Manpower Development and Training Act. The program will remain as before, with the sole exception of actual training and placement of workers, which will be done under the Manpower Development and Training Act.

I would like to call to the attention of the gentleman, if he will yield further, the language of the minority report, on page 157, where they say:

We feel there is much to be desired in the performance of HEW with regard to training individuals and placing them in jobs. That is why the Republicans proposed an amendment, arbitrarily rejected, that HEW be given full authority for the program which it now operates.

In other words, they are not satisfied, so they want to keep it the same. Mr. Chairman, we were not satisfied either, and we decided to do something about it. That is what they are objecting to now.

Mr. GOODELL. Mr. Chairman, I move to strike the last word.

I will make only a brief reply. I do not want the RECORD to appear to be contradictory to the minority views. The basis for the statement was that we felt the work experience program would work much better if the Department of Health, Education, and Welfare had full control of it, if the Office of Economic Opportunity was not involved in it, if the Department of Health, Education, and Welfare could run it the way they want to. We feel this way about most of the programs, that they logically belong in agencies that have full responsibility at the Cabinet level, without anybody looking over their shoulder.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Missouri [Mr. CURTIS].

The question was taken; and on a division (demanded by Mr. CURTIS) there were—ayes 33, noes 65.

So the amendment was rejected.

Mr. POWELL. Mr. Chairman, I move to strike the last word.

May I inquire how many amendments are in the offing?

The CHAIRMAN. The Chair will inform the gentleman there are none at the desk on this title, and the Clerk is prepared to read.

Mr. GOODELL. Mr. Chairman, will the gentleman yield for a reply?

Mr. POWELL. I yield to the gentleman from New York.

Mr. GOODELL. We have set aside all of our subsequent amendments. We feel the mood of the House is clear at this point. I believe we might logically, at this time, open the remainder of the bill for amendment at any point, because I believe there are two or three amendments from other Members which are not committee amendments as such. We can proceed expeditiously. I do not believe any will require any great length of time.

Mr. POWELL. How many amendments are there on the other side? Two? Three? Four? Five?

Mr. GOODELL. The gentlewoman from Oregon [Mrs. GREEN] has an amendment, on the other side.

Mr. POWELL. Mr. Chairman, I ask unanimous consent that further reading of the bill be dispensed with and that the bill be open to amendment at any point.

Mr. GOODELL. Mr. Chairman, reserving the right to object, will the gentleman give an assurance, if we are to open up the entire bill, which I think will speed up proceedings, that we will have time for the other Members to at least present amendments and have the debate that is involved? I do not believe it will take any great length of time.

Mr. POWELL. To open the entire bill from this point on.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

Mr. ASHBROOK. Mr. Chairman, reserving the right to object, I did not hear any assurance.

Mr. GOODELL. Do we have assurance we will be given adequate consideration?

Mr. POWELL. Adequate time, so long as there is not a filibuster or a motion to strike out the enacting clause.

Mr. GOODELL. I know the House is getting impatient. We have shelved the other amendments, and we will not object on that basis.

Mr. POWELL. Would 6:30 be a decent time?

Mr. QUIE. Mr. Chairman, if the gentleman will yield, rather than do that, we will give assurance that there will be no attempt to filibuster or to drag this out. Each one will state his presentation of the amendment as quickly as possible.

Mr. POWELL. I would say, if we have a 5-minute edge, 30 minutes, or 6:35.

Mr. GOODELL. Mr. Chairman, if the gentleman is going to move a specific time, then it is within the power of any single Member to object and the bill will have to be read. That will take as much time, reading the bill, and that will not save any time at all.

I believe the expeditious way is to proceed. These gentlemen are not going to filibuster.

Mr. POWELL. Mr. Chairman, let us proceed in regular order. Unless a committee filibuster develops, I agree on both sides we ought to limit the time.

Mrs. MINK. Mr. Chairman, have we dispensed with the reading of the rest of the titles? Is the amendment of title VI now in order?

The CHAIRMAN. The Clerk has not read title VI.

Mr. THOMPSON of New Jersey. Mr. Chairman, a parliamentary inquiry. My understanding was an agreement had been reached and Chairman POWELL asked unanimous consent and got it that the rest of the bill be considered as read and open for amendment at any point.

The CHAIRMAN. That is not the understanding of the Chair. It was my understanding that objection was heard to that unanimous-consent request. The Clerk will read and is now reading title VI.

Mr. QUIE. Mr. Chairman, I do not believe anyone would object if you would open this to amendment at any place.

Mr. GIBBONS. Let us go title by title. We are about there.

Mr. ASHBROOK. Mr. Chairman, I ask unanimous consent that title VI be considered as read and printed in the RECORD at this point and be open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Title VI is as follows:

TITLE VI—AMENDMENTS TO TITLE VI OF THE ACT

Administration—Encouragement of literacy training

SEC. 601. Title VI of the Act is amended by striking out section 603 and inserting in lieu thereof the following:

"Encouragement of literacy training

"SEC. 603. The Director shall stimulate and encourage States and local communities to encourage by all possible means each person over the age of eighteen, particularly those persons who are receiving welfare payments or other forms of public assistance, whose inability to read and write the English language, or lack of similar basic skills, constitutes a substantial impairment of his employability, to participate in an adult education or other program which would improve his employability. The Director may make grants to States and their political subdivisions to assist them to meet the costs of carrying out this section."

Administration—Political activities

SEC. 602. Title VI of the Act is amended by inserting after section 603 (inserted by section 601) the following new section:

"Political activities

"SEC. 603-1 (a) No person whose compensation is paid, in whole or in part, from sums appropriated to carry out this Act shall take an active part in political management or in political campaigns, and no such officer or employee shall use his official authority or influence for the purpose of interfering with an election or affecting the result thereof. All such persons shall retain the right to vote as they may choose and to express, in their private capacities, their opinions on all political subjects and candidates. This section shall not apply to officers or employees of the United States or to volunteers in the Job Corps.

"(b) Whenever the United States Civil Service Commission finds that any person has violated subsection (a), it shall, after giving due notice and opportunity for explanation to the person concerned, certify the facts to the Director with specific instructions as to discipline or dismissal or other corrective action."

Coordination—Between Secretary of Labor and Director; information to State and local agencies

SEC. 603. Section 611 of the Act is amended by adding at the end thereof the following:

"(c) In order to insure the maximum coordination of programs and activities authorized by this Act with the programs and activities carried out by the United States Employment Service, the Director and the Secretary of Labor shall provide for such coordination at the local level with public employment offices throughout the country. The Director shall include, as a part of the annual report prescribed by section 608, a detailed and comprehensive description of the activities and actions taken pursuant to this subsection.

"(d) In order to insure that all Federal programs related to the purposes of this Act are utilized to the maximum possible extent, and in order to insure that all appropriate officials are kept fully informed of such programs, the Director shall establish procedures to assure prompt distribution to States and local agencies of all current information, including administrative rules, regulations and guidelines, required by such agencies for the effective performance of their responsibilities."

Information—Catalog and dissemination

SEC. 604. Section 613 of the Act is amended by inserting "(a)" after "SEC. 613." and by adding at the end thereof the following new subsection:

"(b) The Director shall publish and maintain on a current basis, a catalog of all Federal programs relating to individual and community improvement. The Director is further authorized to make grants from funds appropriated under title II of this Act, to States and communities to establish information service centers for the collection, correlation, and distribution of information required to further the purposes of this Act."

Title VI programs—Duration

SEC. 605. Section 615 of the Act is amended to read as follows:

"Duration of program

"SEC. 615. The Director shall carry out the programs provided for in this title during the fiscal year ending June 30, 1967, and the three succeeding fiscal years. For each such fiscal year only such sums may be appropriated as the Congress may authorize by law."

Coordination—Transfers of funds

SEC. 607. Section 616 of the Act is amended by inserting after "this Act," the following: "or any Act authorizing appropriations for any such title (other than part C of title I).".

AMENDMENT OFFERED BY MRS. GREEN OF OREGON

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

The Clerk read as follows:

Amendment offered by Mrs. GREEN of Oregon: On page 28, after line 22, insert the following:

"ADMINISTRATION—COMPARABILITY OF WAGES

"SEC. 603. Part A of title VI of the Act is amended by adding at the end thereof the following new section:

" 'COMPARABILITY OF WAGES

" 'SEC. 610–1. The Director shall take such action as may be necessary to assure that persons employed in carrying out programs financed under part A of title I or part A of title II shall not receive compensation at a rate which is in excess of the average rate of compensation paid in the State where the program is carried out to persons providing substantially comparable services.' "

Mrs. GREEN of Oregon. Mr. Chairman, I shall not take much time on this. I have discussed this on both sides of the aisle, with the chairman of the full committee and the gentleman from Florida [Mr. GIBBONS] and the minority members. This amendment has met with their approval.

Very briefly, it simply says that the salary levels that are to be paid in these programs must be comparable to the ones in existing programs or in existing institutions in the same geographical area. This will help to prevent the siphoning off of needed personnel from the schools and from other local programs which are limited by local tax revenues and the budgeted ceilings imposed upon them. It places local programs in a competitive position in recruiting the needed personnel. I urge its adoption.

AMENDMENT TO THE AMENDMENT OFFERED BY MR. ERLENBORN

Mr. ERLENBORN. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. ERLENBORN to the amendment offered by Mrs. GREEN of Oregon: At the end of the amendment add a new subsection, as follows:

"610–2. No person whose compensation exceeds $6,000 per annum and is paid, in whole or in part, from sums appropriated to carry out programs financed under part A of title I or part A of title II shall be employed at a rate of compensation which exceeds by more than 20 percent the salary which he was receiving in his immediately preceding employment, but the Director may grant exceptions for specific cases. In determining salary in preceding employment for one regularly employed for a period of less than 12 months per year, the salary shall be adjusted to an annual basis."

Mr. ERLENBORN. Mr. Chairman, I have submitted a copy of this amendment to Mrs. GREEN's amendment to the other side and, in fact, worked it out in cooperation with them. It is similar to the amendment I offered to title II, but now in title VI it will apply both to the Job Corps and the community action programs. I know of no objection to it.

Mr. EDMONDSON. Mr. Chairman, will the gentleman yield for a question on that particular point?

Mr. ERLENBORN. I will be happy to yield to the gentleman.

Mr. EDMONDSON. How would the gentleman treat the question of employment of a student who had not been receiving compensation prior to his employment?

Mr. ERLENBORN. Certainly, if he were being employed with a salary of less than $6,000 a year, he would not come within the purview of the amendment, and I do not think the student would therefore be affected.

Mr. EDMONDSON. You do not think it would affect in any way a salary level that would be fixed for somebody who had been a student and was not employed in any way prior to entering this program?

Mr. ERLENBORN. I believe this is correct. Certainly, if he is being employed at a salary of less than $6,000 per year, by the explicit language of the amendment he would not be affected.

Mr. GOODELL. Mr. Chairman, will the gentleman yield?

Mr. ERLENBORN. I yield to the gentleman from New York.

Mr. GOODELL. Mr. Chairman, I believe that as a matter of legislative history we should say that a student who had not been employed would undoubtedly be considered as having no specific previous salary to bring him or her under this provision. I think that would certainly be the understanding.

Mr. THOMPSON of New Jersey. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to the amendment.

Mr. GIBBONS. Mr. Chairman, will the gentleman yield?

Mr. THOMPSON of New Jersey. I yield to the gentleman from Florida.

Mr. GIBBONS. Mr. Chairman, I have looked over this amendment which has been offered by the gentlewoman from Oregon [Mrs. GREEN] and I have discussed it with the gentlewoman. I do not believe that it hurts the bill at all, and I support the amendment on the comparability of wages.

Mr. Chairman, I know that we have had trouble because we have had Federal funds in the Job Corps and we have had Federal funds in these other programs and it has created a tendency to move people from State and local programs into these Federal programs.

Mr. Chairman, it is my opinion that all of us must admit that this is true because the Federal pay is better.

Mr. Chairman, I believe this is a fair amendment and I support it and ask for its adoption.

Mr. THOMPSON of New Jersey. Mr. Chairman, I regret to disagree with the distinguished gentleman from Florida [Mr. GIBBONS] and the distinguished gentlewoman from Oregon [Mrs. GREEN], but this is comparability in reverse. The effect of this is that you send a highly trained and skilled person whom you have recruited into an area where the pay is, let us say, for a teacher somewhere around $1,800. And you will require that highly skilled person to go there and receive no more than $1,800.

Mr. Chairman, we have just passed a minimum wage bill. This is exactly the reverse of the philosophy which we have maintained for a number of years, that you do not help the poorest by lowering those above them down to that level. It is, I would say, retrogressive.

Mr. WILLIAM D. FORD. Mr. Chairman, will the gentleman yield?

Mr. THOMPSON of New Jersey. I yield to the gentleman from Michigan.

Mr. WILLIAM D. FORD. Mr. Chairman, I am deeply concerned about the fact that this would practically eliminate interstate shifting of people. If this amendment is adopted we would, for example, cut out the incentive for anyone in the State of California, which I believe probably has one of the highest average rates paid for teachers, particularly in specialized training, to enter any poverty program and be employed in any other State. Consider taking a remedial teacher from the State of California being sent into, for instance, the State of Mississippi or one of the other States that is less fortunate in having resources to pay teachers.

Does the gentleman suppose that a teacher in the State of California would undertake a program which would pay in California perhaps three times as much for the same purpose, as it would pay in that deprived State, recognizing that all they have to do in order to receive the extra money is to stay in their own home State?

How would the gentleman get these people to move to these States that need them if we say, "If you go from the more affluent State to a State in greater need, you have to take, as a part of the decision to make that sacrifice, a cut in salary?"

Mr. THOMPSON of New Jersey. This goes not only to that question, but it is right within the States. There are such disparities that this would be unfair in many States, in the rural areas, where teachers are paid much, much less than they are in the urban areas.

Mr. Chairman, in my view, I believe the intent of the amendment which has been offered by the gentlewoman from Oregon [Mrs. GREEN] is good, but the effect of this language would be disastrous.

Mr. BELL. Mr. Chairman, I move to strike the requisite number of words.

Mrs. GREEN of Oregon. Mr. Chairman, I would like to quote from a memorandum put out by community action on August 26, 1966.

In this memo of August 26, they in effect say what we are trying to put into the law.

Let me read in "Policies Governing Compensation," this sentence:

Subject to this minimum, the salary for each position supported by OEO funds or provided as contribution to the non-Federal share shall accord with prevailing local practice for comparable positions in local public and/or private nonprofit agencies.

Then in regard to the amendment to my amendment offered by the gentleman on the other side of the aisle may I read one other sentence from this community action memo:

Any starting salary over $5,000 which involves an increase of more than 20 percent or $2,500, whichever is smaller, over an individual's previous salary must be approved by the OEO Regional Office. Sympathetic consideration will be given to requests for such approval that are based on discriminatory wage and other employment practices affecting an employee's work history.

It seems to me that in the amendment and in the amendment to the amendment that are being offered at this time,

we are writing into the law the effect of the memo that was sent out by the office. In talking to other people, I think we are not doing any damage to the programs. We certainly are not seeking to depress wages. We simply are trying to prevent a raiding of existing programs by programs that are being paid for with 100-percent Federal funds.

It is my judgment that we should not strengthen one program if we have to do it at the expense of impoverishing other programs.

That is the purpose of this legislation. I appreciate the support that the gentleman from Florida [Mr. GIBBONS] has given on this legislation. I hope it will be approved by the House.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois [Mr. ERLENBORN] to the amendment offered by the gentlewoman from Oregon [Mrs. GREEN].

The question was taken and the Chairman announced the Chair was in doubt.

Mr. ERLENBORN. Mr. Chairman, I ask for a division.

Mr. WILLIAM D. FORD. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. WILLIAM D. FORD. In the event that the amendment offered by the gentleman from Illinois [Mr. ERLENBORN] which is offered to the amendment offered by the gentlewoman from Oregon [Mrs. GREEN] is defeated at this time and the amendment offered by the gentlewoman from Oregon [Mrs. GREEN] is also defeated, would the Erlenborn amendment then be in order if offered separately?

Mr. COLLIER. Mr. Chairman, a point of order. Is a parliamentary inquiry in order at this time during the vote?

The CHAIRMAN. The parliamentary inquiry was made before the Chair put the question pursuant to the demand of the gentleman from Illinois [Mr. ERLENBORN] for a division.

In response to the parliamentary inquiry by the gentleman from Michigan, the Chair will state that the amendment may be offered later as a separate amendment.

The question was taken; and on a division (demanded by Mr. ERLENBORN), there were—ayes 69, noes 27.

So the amendment to the amendment was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentlewoman from Oregon [Mrs. GREEN], as amended.

The question was taken; and on a division (demanded by Mr. GIBBONS), there were—ayes 72, noes 36.

So the amendment, as amended, was agreed to.

AMENDMENT OFFERED BY MR. ASHBROOK

Mr. ASHBROOK. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ASHBROOK: On page 31, after line 7, insert:

"LIMITATION ON SUPERGRADES

"SEC. 608. Title VI of the Act is amended by inserting the following section:

"'SEC. 618. Of the positions approved for the Office of Economic Opportunity and its field offices, positions in the classification category of GS 16, 17, and 18 of the General Schedule of section 5332, title V, United States Code, shall not exceed one for every one hundred employees.'"

Mr. ASHBROOK. Mr. Chairman, this is a very simple, straightforward amendment. It requires that in the Office of Economic Opportunity the number of supergrades—GS-16, GS-17, and GS-18—be limited to a ratio of 1 for every 100 employees. One of the recurring complaints against the war on poverty has been the inordinate number of high salaries paid by the bureaucratic agency called OEO.

In the Department of Defense, the ratio of supergrades to other grades in the general schedule is approximately 1 to 1,175. In Agriculture it is about 1 to 525; in the Department of Health, Education, and Welfare the ratio is 1 to every 372 employees.

Now we come to the agency where the big money is found. In the Office of Economic Opportunity—according to the budget of the United States—supergrades in the first year of operation were handed out in a ratio of 1 for every 24 permanent employees. In fiscal 1966, last year, the budget estimate is that they have 1 supergrade for every 45 employees, and for this fiscal year the budget shows 1 for every 49 permanent employees. And this calculation does not take into account any of the highly paid consultants hired by OEO—but only the number of permanent Federal employees. Many abuses of OEO in using consultants at a rate of pay of $60 to $100 per day have already been documented.

It is noteworthy to look at how this program started and where it seems to be heading from a bureaucratic point of view. When Mr. Shriver, a gentleman for whom I personally have great respect, made his 68-page "The War on Poverty" presentation on March 17, 1964, he concluded on page 66 with a one-paragraph summary which said:

Summary: The organization of the Office of Economic Opportunity as described above would involve a Washington staff of 247, of whom 5 will be statutory and 16 will be supergrades, and a field staff of 65 direct hire personnel, of whom 11 would be supergrades.

Think of that. Compare that to the figures I will now place in the RECORD. Can there be any doubt that we need this amendment that I am offering? There are now 2,350 employees in OEO and 1 supergrade for every 45 employees.

Mr. Chairman, the record discloses that the poverty program is "where the money is" as the saying goes—at least from a bureaucratic point of view. Of the 2,350 administrative employees, excluding those at the local level, the top pay grades are as follows:

	Employees
$26,000 to $30,000	6
$25,000 to $26,000	24
$19,600 to $25,000	54
$14,000 or more	521
$10,619 or more	1,006

These figures have been taken from the President's fiscal 1967 budget at pages 1116 and 1117.

Mr. Chairman, grades 16, 17, and 18 are paid between $19,619 and $25,382 per year. It seems to me that if the Department of Health, Education, and Welfare can scrape by with only 1 of these positions for every 372 permanent employees, then surely Mr. Shriver can run his operation with a ratio that is 3½ times better, or 1 to 100. Here is the moment of truth. Is this a poverty program or a gigantic pork barrel slush fund? Let us see how the vote turns out.

Mr. POWELL. Mr. Chairman, will the gentleman yield?

Mr. ASHBROOK. I yield to the gentleman from New York.

Mr. POWELL. This is the first time we have agreed on anything. I think it is an excellent move. I for one am sick and tired of the supernumeraries, the supergraders around the OEO.

Mr. ASHBROOK. I think the gentleman will also agree that the major complaint leveled at OEO has been that there have been too many high-grade employees. I am glad that the gentleman agrees, and I yield back the balance of my time.

Mr. GIBBONS. Mr. Chairman, I rise in opposition to the amendment.

I do not want a lot of supergrades. But frankly I think that some of the illustrations which the gentleman from Ohio used here are not germane to the subject we are discussing. Of course, the Pentagon does not count as supergrades the generals, the admirals, and the colonels they have over there. In OEO we do not have all those generals, admirals, colonels, and captains.

The matter of supergrades is something that has been under the supervision and the general oversight of the Post Office and Civil Service Committee, and it is actually not something that has ever been taken up in this program. I would prefer to leave this matter of supergrades and allocation of supergrades in the agencies to the Post Office and Civil Service Committee. They have done it in the past, and they have done it I think very well. If there are too many supergrades over there now, then the Post Office and Civil Service Committee is the proper place to take this up.

I do not like to have many fancy, high-paid employees running around, but this, I believe is a matter of a sort of retribution on OEO. I do not believe they are entitled to it. I put in the RECORD the other day all of the vacancies they had over there. I believe they are trying to administer a very complicated program under very adverse circumstances.

I believe Mr. ASHBROOK's amendment goes just far too far. I would ask that this committee vote down Mr. ASHBROOK's amendment. This is something that should be taken up by the Post Office and Civil Service Committee or by the other appropriate committees of this House that have to do with management of these supergrades.

This is not something we should deal with here in a very hasty manner on this floor at this late hour. I did not know about this amendment until about 20 minutes ago. I have had no opportunity to check it out and see what it would do

to the agency. I believe it will be one of those embarrassing things we will have to take to the conference, and it will be one of the things we will have to give up when we find out what it will do to the agency.

I would ask the committee to vote this amendment down at this time.

Mr. ASHBROOK. Mr. Chairman, will the gentleman yield?

Mr. GIBBONS. I yield to the gentleman from Ohio.

Mr. ASHBROOK. Mr. Chairman, the gentleman received it at 4:30, not at 6 o'clock.

Secondly, there is no effort at retribution on OEO.

Mr. GIBBONS. Mr. Chairman, I do not want to yield any further.

The gentleman has never voted for this legislation since I have been in Congress. The gentleman is out to gut the bill, and I think this is a cute way to get at it.

Mr. ASHBROOK. Mr. Chairman, I demand that those words be taken down, about my amendment not being offered in good faith.

Mr. GIBBONS. Mr. Chairman, I apologize.

Mr. ASHBROOK. Mr. Chairman, I insist that the words be taken down.

The CHAIRMAN. The Clerk will report the words objected to.

Mr. GIBBONS. Mr. Chairman, I ask unanimous consent to withdraw the words to which objection was made.

The CHAIRMAN. The gentleman from Florida asks unanimous consent to withdraw the words to which objection was made. Is there objection to the request of the gentleman from Florida?

Mr. ASHBROOK. Mr. Chairman, reserving the right to object, I merely wish to point out that this was offered in good faith. It seems to me that this is one of the main objections to the program, and one of the reasons why I cannot vote for the program.

If the Department of Health, Education, and Welfare has 1 out of 372, they can certainly get along with 1 out of 100.

Mr. Chairman, I withdraw my reservation.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. POWELL. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, let us consider the District of Columbia antipoverty program. The District of Columbia United Planning Organization has 96 people in the poverty program that earn more than $10,000 a year. Roughly, there is more than a million dollars involved, because some of them earn more than $10,000.

I do not believe that anyone can speak with more authority on this program in the District of Columbia than our colleague from Illinois [Mr. PUCINSKI]. He has gone into this in depth, and his report is on record in the committee.

This program is one of the worst in the country. Its supergrades total more than a million dollars.

I do not know why we should have to wait for the Appropriations Committee. We did not wait for the Appropriations Committee or the Committee on Post Office and Civil Service when we just adopted the Green-Erlenborn amendment, which was adopted by a vote of 2 to 1.

I believe this is not retribution, at least not on my part, because I have been in the forefront of this fight from the very beginning. The 45 amendments to this act are constructive, from our side of the aisle, to make it a better act. One of them was the limitation on salaries. I believe this is a step forward.

Even if this is defeated—and I hope it will not be—at least I believe it will serve notice that steps should be taken to see that the money is not squandered on supergrade salaries. This is a program for the poor, and 1 out of 45 is getting a supergrade salary.

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

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

Mr. CEDERBERG. I believe it would be a mistake to let the RECORD indicate that the Appropriations Committee has control over the number of supergrades. We who serve on the Appropriations Committee do not allocate supergrades. We merely fund the necessary money for the agencies. If we were to put in each specific bill the number of supergrades allowed, that would be subject to a point of order as legislation on an appropriation bill. We appropriate the money, but we do not allocate supergrades.

Mr. RESNICK. Mr. Chairman, I rise in opposition to the amendment.

I should like to state that from my knowledge, not only in the OEO but in any industry or any management situation, to use a ratio as the gentleman from Ohio would use, has absolutely no validity at all.

In an electronics business one may very well have a ratio of so-called supergrades, such as engineers, if we wish to call them supergrades, of 100 trained people to 200 production workers. On the other hand, if the industry were making sausages, it might need only 1 trained person for 1,000 workers.

It seems to me that if we put any kind of artificial limit on we will hamper very badly the management of any organization.

These ratios have absolutely no validity in industry. As we go from industry to industry it will change.

I should also like to point out, and I believe the distinguished Chairman of the Committee will agree with me, that one of the real problems is how to fill these jobs. We cannot get qualified people to fill these supergrades, so to speak, because the qualified people are not available.

Mr. WILLIAM D. FORD. Mr. Chairman, will the gentleman yield?

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

Mr. WILLIAM D. FORD. I believe it is extremely important to read exactly what the amendment says. It says, "Of the positions approved for the Office of Economic Opportunity and its field offices."

I believe the figures the chairman gave a few minutes ago were for the United Poverty Organization of Washington, which would not be affected by this amendment. This is the Office of Economic Opportunity itself and its field offices.

We do not have a field office in the country with 100 employees.

This amendment says they cannot have more than 1 person of grades 16, 17, or 18 per 100 employees. There are 2,200 employees in the entire Office of Economic Opportunity. That would mean that to operate one of the largest educational programs, one of the largest training programs, one of the most novel programs we have ever had before us, we would restrict them to hiring 22 people in grades 16 and above.

I submit that they cannot operate this sophisticated type of program, which relies so very heavily on getting experienced people, particularly from the field of education and so on, under this kind of artificial limit.

I do not know whether 1 to 100 would close us up. I do not know whether 1 to 50 would close us up.

I submit, if there was some objection the gentleman had to the number of supergrades, when the bill came before us he should have attended the hearings and questioned Mr. Shriver about it, to make it a part of the record as to some explanation to satisfy him as to what these people do.

I do not believe we should try to find magic in a ratio.

I wonder what the ratio is for the supergrades for the U.S. attorneys of the Department of Justice. No one would suggest putting a limit on trying to run the office of the U.S. attorneys without lawyers.

Let us consider NASA. I wonder what the ratio is in NASA, where they hire physicists. How much do they pay to get a physicist?

To put these ratios on and to make a comparison between the Department of Agriculture and a highly sophisticated educational operation just does not seem to make any sense at all.

Really, I am not arguing that 1 to 100 is necessarily a fatal sort of thing. I simply say to put a figure of any kind on any agency without relating that figure to the actual needs of the agency and the type of personnel that agency has to recruit is not realistic.

Although the gentleman may find some agreement on this side with respect to the number of highly paid people running around in some phases of the poverty operation and in the Washington poverty CAP program, which is no part of Sargent Shriver's operation as a part of the Office of Economic Opportunity, he will not find agreement on this side with the concept that what they are doing in these locally organized and locally operated programs works to the detriment of the Office itself.

Mr. ASHBROOK. Mr. Chairman, will the gentleman yield?

Mr. RESNICK. I refuse to yield further at this time, but I would like to ask the gentleman from Michigan a question. I wonder if the gentleman could tell me this: I believe I heard somebody—and I forget who—but I believe it was the

distinguished chairman of the House Education and Labor Committee say that the poverty-stricken people get the worst of everything, housing, jobs, and education; why should they receive the worst leadership as well. This amendment will assure our poor bad leadership as well.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. RESNICK. Mr. Chairman, I ask unanimous consent that I may be allowed to proceed for 2 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

Mr. MIZE. I object.

Mr. GOODELL. Mr. Chairman, I move to strike the last word.

Mr. ASHBROOK. Mr. Chairman, I hope the gentleman will yield for a minute.

Mr. GOODELL. First let me yield to Mr. RESNICK, and then I will yield to you.

Mr. RESNICK. If the gentleman from Michigan will respond, it seems the poor of this Nation get the worst of everything, whether it is houses, jobs, or education. Why should they also get the worst leadership? It seems to me, if we put this ratio in, it is exactly what would happen. We would limit the number of people——

Mr. GOODELL. I think the gentleman from Michigan answered your question and said that he agrees with you.

Mr. RESNICK. I am asking who said it. If I am not mistaken, I believe it was the distinguished chairman of the House Committee on Education and Labor.

Mr. GOODELL. I think the gentleman from Michigan has agreed with you.

Now I yield to the gentleman from Ohio [Mr. ASHBROOK].

Mr. ASHBROOK. Mr. Chairman, I thank the gentleman from New York for yielding.

I would point out, in response to what the gentleman from Michigan said, I did relate what I said to an organization that is completely compatible with OEO, that is, the HEW. I do not know how he feels OEO is that much different from HEW, where the ratio is 1 to every 372. So I do not think the point is accurate that he makes. I am relating it to an organization in the field of labor and welfare and education, where the ratio is 1 to every 372. So I think that this is an amendment which is needed and that the House will support it.

Mr. GOODELL. Mr. Chairman, I would point out here that there are 2,350 permanent Federal employees budgeted for the Washington and regional offices of the Office of Economic Opportunity—2,350. Nearly half of them, 1,006, of this elite force, will get $10,619 or more; at least 521 of them will be paid over $14,600 according to the budget; at least 54 will get over $19,600; and 24 will get over $25,000; and 6 will get between $26,000 and $30,000. Now, $26,000 is the pay of the U.S. Commissioner of Education. They have so many chiefs and so few Indians at OEO. They have more GS-15's than they have GS-9's; they have more GS-14's than they have GS-4's; they have more GS-13's than they have GS-7's; and they have exactly as many GS-16's at a base pay of $19,619, as they have GS-2's at a base pay of $3,814. The total salary bill for this palace guard next year will be $21,739,000.

Mr. THOMPSON of New Jersey. Mr. Chairman, will the gentleman yield?

Mr. GOODELL. I will in just a moment.

I agree they need to get good people in and they need to get good people in HEW and the Office of Education and the other bureaus and departments of the Government. It seems to me this is way out of all proportion to what they need to get good people.

Now I yield to the gentleman from New Jersey.

Mr. THOMPSON of New Jersey. The gentleman talks statistics and pure statistics. How about the quality of these people? Would the gentleman concede——

Mr. GOODELL. Is the gentleman saying that the only place we need quality in the Federal Government is in OEO?

Mr. THOMPSON of New Jersey. No, but the gentleman is saying that OEO should not be the one place where we should recruit quality.

Mr. GOODELL. If we have to pay this kind of salary proportionately to the employees of all the departments of the Government, we will be broke awfully quickly.

Mr. THOMPSON of New Jersey. I will bet they need five super grades just to answer the questions you send over there.

Mr. GOODELL. They might if they answered them, but we cannot get the answers.

The CHAIRMAN. The question is on the amendment of the gentleman from Ohio [Mr. ASHBROOK].

The question was taken; and on a division (demanded by Mr. ASHBROOK) there were—ayes 62, noes 59.

Mr. GIBBONS. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. GIBBONS and Mr. ASHBROOK.

The Committee again divided, and the tellers reported that there were—ayes 89, noes 76.

So the amendment was agreed to.

AMENDMENT OFFERED BY MRS. MINK

Mrs. MINK. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mrs. MINK: On page 31, after line 7, insert the following:

"COORDINATION—TRUST TERRITORY

"SEC. 608. Effective for fiscal years beginning after June 30, 1966, section 609(a) of the Economic Opportunity Act of 1964 is amended by striking out 'for purposes of title I and part A of title II,' and inserting 'for purposes of title I and parts A and B of title II' in lieu thereof."

The CHAIRMAN. The gentlewoman from Hawaii is recognized for 5 minutes.

Mrs. MINK. Mr. Chairman, this is a conforming amendment to the two amendments that I offered earlier to title II which includes the trust territory region in the adult basic education program. It is necessary to add this section 608 in order to conform the earlier amendments.

Mr. QUIE. Mr. Chairman, will the gentlewoman yield?

Mrs. MINK. I yield to the gentleman.

Mr. QUIE. We will accept the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentlewoman from Hawaii [Mrs. MINK].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. ANDREWS OF OF NORTH DAKOTA

Mr. ANDREWS of North Dakota. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ANDREWS of North Dakota: On page 31, after line 7, insert:

"SEC. 608. Title VI of the Act is amended by inserting after section 617 the following new section:

"LIMITATION OF FEDERAL ADMINISTRATIVE EXPENSES

"SEC. 618. The total administrative expenses, including the compensation of Federal employees, incurred by Federal agencies under the authority of this Act for any fiscal year shall not exceed ten percent of the amount authorized to be appropriated by this Act for that year: Provided, however, that grants, subsidies, and contributions, and payments to individuals other than Federal employees shall not be counted as an administrative expense."

The CHAIRMAN. The gentleman from North Dakota [Mr. ANDREWS] is recognized for 5 minutes.

Mr. ANDREWS of North Dakota. Mr. Chairman, the hour is late and I shall not take my entire 5 minutes.

Briefly, Mr. Chairman, this amendment limits the administrative costs under the program to not more than 10 percent of the funds authorized in the program.

We have heard a lot of stories and tales in the last 2 days of the debate about the high cost of poverty employees at the Federal level. Certainly, I would have liked to have broadened the amendment to include local projects where, in our State, sometimes more than 50 percent of the funds are used for administrative purposes.

I would like to say, however, that this amendment does not include teachers' salaries, this does not include Job Corps members, just salaries and expenses of employees at the administrative level.

It is a beginning, and I sincerely hope it can be adopted now and then broadened next year so as to insure that the bulk of the funds appropriated under this program get through to those for whom the program was supposedly set up.

I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment of the gentleman from North Dakota [Mr. ANDREWS].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. LIPSCOMB

Mr. LIPSCOMB. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. LIPSCOMB: On page 27, immediately following line 9, insert the following:

"ELIMINATION OF SPECIAL PRINTING AUTHORITY OF DIRECTOR

"SEC. 601. Section 602(m) of the Act (42 U.S.C. 2942(m)) is amended to read as follows:

"'(m) expend funds made available for purposes of this Act—

"'(1) for printing and binding, in accordance with applicable law and regulation; and

"'(2) without regard to any other law or regulation, for rent of buildings and space in buildings and for repair, alteration, and improvement of buildings and space in buildings rented by him; but the Director shall not utilize the authority contained in this subparagraph (2)—

"'(A) except when necessary to obtain an item, service, or facility, which is required in the proper administration of this Act, and which otherwise could not be obtained, or could not be obtained in the quantity or quality needed, or at the time, in the form, or under the conditions in which, it is needed, and

"'(B) prior to having given written notification to the Administrator of General Services (if the exercise of such authority would affect an activity which otherwise would be under the jurisdiction of the General Services Administration) of his intention to exercise such authority, the item, service, or facility with respect to which such authority is proposed to be exercised, and the reasons and justifications for the exercise of such authority; and'."

And redesignate the section numbers and references of the bill accordingly.

Mr. LIPSCOMB (interrupting the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD. I have previously given a copy to the gentleman from Florida [Mr. GIBBONS].

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

The CHAIRMAN. For what purpose does the gentleman from Florida rise?

Mr. GIBBONS. Mr. Chairman, will the Chair again state the request? Frankly, I was not on the floor, and did not hear the discussion on the amendment that was just adopted.

The CHAIRMAN. The gentleman was on the floor. I saw him on the floor.

Does the gentleman in the well ask unanimous consent that his amendment be considered as having been read?

Mr. GIBBONS. I certainly have no objection to the amendment.

The CHAIRMAN. There were no objections at that time.

If there is a request that the amendment of the gentleman from California be re-reported, such a request would be in order.

Mr. GIBBONS. I have no objection to the amendment of the gentleman from California [Mr. LIPSCOMB] on printing. It is your printing amendment, is it not?

Mr. LIPSCOMB. Yes.

The CHAIRMAN. The gentleman from California is recognized for 5 minutes.

Mr. LIPSCOMB. Mr. Chairman, the amendment which I have offered to H.R. 15111 is intended only to eliminate the special printing authority of the Director of the Office of Economic Opportunity which now permits him to obtain printing without complying with printing laws and regulations which are followed by other departments and agencies of the Government. In some instances, special grades of paper and excessive use of color has been used for printing procured directly by OEO which would not have been permitted if the printing had been obtained by or through the Government Printing Office. The Joint Committee on Printing, of which I am a member, issues Government paper specification standards which adequately serve the printing needs of departments and agencies of the Government. It is the opinion of the Joint Committee on Printing that types, grades, or weights of paper other than those contained in the Government paper specification standards generally constitute waste in public printing. No reason OEO should not be under some rules and regulations. It is understood that the Office of Economic Opportunity now receives guidance from the Government Printing Office in the fulfillment of many of their printing needs.

Mr. Chairman, I yield back the balance of my time.

Mr. CURTIS. Mr. Chairman, will the gentleman yield?

Mr. LIPSCOMB. I yield to the gentleman from Missouri.

Mr. CURTIS. Will the gentleman tell the House what the amendment is?

Mr. LIPSCOMB. Mr. Chairman, this amendment is intended only to eliminate the special printing authority that the Director of the Office of Economic Opportunity has, which now permits him to obtain printing without complying with certain rules and regulations that are now in existence for all Government printing.

The Joint Committee on Printing, of which I am a member, believes that they should comply with all the rules and regulations that come under the committee, and therefore we feel it would be a good amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. LIPSCOMB].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. COLLIER

Mr. COLLIER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. COLLIER: On page 31, after line 7, insert:

"SEC. 608. No funds appropriated under the authority of this Act shall be used to provide bail to secure the appearance of any person in court who has been arrested for participating in or instigating a civil disorder."

The CHAIRMAN. The gentleman from Illinois is recognized for 5 minutes.

Mr. COLLIER. Mr. Chairman, I ask unanimous consent, in the light of the fact that the amendment adopted just prior to this one was entitled "608," that the technical change be made, and that this be section 609.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

Mr. GIBBONS. Mr. Chairman, I am sorry. I did not hear the request of the gentleman.

Mr. COLLIER. Mr. Chairman, I made the unanimous-consent request that in the light of the fact that the previous amendment, which was accepted, was identified as "section 608," it then becomes technically necessary to change the numbering of this section, which the Clerk read as "608," to read "section 609."

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. COLLIER. Mr. Chairman, the purpose of this amendment, I believe, is clear and concise both in language and in purpose and intent. There have been repeated instances in the past couple of years where poverty funds have been used to post bail where arrests have been made.

It is not my intention in this amendment—and I believe it is clear that it does not intend this—to prohibit the use of these funds in posting bail bond to secure the appearance of a defendant in court, unless it develops from a situation such as we had in Syracuse, where three OEO employees indulged in a civil disorder, which led to their arrest. They did, in fact, I might say, stay in a public building after closing time and refused to leave.

I do not believe that using the taxpayers' funds to post bonds in such cases is proper, nor do I think it in any way fights poverty, and I presume the purpose of this bill is to continue the war on poverty.

I might say also, in another instance which developed in North Carolina, I took occasion to write the Department. I received a letter from Mr. Calvin Kytle, who is Acting Director of the Community Relations Service, in which he said to me that the incident that developed in North Carolina was one where someone, who was not aware of the legal rights in this area, did, in fact, commit the Federal Government to the posting of bond. Incidentally, bail was subsequently provided by persons from a private source. Later Mr. Kytle says—and I ask the House to listen to this, because I believe it carries out the intent of my amendment—and I am quoting from Mr. Kytle's letter:

> It is neither the policy nor practice of the agency to use Federal funds for bail, and appropriate steps have been taken to avoid the repetition of the Allendale incident.

I know every Member of this House, as I do, respects the constitutional right of everyone to petition, but I have heard many Members of this House, and many people in high places of government, deplore civil disorders in that connection. I can say that if this amendment is adopted, at least it will go a short way to discourage the type of thing that most of the Members at one time or another have deplored, and that is civil disorders in connection with any type of public demonstration.

Mr. Chairman, I move the adoption of this amendment.

Mr. WILLIAM D. FORD. Mr. Chairman, I rise in opposition to the amendment. Mr. Chairman, I would like to direct a question to the gentleman who just preceded me in the well, and yield to him for the purpose of answering that question.

Do I understand the import of the gentleman's amendment to be that under no circumstances, regardless of what level of the administration were consulted on it, could funds for the operation of the Job Corps, for example, be used to post temporary bail to guarantee the recognizance of the person charged with the violation of the civil law, if that violation of the law was one arising out of an alleged civil disorder?

Mr. COLLIER. The gentleman understands my amendment correctly.

Mr. WILLIAM D. FORD. In other words, if a boy is arrested for breaking and entering, it is all right for us to make his bond?

Mr. COLLIER. That would be a civil charge. I believe the gentleman would agree to that.

Mr. WILLIAM D. FORD. The question I am asking is whether we limit the restriction the gentleman is proposing to those persons accused of having been involved in a public demonstration while at the same time permitting us to make bail for a boy who might be charged with holding up a gas station?

Mr. COLLIER. To the extent that the supergrades and the authorities who make these decisions, who should have the judgment and qualifications, would decide whether or not they should post such bonds.

Mr. WILLIAM D. FORD. That is not the way I understand the amendment. The way I understand the amendment, it would prohibit the posting of bond in any circumstances where the charge lodged against the boy was that he participated in a civil disturbance.

Mr. COLLIER. That is correct.

Mr. WILLIAM D. FORD. But if he were charged with armed robbery, or even murder, conceivably under the amendment it would not bar the posting of bond.

Mr. COLLIER. Of course, the gentleman realizes that would be a criminal felony. In such instances I would hope that the determination, beyond the area which my amendment would cover, by those in charge of the OEO program, by those who have authority to make this determination, would be by exercise of such minimal judgment as would be required to do so.

Mr. WILLIAM D. FORD. I thank the gentleman. I believe the gentleman has made it abundantly clear that his prohibition would apply to a very specific type of charge against these people.

Mr. O'HARA of Michigan. Mr. Chairman, will the gentleman yield?

Mr. WILLIAM D. FORD. I yield to the gentleman from Michigan.

Mr. O'HARA of Michigan. I thank the gentleman for yielding.

I believe we should keep in mind that these people are accused of the crime which the amendment offered by the gentleman from Illinois would apply to.

They are accused of a particular type of crime. We do not have any notion as to whether or not they may be guilty or nor guilty. Even in a case when the Job Corps camp director knew that the young person was sitting in his office during the time that the offense was alleged to have occurred, he could not post bond for him.

I believe it would be a very poor precedent to prejudge that matter so far as the amendment would prejudge it.

Mr. COLLIER. Mr. Chairman, will the gentleman yield?

Mr. WILLIAM D. FORD. I yield to the gentleman.

Mr. COLLIER. Is not that same situation applicable in any instance when bond is demanded of anyone? So far as it being before conviction, I know of no instance where anyone is required to put up a bond other than to assure his appearance in court.

Mr. WILLIAM D. FORD. He could sit in the jail and indefinitely wait for trial, or make bail. But under the Constitution he has the constitutional right to be brought forthwith before a magistrate after arrest, and to have bail set. From that point on it is a question of languishing there without assistance.

I do not believe our quarrel with the amendment goes to that. Our quarrel is with respect to the point of singling out a particular type of accusation that would totally disqualify anyone from exercising any discretion.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois [Mr. COLLIER].

The amendment was rejected.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

TITLE VII—TECHNICAL AMENDMENT TO TITLE VII OF THE ACT

SEC. 701. (a) Section 701(a) of the Act is amended by striking out "and XVI" and inserting in lieu thereof "XVI, and XIX".

(b) No funds to which a State is otherwise entitled under title XIX of the Social Security Act for any period before October 1, 1967, shall be withheld by reason of any action taken pursuant to a State statute which prevents such State from complying with the requirements resulting from the amendment made by subsection (a).

TITLE VIII—REVISION OF PROVISIONS RELATING TO VISTA

SEC. 801. The Act is amended by adding at the end thereof the following new title:

"TITLE VIII—VOLUNTEERS IN SERVICE TO AMERICA

"Statement of purpose

"SEC. 801. It is the purpose of this title to enable and encourage volunteers to participate in a personal way in the war on poverty, by living and working among deprived people of all ages in urban areas, rural communities, on Indian reservations, in migrant worker camps, and Job Corps camps and centers; to stimulate, develop and coordinate programs of volunteer training and service; and, through such programs, to encourage individuals from all walks of life to make a commitment to combating poverty in their home communities, both as volunteers and as members of the helping professions.

"Authority to establish VISTA program

"SEC. 802. (a) The Director is authorized to recruit, select, train, and—

"(1) upon request of State or local agencies or private nonprofit organizations, refer volunteers to perform duties in furtherance of programs combating poverty at a State or local level; and

"(2) in cooperation with other Federal, State, or local agencies involved, assign volunteers to work (A) in meeting the health, education, welfare, or related needs of Indians living on reservations, of migratory workers and their families, or of residents of the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, or the Trust Territory of the Pacific Islands; (B) in the care and rehabilitation of the mentally ill or mentally retarded under treatment at nonprofit mental health or mental retardation facilities assisted in their construction or operation by Federal funds; and (C) in connection with programs or activities authorized, supported, or of a character eligible for assistance under this Act.

"(b) The referral or assignment of volunteers under this section shall be on such terms and conditions (including restrictions on political activities that appropriately recognize the special status of volunteers living among the persons or groups served by programs to which they have been assigned) as the Director may determine; but volunteers shall not be so referred or assigned to duties or work in any State, nor shall programs under section 805 be conducted in any State without the consent of the Governor.

"Volunteer support

"SEC. 803. The Director is authorized to provide to all volunteers during training pursuant to section 802(a) and to volunteers assigned pursuant to section 802(a)(2) such stipend, not to exceed $50 per month (or, in the case of volunteer leaders designated in accordance with standards prescribed by the Director, not to exceed $75 per month), such living, travel, and leave allowances, and such housing, transportation (including travel to and from the place of training), supplies, equipment, subsistence, clothing, and health and dental care as the Director may deem necessary or appropriate for their needs.

"Application of provisions of Federal law

"SEC. 804. (a) Each volunteer under section 802 shall take and subscribe to an oath or affirmation in the form prescribed by section 104(d) of this Act, and the provisions of section 1001 of title 18, United States Code, shall be applicable with respect to such oath or affirmation; but, except as provided in subsection (b) of this section, such volunteers shall not be deemed to be Federal employees and shall not be subject to the provisions of laws relating to Federal employment, including those relating to hours of work, rates of compensation, and Federal employee benefits.

"(b) All volunteers during training pursuant to section 802(a) and such volunteers as are assigned pursuant to section 802(a)(2) shall be deemed Federal employees to the same extent as enrollees of the Job Corps under section 106 (b), (c), and (d) of this Act except that for purposes of the computation described in paragraph (2)(B) of section 106(c) the monthly pay of a volunteer shall be deemed to be that received under the entrance salary for GS-7 under the Classification Act of 1949.

"Special programs and projects

"SEC. 805. The Director is authorized to conduct, or to make grants, contracts, or other arrangements with appropriate public or private nonprofit organizations for the conduct of, special programs in furtherance of the purposes of this title. Such programs shall be designed to encourage more effective or better coordinated use of volunteer services, including services of low-income persons, or to make opportunities for volunteer experience available, under proper supervision and for appropriate periods, to

qualified persons who are unable to make long-term commitments or who are engaged in or preparing to enter work where such experience may be of special value and in the public interest. Individuals who serve or receive training in such programs shall not, by virtue of such service or training, be deemed to be Federal employees and shall not be subject to the provisions of laws relating to Federal employment, including those related to hours of work, rates of compensation, and Federal employee benefits; except that such individuals who receive their principal support or compensation with respect to such service or training directly from the Director or his agent for payment shall be deemed Federal employees to the same extent as volunteers assigned pursuant to section 802(a)(2) of this Act. Not to exceed 15 per centum of the sums appropriated or allocated from any appropriation to carry out this title for any fiscal year may be used for programs under this section.

"Duration of program

"SEC. 806. The Director shall carry out the programs provided for in this title during the fiscal year ending June 30, 1967, and the three succeeding fiscal years. For each such fiscal year only such sums may be appropriated as the Congress may authorize by law."

TITLE IX—TECHNICAL AMENDMENTS

SEC. 901. (a) Title I of the Act is amended by inserting immediately before section 110 a heading for such section to read as follows:

"Youth Conservation Corps"

(b) Title II of the Act is amended by redesignating section 219 of part C as section 219–1.

(c) Section 213 of the Act is amended by striking out "this section" and inserting in lieu thereof "section 214".

TITLE X—AMENDMENTS TO MANPOWER DEVELOPMENT AND TRAINING ACT OF 1962

SEC. 1001. (a) The Manpower Development and Training Act of 1962 is amended by inserting the following after the period at the end of section 201: "Whenever appropriate, the Secretary of Labor shall coordinate and provide for combinations of programs, to be pursued concurrently or sequentially, under this Act with programs under other Federal acts, where the purposes of this Act would be accomplished thereby."

(b) The Manpower Development and Training Act of 1962 is amended by adding at the end of section 203(c) the following: "Notwithstanding any provision to the contrary in this subsection or in subsection (h), the Secretary may refer any individual who has completed a program under part B of title I of the Economic Opportunity Act of 1964 to training under this Act, and such individual may be paid a training allowance as provided in section 203(a) of this Act without regard to the requirements imposed on such payments by the preceding sentences of subsection (c) or by subsection (h) of this section. Such payments shall not exceed the average weekly gross unemployment compensation payment (including allowances for dependents) for a week of total unemployment in the State making such payments during the most recent four-calendar-quarter period for which such data are available. Such persons shall not be deemed youths for the purpose of applying the provision under this subsection limiting the number of youths who may receive training allowances."

(c) The Manpower Development and Training Act of 1962 is amended by inserting the following after part C of title II:

"Part D—Work experience and training programs

"SEC. 251. (a) The Secretary of Labor in cooperation with the Secretary of Health, Education, and Welfare shall provide, under this part, program for needy persons who require work experience or special family and supportive services, as well as training, in order that they may be assisted to secure and hold regular employment in a competitive labor market. Such programs shall—

"(1) provide for the selection of participants pursuant to procedures and criteria jointly prescribed by the Secretary of Labor and the Secretary of Health, Education, and Welfare;

"(2) include pretraining services and basic maintenance, health, family and day care, counseling, and similar social services, and basic education, as provided by the Secretary of Health, Education, and Welfare pursuant to section 502 of the Economic Opportunity Act of 1964, as amended;

"(3) provide through agreements with appropriate public or private nonprofit agencies, work experience to the extent required to assist participants in developing necessary work attitudes or to prepare them for work or training involving the acquisition of needed skills;

"(4) provide testing, counseling, training either on or off the job (including classroom instruction where needed through appropriate arrangements agreed to by the Secretary of Labor and the Secretary of Health, Education, and Welfare), to assist participants to develop their occupational potential, improve their occupational level and secure promotion or advancement;

"(5) provide, through appropriate arrangements with employers, labor organizations, other public and private agencies, for development where needed of additional employment opportunities for participants, for job referral and follow-up services required to assist participants in securing and retaining employment and securing possibilities for advancement; and

"(6) provide, in accordance with the criteria prescribed in section 104 of this Act, relocation assistance to involuntarily unemployed individuals where the Secretary of Labor determines they cannot reasonably be expected to secure full-time employment in the community in which they reside.

"(b) In developing and approving programs under this part, the Secretary of Labor shall give priority to programs with a high-training potential and which afford the best prospects for contributing to the upward mobility of participants.

"(c) Notwithstanding any other provision of this Act, the provisions of section 503 of the Economic Opportunity Act of 1964, as amended, shall govern the use and apportionment among the several States of funds provided pursuant to such Act for the purpose of carrying out this part."

TITLE XI—AMENDMENTS TO EDUCATION ACTS

SEC. 1101. (a) Section 205(b)(2)(A)(iv) of the National Defense Education Act of 1958 is amended by striking out "section 603" and inserting in lieu thereof "title VIII".

(b)(1) Section 427(a)(2)(C) of the Higher Education Act of 1965 is amended (1) by striking out "or" before "(iii)", and (2) by inserting immediately after "Peace Corps Act," the following: "or (iv) not in excess of three years during which the borrower is in service as a volunteer under title VIII of the Economic Opportunity Act of 1964,".

(2) The amendments made by this section shall not apply to any loan outstanding on the effective date of this Act without the consent of the borrowers.

Mr. GIBBONS (interrupting the reading of the bill). Mr. Chairman, I ask unanimous consent that title VIII and all titles from here on in the bill be considered as read, printed in the RECORD at this point, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

There was no objection.

AMENDMENT OFFERED BY MR. BROYHILL OF VIRGINIA

Mr. BROYHILL of Virginia. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BROYHILL of Virginia: On page 41, after line 5, insert the following:

"TITLE XII—GENERAL PROVISIONS

"SEC. 1201. No part of the funds authorized to be appropriated by this Act to carry out the provisions of the Economic Opportunity Act of 1964 shall be used to provide payments, assistance, or services, in any form, with respect to any individual who—

"(1) incites, promotes, encourages, or carries on, or facilitates the incitement, promotion, encouragement, or carrying on of, a riot or other civil disturbance in violation of Federal, State, or local laws designed to preserve the peace of the community concerned or to protect the persons or property of residents of such community; or

"(2) assists, encourages, or instructs any person to commit or perform any act specified in paragraph (1)."

Mr. BROYHILL of Virginia. Mr. Chairman, the purpose of my amendment is to prohibit the payment of Federal funds under this act to any individual who incites, promotes, encourages, or carries on, or facilitates the incitement, promotion, encouragement, or carrying on, of a riot or other civil disturbance in violation of Federal, State, or local laws designed to preserve the peace of the community or to protect the persons or property of residents therein. Such prohibition would also extend to persons who assist, encourage, instruct any other person to commit or perform such acts.

No government can survive, Mr. Chairman, if it finances its own destruction.

Lawful protest, Mr. Chairman, strengthens us; lawlessness destroys us.

If we aid those seeking to riot, finance those intent on destroying law and order, by providing them with funds from the very government they are bent on destroying, we are fueling the fires of that destruction.

Lawful conduct is the cornerstone of our constitutional privileges.

Officials of most duly established governing bodies, in their oaths of office, swear to protect and defend the Constitution of the United States, or the constitutions of the various States and the local governments they serve.

Unlawful conduct, the denying of the use of public property whether it is a street or a place of business, a home or a church, is a direct violation of constitutional rights and a stepping stone to anarchy.

For reasons beyond the understanding of most Americans, this is being condoned today by high administration officials in public comments or by their silence.

We cannot tolerate this and remain free, and for this reason Mr. Chairman,

I urge the speedy adoption of this amendment.

Federal employees, and those paid by Federal funds, should not only obey the law, they should set an example for others to follow in obeying them. Unfortunately our streets are all too often filled these days and nights with individuals who are paid by Federal funds in one form or another.

This amendment, Mr. Chairman, will relieve them of the burden of rioting or the burden of violating their sworn obligations to uphold the law.

Either all of us must obey the law or none of us.

If we choose to live by the law, as we have for more than 300 years, then we must enforce those laws as they are written. And at the forefront of those who should do so must be the leaders of the Nation and those who are employed and paid by the Nation to assist them.

We can have it no other way and survive, Mr. Chairman.

Mr. Chairman, as most of my colleagues know, a so-called action group, based in Montgomery County, Md., known as ACCESS—Action Coordinating Committee To End Segregation in the Suburbs—has gained wide publicity in recent weeks by walking the circumferential highway protesting alleged discrimination in housing in Maryland and Virginia, and has just announced its intention to spend 3 days over a weekend walking some 14 miles through my congressional district. All of us pray, Mr. Chairman, that no difficulty will erupt during this 3-day and 2-night march, but experience in Chicago and elsewhere has shown that the danger does exist.

For the past few weeks, ACCESS has chosen to protest against the Buckingham Apartments in Arlington, Va. But the Buckingham Apartment development has certainly not been the only victim of the actions of this group. Owners of almost every business establishment located within close proximity of the Buckingham Apartments have suffered severe business losses because the protesters, not restricting themselves to picketing the actual Buckingham rental office, have consistently refused to walk in areas where they will not prevent persons from entering and leaving the various other shops and businesses in the area.

Arlington police, responding to appeals from businessmen in the vicinity, asked the leaders of ACCESS to discuss this problem with them.

I am told that in response to a request to the cochairman of ACCESS, one Mr. William N. Hobbs, that they refrain from interfering with the businesses having no connection with the controversy, Mr. Hobbs pointed his finger at a high ranking police officer and said, and I quote:

> We intend to disrupt the Arlington businesses and the community as much as we can * * * and the police department will protect us.

Mr. William N. Hobbs is an administrative assistant, working in the Public Information Office of the United Planning Office in Washington, D.C., at a salary of $7,770. He is also cochairman of ACCESS.

Also at the meeting with Arlington officials at which this threat was made, was Mr. John Robinson, the local project leader who acts as a community organizer for the Arlington division of UPO, at a salary of $5,582. Also present was Mr. Alan McSurely, whose present title at UPO is that of training officer, but who was formerly director of suburban projects, and Mr. Robinson's supervisor, at a salary of $12,600.

Mr. James Banks, Director of the United Planning Organization, acknowledges that the UPO personnel policy is that their staff shall not take positions of leadership with any community groups engaged in such crusades as that which Hobbs is leading for ACCESS. Therefore, these men are violating UPO policy. However, Mr. Banks informed a staff member of the Education and Labor Committee that he does know of the leadership of members of his staff in this group and he has evidently made no effort to stop them from doing so.

Mr. Chairman, $20 million in Office of Economic Opportunity funds have gone to the United Planning Organization in the District of Columbia this year, in addition to other funds they received from the Department of Health, Education, and Welfare.

It is for these and other reasons, Mr. Chairman, that I now introduce an amendment to H.R. 15111.

Mr. GIBBONS. Mr. Chairman, will the gentleman yield?

Mr. BROYHILL of Virginia. I am glad to yield to the gentleman.

Mr. GIBBONS. Mr. Chairman, we will accept the amendment.

Mr. BUCHANAN. Mr. Chairman, I rise in support of the Broyhill amendment and congratulate the gentleman for offering it. There is certainly evidence which indicates the need for such a prohibition in the record of the OEO to date.

This may partially explain the veil of secrecy around the decisions of the strategists in charge of the war on poverty. Washington Post writers Rowland Evans and Robert Novak report:

> The poverty council * * * got off the track again at the last meeting—

Which featured—

> a little lecture delivered by poverty czar Sargent Shriver on the need for safeguarding secrets in the war on poverty as though they involved military security. "The poverty council can accomplish nothing," he asserted, "if its deliberations become public knowledge." [1]

The Office of Economic Opportunity may, in fact, have some secrets which it would rather not reveal to the white light of public inspection. There are, indeed, some strange soldiers in the ranks of the battalions charged with the banishment of poverty.

There is mounting evidence of involvement of subversive elements and of leftwing extremists in the antipoverty program, using tax money granted by the OEO for the eradication of poverty to achieve their own ends and advance their own philosophy.

It is no secret, however, that the Communist Party plans to infiltrate the poverty program's administrative groups. Listen to Henry Winston, a Communist spokesman, who outlined such strategy in a recent statement. He said:

> Today, the Economic Opportunity Act contains a section (Title II) which calls for "maximum feasible participation" of the poor themselves in the fight against poverty. It has already become the basis for organizing struggles in the slums and ghetto communities, and it offers the point of departure for helping to rally the rank-and-file millions into a powerful mass movement which can in turn serve to strengthen the role of the trade union movement in the country.[2]

The Communists, by injecting themselves into the three major disruptive areas of the American scene today—the anti-Vietnam demonstrations, civil rights, and economic welfare struggles—have developed a coalition with which this Congress needs to be vitally concerned. The same Henry Winston who spoke of communistic exploitation of the poor in the previous quote admits:

> The merger of the three major currents of struggle—for peace, civil rights, and economic welfare—can develop into a mighty anti-monopoly coalition. The Communist Party, despite all difficulties, has been a part of these struggles. It has contributed much to their advance and can help even more to advance this process of development in the future.[3]

Mr. Chairman, I am not contending that the war on poverty has been captured by Communist or leftwing extremists. But this does appear to be the goal of the extremists in much the same fashion as the Communists tried—unsuccessfully—to take control of the labor union movement a generation ago. Most of the people engaged in the war on poverty are stable and dedicated Americans, I am sure. It is, I believe, their aim to uplift the Nation's poor, not exploit them. But, Nation's Business magazine observes that even though the OEO has now forbidden the hiring of employees suspected of disloyalty to the United States "the order did not require the firing of radicals now on the payroll." [4]

Consider such instances in the San Francisco Bay area alone:

> San Francisco: John Ross, a member of an official advisory board in the city poverty program, was found to be a member of the Progressive Labor Party which the F.B.I. calls a communist group with allegiance to Red China.[5]
>
> Berkeley: Howard Harawitz, a member of the antipoverty board, admitted he was a former member of the W.E.B. DuBois Club which has been declared by both the F.B.I. and the Justice Department as subversive. Commenting on the fact that he resigned from the DuBois Club only because he left college, Harawitz stated, "I don't have any

[1] "Troubled Political Water," The Washington Post, Sept. 11, 1966.

[2] Riesel, Victor, "Communist Party Plans Invasion of Poverty Boards," Human Events, Jan. 8, 1966.

[3] Ibid.

[4] "Weird Warriors in the War on Poverty", Nation's Business, May 1966, p. 43.

[5] Ibid.

basic disagreement with them" (the DuBois Clubs).[6]

Berkeley: A work study grant for "Turn Toward Peace" subsidizes an array of groups opposing U.S. Vietnam policy. The Executive Committee of TTP includes leaders of the Students for a Democratic Society, a top official of which traveled to Hanoi with left-leaning Yale Professor Staughton Lynd and Hubert Aptheker, top marxist theoretician in the U.S. TTP brought to the University of California's Berkeley Campus Bayard Rustin, leftist civil rights leader and executive director of the War Resisters League, for a program on civil disobedience.[7]

Berkeley: Another work-study grant by the OEO subsidizes students working at a private school run by one Betty Halpern, who refused to tell the House Committee on Un-American Activities in 1960 whether she was or had been a Communist.[8]

Washington, D.C.: A Nation's Business investigation of the anti-poverty program in our capital disclosed the presence on the payroll of a number of extremists of the political left with backgrounds in highly militant civil rights organizations, in ultra-left labor groups and in movements opposing the Administration's Vietnam policy. Some of the anti-poverty workers openly admitted they were Socialists, and mouthed the familiar repeated talks about shaking the power structure. After some racial unrest in the Burry Farms area, the frenzied crowd shouted, "We're going to blow this town wide open."[9]

This past spring the OEO finally ordered:

Manifestation of disloyalty to the United States, membership in subversive organizations, or a lack of sympathy with the objectives of the OEO (are) inconsistent with employment in a community action program.[10]

But, what about the Neighborhood Youth Corps and work-study grants? Why not apply the same order to these facets of the Economic Opportunity Act? Furthermore, the order is not retroactive and does not cover community action people already hired. That is like saying "if you already have Gus Hall, the head of the Community Party U.S.A., on the payroll, it is all right. Just do not hire any more like him."

Mike Davidow wrote in the Worker last year as follows:

Stop the escalating war in Vietnam which threatens to put an end to the war on poverty. Compel the Johnson Administration to catch up with its "evangelical rhetoric: by shifting billions from its $56 billion military budget to fight a real war on poverty."[11]

Discussing the maneuver by Communists to plan and administer local anti-poverty projects, the Worker in a front page editorial stated:

It was because of the protests by the Negro people that Congress was forced to insert provisions in the anti-poverty law that would keep the political machines out and enlist the poverty victims themselves to the "maximum feasible" degree in planning and administering the local anti-poverty projects.[12]

Among these "poverty victims" who would administer local antipoverty projects, according to the Worker, are the Uptown Community Union of JOIN—Jobs or Income Now—and the Westside W.E.B. DuBois Freedom Center, both of Chicago.[13]

The reputation of both these organizations is well known since the Justice Department has required the W.E.B. DuBois Club of America to register as a Communist-front organization and JOIN is the child of Students for a Democratic Society.

The New York project known as Mobilization for Youth—MFY—is yet another example of the taxpayer-financed haven for extremists and subversives. The project pre-dates the official war on poverty by some 3 years. It was launched by the late President Kennedy as the "pilot project for the war on poverty." MFY was enthusiastically described as "the most advanced program yet devised to combat juvenile delinquency on a broad scale."[14] The project began with an original sum of more than $12 million—$8 million from Washington, $2.8 million from New York City, and $2 million from the Ford Foundation.[15]

In July 1964, 1 month before the Economic Opportunity Act was passed, President Johnson gave MFY another Federal grant of $1.5 million.[16]

Then, in the fall of 1964 the New York Daily News charged that more than 37 MFY employees had subversive or Communist backgrounds. The administrator resigned, having misappropriated $23,000 worth of agency funds, and it was learned that agency facilities had been used to foment school boycotts, rent strikes, and social disorders.[17]

Later investigations by city, State, and Federal officials—including the FBI—substantiated the earlier charge that there had been "wholesale penetration" of the MFY by Communists and other subversives.[18]

According to Human Events[19] the following identified Communists were officially connected with MFY:

Mrs. Esther Gollobin, an identified member of the Communist Party, member of MFY Board of Directors.

Calvin Hicks: Communist Party member, Fair Play for Cuba Member, and Executive Secretary for the Monroe, N.C., Defense Committee, a cited Communist front.

Marc Schleifer: Editor of Robert F. Williams' book, Negroes With Guns, associated with the pro-Peking Progressive Labor movement.

Leroy McRae: member of the Socialist Workers Party.

Mrs. Constance Bart: a member of the Communist Party's State Committee in New York.

By way of further incrimination, one of MFY's consultants proved to be none other than Jesse Gray, an identified Communist agent, who served the agency as a "rent strike expert consultant."[20]

Yet, despite the evidence against MFY, in July of 1965 the Senate Labor and Public Welfare Committee quietly approved a grant of $6.5 million to MFY and other community action projects.[21]

Ample evidence is also available to prove beyond any reasonable doubt that poverty funds are being used to finance violence and racial agitation, Mr. Speaker.

In 1965 the Office of Economic Opportunity gave Harlem Youth Opportunities Unlimited Associated Community Teams—Haryou-ACT—$40,000 to be used by the Harlem Black Arts Repertory Theater School.[22] This tax-supported school is coached by the violence-preaching Negro playwright, Leroi Jones, who says:

I don't see anything wrong with hating white people. Harlem must be taken from the beast and gain its sovereignty as a black nation.[23]

Leroi Jones once wrote:

The force we want is of 20 million spooks (Negroes) storming America with furious cries and unstoppable weapons. We want actual explosions and actual brutality.[24]

Last March, 50 New York policemen raided the headquarters of the Black Arts Repertory Theater, founded as a community action program, at 109 West 130th Street in Harlem, and discovered a rifle range, an arsenal of deadly weapons, a pipe bomb, sharpened meathooks, pistols, knives, clubs, and a cache of ammunition.[25]

Haryou-ACT has also given rise to a group known as the Five Percenters. They get their name from their belief that only 5 percent of the Negro race fully understands and supports their campaign for violent revolutionary change in our society. These Five Percenters, expertly trained in judo and karate, have terrorized large sections of Harlem boasting that they receive funds from Haryou-ACT by blackmail and threatening to bring riots to the streets of New York unless they are paid off in antipoverty money.[26]

It should be noted that the "Summary Report of the Investigative Task Force of the OEO Ad Hoc Subcommittee on the War on Poverty" makes the following reference to HARYOU-ACT:

The HARYOU-ACT program is a unique operation in that it is autonomous and acts independently of any other program in the area. Since the field visits to HARYOU-ACT by members of the Staff, charges of financial irregularities have been levelled against the agency. These charges are under investigation by the U.S. Department of Justice and the Office of the District Attorney of New York county. Therefore, further investigations by the Task Force have been postponed, pending the outcome of the above-mentioned investigations.[27]

---

[6] Ibid.
[7] Ibid., p. 88.
[8] Ibid.
[9] Ibid., p. 95.
[10] Ibid.
[11] The Worker, June 20, 1965.
[12] The Worker, Nov. 9, 1965.
[13] The Worker, Jan. 16, 1966.
[14] Human Events, Aug. 27, 1966.
[15] Newman & Wenger, Pass the Poverty, Please, Whittier, Calif., p. 35.
[16] New York Times, Nov. 11, 1964.
[17] Human Events, Aug. 27, 1966.
[18] Human Events, Aug. 27, 1966.
[19] Ibid.
[20] New York Times, Aug. 19, 1964.
[21] Lewis, Fulton, Jr., Jacksonville Chronicle, July 1, 1965.
[22] Newman and Wenger, op. cit., p. 42.
[23] AP Release, Los Angeles Times, Dec. 1, 1965.
[24] Human Events, Aug. 27, 1966.
[25] Ibid.
[26] Buckley, William F., Jr., the Washington Daily News, Oct. 19, 1965.
[27] Summary Report, Investigative Task Force, Subcommittee on War on Poverty, p. 24.

Even in my own State of Alabama, there is evidence that a $241,604 Federal OEO grant in Lowndes County was about to go to a division of the Black Panther Party known as the Lowndes County Christian Movement for Human Rights and headed by R. L. Strickland, one of the Black Panther leaders. Stokely Carmichael, that recent familiar riot fomenter, originated the Black Panthers before taking over the top job in the Student Non-Violent Coordinating Committee. The OEO grant is presently under suspension pending an investigation into the charges.

This instance and similar ones could be avoided by more thorough investigation. Hugh Merrill, Birmingham News staff writer, writes that the Washington OEO officials did call the Atlanta office asking that the Lowndes County request for funds be investigated:

However—

Said Merrill—

all Washington wanted to know was whether Lowndes County needed money, how many migrant workers there were in the county, and what the area's population is.[28]

It is strange that no request was made that the sponsoring organization be checked out as to possible political affiliations, or who functions as its leaders.

Mr. Chairman, the time for thorough investigation to be made into political affiliations and background of leadership is before, not after, the grant has been approved.

Mr. Chairman, such evidence as that submitted herewith makes it imperative for me to ask a thorough review and vigorous screening of present grantees and all future applicants and organizations to determine their loyalty to the United States of America and their sympathy with the intent of the progam to alleviate poverty.

Loose administration of the program has apparently permitted outright subversive elements to use tax money to exploit the poor and to achieve their own political, economic, and social ends. Reformation of the war on poverty is long overdue.

We can ill afford the underwriting with our tax dollars of any pro-Communist or racial agitating group which purports to be fighting a war on poverty when all the while it may be fighting America, exploiting deserving poor, and misusing the very freedom for which our country stands.

I urge the adoption in this connection of the Broyhill amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Virginia [Mr. BROYHILL].

The amendment was agreed to.

Mr. FOGARTY. Mr. Chairman, I take the floor today to give my very strongest support and warmest endorsement to the war on poverty. This bold new program, aimed at the eradication of poverty in the midst of our affluent economy, is already achieving more success, and effectively reaching more of the poor, than most of us would have thought possible 2 short years ago, and yet, Mr. Chairman, this fine program is under attack.

[28] The Birmingham News, July 22, 1966.

Like every other major piece of social and economic legislation enacted since the early days of the New Deal, it is under attack from a vociferous minority, who act now, as they always have, because they are uninformed, or indifferent, or motivated by considerations of partisan advantage.

But, Mr. Chairman, the war on poverty will withstand their assaults. It will survive and it will continue to make vital progress in opening the doors of opportunity to millions of disadvantaged Americans in cities, towns, and rural communities all across the land. The poor have joined this war. They believe in it—they are part of it—and they now look to us to enable their battle against joblessness, illiteracy, and the other basic conditions of poverty to continue.

Mr. Chairman, I have seen remarkable and heartwarming progress in the war on poverty in Rhode Island, where about 52,000 poor people are involved in community action programs alone. As of September 1, total Federal support of antipoverty programs in Rhode Island amounted to $10,133,732. Antipoverty programs are in operation in all of the State's five counties, and all programs authorized by the Economic Opportunity Act are underway in Rhode Island.

Comprehensive and imaginative community action efforts have been launched in Providence, Warwick, and Pawtucket, and are experiencing a high degree of success. In Providence alone, there are neighborhood resources centers and youth centers, a legal services program, a small business development center, an employment program, an innovative and exciting community school project for children and adults in poverty neighborhoods, and a large Headstart program, among other projects.

Progress for Providence is emerging as one of the outstanding antipoverty agencies in the Northeast, with over $4,300,000 in CAP grants so far.

Mr. Chairman, the progress being made in Rhode Island is reflected all over America. In less than 2 years, the war on poverty has been brought home to an estimated 8 million poor Americans—1 out of every 4 of the Nation's poor.

Antipoverty programs have been launched in 2,971 of the 3,132 counties in the United States. And from virtually every quarter come fervent pleas for an even greater effort—for vastly expanded community action programs, for year-round Headstart projects, for legal services programs, for foster grandparents, upward bound, neighborhood multiservices centers, health centers, projects on Indian reservations, and in migrant labor streams.

The poor want and need more Neighborhood Youth Corps projects, which have already provided an invaluable opportunity to earn and learn to about 700,000 disadvantaged young Americans.

The poor need an expanded work-experience program, and rural antipoverty loans, and small business incentive loans. And, Mr. Chairman, the poor need and deserve the support of this body in striving to get themselves permanently out of poverty.

One of the most exciting and encouraging things about the war on poverty, it seems to me, is the program's capacity to develop and initiate innovative and unorthodox projects which attack the unmet needs of the poor. One of the best examples of what I mean is OEO's program to improve the health services available to the poor, who have generally found good medical and dental treatment far beyond their grasp. Poor health, and the inability to surmount serious disease, constitute one of the most tragic aspects of poverty.

Now the community action program is engaged in assisting communities to meet this problem through the establishment of a new institution—the neighborhood health center. These neighborhood centers will provide the one door of access to all the health services needed by the residents of a poor neighborhood.

The centers provide outpatient services to all members of the family in a single, conveniently located setting. These services include preventive medicine, diagnosis and medical treatment, dental care, mental health, and personal health counseling.

Mr. Chairman, the center's program of comprehensive health service is integrated with all existing publicly financed health services, including programs of maternal and child care; tuberculosis, venereal disease, and chronic disease detention and control; community mental health and mental retardation services, and so on. The neighborhood health center collaborates with each of these resources to have their services provided to the neighborhood's families through the center. The health center is also expected to work out, with appropriate local agencies, arrangements whereby all Federal, State, and local programs which now provide funds for health services, can be integrated within the center. This includes, particularly, welfare medical care payments for persons on public assistance and for other needy persons. Thus, Mr. Chairman, the neighborhood health center is becoming a model of war-on-poverty coordination.

Any specialty service provided away from the center and all hospitalization is coordinated by the center. Any patient who is referred elsewhere for treatment knows where he is going and for what purpose, and is expected when he gets there. In this way, the burden of converting existing fragmented services and programs into a coherent and effective whole is shifted from the poor family to the center. This is what I mean by accomplishment in this program.

In addition to the integrative function the centers perform, they are also demonstrating new ways of involving the residents of poverty neighborhoods in policymaking and as nonprofessional employees. There is also reason to believe that these centers may provide a setting in which much-needed innovations in the training and utilization of scarce health manpower can be developed.

These centers, in rural Mississippi, the Watts area of Los Angeles, Chicago, Denver, Boston, and New York City, are being operated under a variety of auspices,

including local health departments, teaching hospitals, and medical schools. To date OEO has invested about $10 million in the neighborhood health center program. To my mind, Mr. Chairman, it is terribly important that this exciting program of comprehensive, family-centered, neighborhood-oriented health services for the poor be continued and expanded. Like Headstart, legal services, and many other innovative antipoverty programs, it is meeting an urgent need, and is helping to show that American concepts of equality and human dignity are not merely empty slogans.

In conclusion, Mr. Chairman, I would add a word of praise for Sargent Shriver and his hard-working OEO staff, who have done so much in such a short time to make the war on poverty a source of hope and motivation for millions of our disadvantaged fellow citizens. When we stop to consider, Mr. Chairman, that the budget authorized by the pending bill would account for less than 2 cents of every tax dollar—but would serve millions of poor Americans living in urban and rural slums in all 50 States—then it seems to me that opposition to this bill becomes extremely difficult to justify or explain.

Mr. Chairman, I for one will not break faith with 32 million of my fellow Americans who live in poverty, and look to us to help them break poverty's vicious cycle. I will have no part of legislative irresponsibility or social cynicism. Mr. Chairman, I support the pending bill.

Mr. DENT. Mr. Chairman, many arguments can be given both pro and con on the subject of antipoverty legislation, its operation, and especially its legislative history.

However, the need for this type of Federal activity cannot be argued away by the silly arguments of opponents who base their opposition on what they call the mismanagement of this act of the Congress.

The need for antipoverty legislation has been firmly established by the facts of life in these United States. Too many families have been locked into poverty for too long. Congress cannot ignore this fact and while we may make mistakes the biggest mistake would be to ignore the facts of life and the existence of poverty.

Mr. Chairman, in line with our drive to eliminate poverty as a way of life within the United States of America. I believe the following testimony given before the committee studying the impact of imports on U.S. employment is further proof of the need for the legislation before us.

What are we to do with men and women whose jobs are exported to foreign countries by our trade policies?

This testimony is only a small part of record in this area of employment losses due to trade. In this small but vital industry alone, 5,000 actual jobs have been lost plus 4,000 jobs not available from the increased use of pottery products. This means that 9,000 American workers directly and about 27,000 indirectly are candidates for the poverty class because of job losses.

Mr. Chairman, 720 automotive parts workers are receiving $70 a week or more because of the jobs lost to Canada in the operation of the free trade automotive deal with that nation.

Over 10 percent of the total steelworker jobs were displaced by steel imports in 1965—79,000 workers or more than the total payroll of Jones & Laughlin and Armco Steel Cos. combined.

Do not let us kid ourselves about this bill costing too much and that it is temporary legislation. In my opinion, unless we change our trade policies this legislation will cost many billions more and will be with us a long time.

Mr. Chairman, I believe the following information should be available for all Members and ask that this be made part of the RECORD:

ECONOMIC OPPORTUNITY AMENDMENTS OF 1966

BACKGROUND

The Economic Opportunity Act of 1964 (P.L. 88-452) authorized $947.5 million for the first year of a 3-year War on Poverty. Congress actually appropriated $785.4 million for anti-poverty programs in FY 1965. Congress authorized $1.785 billion and appropriated $1.5 billion for anti-poverty programs in FY 1966. For brief description of the programs through which the War on Poverty is being carried on see this Fact Sheet, pp. 5-6.

ACCOMPLISHMENTS (AS OF JUNE 3, 1966)

In just 20 months the War on Poverty has reached 11,000,000 Americans, one out of three of the nation's poor. OEO programs have operated in 2,932 of the 3,132 counties of the U.S. Twenty-one States have had anti-poverty programs in all of their counties.

One of the most successful anti-poverty programs has been Project Head Start which provides deprived pre-schoolers with the educational, social, cultural, and medical attention they need to put them on a level with more privileged children when they enter kindergarten or first grade. The 1965 summer project Head Start prepared 561,000 deprived pre-school children in 2,398 communities for regular school. A nationwide program, it operated through 11,068 centers served by 53,269 professionals and 186,431 non-professionals.

In addition, Head Start follow-through programs, held after school hours for last summer's head starters, and year-round programs for 3-4 year old youngsters, have benefited 203,000 children. This summer Head Start will reach some 560,000 pre-schoolers. A winter enrollment of 193,000 is anticipated.

*** 27,260 young men and women are enrolled in 103 Job Corps Centers, including 82 conservation camps, 8 urban centers for men, 9 for women, and 4 special centers.

*** 1,155 *Neighborhood Youth Corps* projects have been approved in FY 1966 providing work-experience opportunities for 328,328 youths.

*** 1,120 institutions of higher learning have participated in *Work-Study* programs.

*** 5,358 *Community Action* grants totaling $532,083,499 have been made.

*** 44 States have received final approval of their *Adult Basic Education* programs.

*** 239 *Work-Experience* projects have been approved providing retraining and employment for 128,355 hard-core unemployed adults.

*** 26,150 *Rural loans* totaling more than $42.8 million have been made to individuals, and 379 co-op loans totaling over $4.9 million have been made to corporations.

*** 1,449 *Small Business loans* totaling over $16 million have been made.

*** 2,289 *VISTA* Volunteers are serving the poor on 285 poverty projects in 45 States.

ADMINISTRATION RECOMMENDATIONS

In his Jan. 24, 1966, Budget message, President Johnson requested an expansion of the War on Poverty with a FY 1967 appropriation of $1.75 billion. The Administration's bills, H.R. 13391 (POWELL, D., N.Y.), H.R. 13392 (GIBBONS, D., Fla.), and S. 3164 (CLARK, D., Pa.), extend the Economic Opportunity Act through June 30, 1970, with a FY 1967 authorization of $1.75 billion. It extends 90 percent Federal, 10 percent local financing for one additional year and makes other significant changes designed to improve the anti-poverty programs.

HOUSE COMMITTEE ACTION (H. REPT. 1568)

Following hearings held by the Ad Hoc Subcommittee on the War on Poverty, the House Education and Labor Committee, on June 1, 1966, *favorably reported* a *clean bill*, H.R. 15111, extending the anti-poverty program through *June 30, 1970*, and authorizing *$1.75 billion* for *FY1967*. The Committee approved the amount requested by the Administration, however, significant changes were made in the program allocations, and, in particular, for the Neighborhood Youth Corps and Project Head Start which received increased funds under the clean bill.

Provisions of H.R. 1511, Economic Opportunity Amendments as reported (H. Rept. 1568):

A. Extends Economic Opportunity Act programs through June 30, 1970, and authorizes $1.75 billion for the anti-poverty programs in FY 1967.

Breakdown of Funds:

Title I:

a. Job Corps—$200 million.

b. Neighborhood Youth Corps—$496 million.

Title II:

a. Community Action Programs—$805.5 million (total).

Head Start—$352 million.

Legal Services—$22 million.

Narcotic Rehabilitation—$12.5 million.

Emergency Family Loans—$8 million.

Public Service Employment—$88 million.

Unearmarked—$323 million.

b. Adult Basic Education—$26.5 million.

Title III:

a. Rural Loans—$24.5 million.

b. Migrants—$32.5 million.

Title IV:

a. Small Business Loans—0.

Title V:

a. Work Experience—$119 million.

Title VI:

a. General Administration—$15 million.

Title VIII:

a. VISTA—$31 million.

B. Amendments to Economic Opportunity Act:

Title I:

1. Job Corps:

a. Limits Job Corps capacity to 45,000 enrollees. Requires minimum of 10,000 young women enrollees by July 1, 1967.

b. Requires at least one pilot project to determine feasibility of integrating day enrollees into residential centers.

2. Neighborhood Youth Corps:

a. Authorizes minimum of $496 million for FY 1967, to provide 180,000 summer jobs; 180,000 job opportunities for in-school youths; 85,000 full time job opportunities for school dropouts.

b. Retains 90 percent Federal financing indefinitely. (Under present law it was due to drop to 50 percent on Oct. 20, 1967.)

c. In-school program: Abandons strict 16-21 age limitation and includes students in 9th through 12th grades and students in lower grades who are of high school age.

d. Out-of-school program: Improves NYC projects to include not only work experience but other assistance, such as, basic literacy training and occupational skill training.

e. Broadens out-of-school program to include on-the-job training in private employment, with NYC paying training costs and employers paying wages.

Title II:

1. Community Action Program:

a. Redefines community to include any neighborhood or area sufficiently homogeneous in character to be appropriate for an attack on poverty, regardless of existing boundaries and political subdivisions.

b. Representatives of the various geographical areas in a community who are serving on a community action agency board, must actually live in the area they represent, thus assuring maximum feasible participation of the poor.

c. Where a community action agency pays an employee more than $12,500 per year, no part of the amount over $12,500 may be made from Federal funds, and local funds used to pay the excess may not be included as part of local matching requirement.

d. Revises section pertaining to research, training and demonstration projects to 1) reduce from 15 to 5 percent portion of Title II funds available for these projects; 2) require all such projects be part of an overall plan approved by Director after consultation with other Federal agencies; 3) require proposals for such projects be filed with OEO regional office for review and recommendations.

e. Requires at least *20 percent* of funds available for Community Action programs be used for *independently funded programs* in communities. Independently funded refers to programs of limited scope and operating concurrently but separately from the overall community action agency. The purpose is to give an opportunity to groups of a *grassroots nature* to undertake projects without being forced into a pattern of conformity to a community wide organization.

f. Continues present *90* percent Federal assistance to June 30, 1967, when it will drop to 80 percent. Director retains discretionary authority to permit assistance, where necessay, in excess of regular rate. (Present law provides for 90 percent through Aug. 20, 1967, when it will drop to 50 percent.)

g. *Public Service Employment:* Authorizes *$88 million* in FY '67 to provide *training* and *public service jobs* for the *hard-core unemployed.* Work experience will be combined with educational and training assistance, such as, basic literacy and occupational training.

Persons eligible—adults from low-income families who have been:

1. unemployed for over 15 consecutive weeks OR

2. repeatedly unemployed over the prior 2 years OR

3. underemployed (less than 20 hours a week) for over 26 consecutive weeks.

h. *Narcotics Rehabilitation:* Authorizes *$12.5 million* in FY '67 for new experimental program for the *prevention* of narcotic addiction and the *rehabilitation* of over 5,000 addicts. Program to be based on noninstitutional approach to addiction, offering a job combined with educational and training assistance.

i. *Emergency Family Loans:* Authorizes *$8 million* in FY '67 to establish program of *small loans* to persons from low income families who are confronted with *financial emergencies.* Loans limited to $300 will bear 2 percent annual interest. When feasible will be made through local credit unions which have been created in poverty neighborhoods through Community Action groups.

j. *Head Start:* Authorizes *$352 million* in FY '67 permitting summer Head Start enrollment of 560,000 children and winter Head Start enrollment of 193,000. Additional funds to be used to improve health, nutritional, social, education and mental health services for preschool children, and for the training of professional and nonprofessional staff.

k. Legal Services: Authorizes $22 million to continue program of legal services to the needy.

2. Adult Basic Education:

a. Expands and strengthens program to include not only reading and writing English, but similar basic skills as arithmetic and speech.

b. Permits 25 percent of funds be reserved for special project grants and for training of adult basic education teachers.

c. Tightens administration of State plans, permits more flexible application of funds to programs in areas of greatest need. Sets forth specific priorities governing distribution of funds and assures coordination at State and local levels with agencies concerned with poverty, employment and health.

Title III:

1. Rural Poverty: a. Increases limit on 15-year loans to low-income rural families from present $2,500 to $3,500.

Title V:

1. Work Experience: a. Program divided between HEW and Labor Department with Labor providing work experience training under the Manpower Development and Training Act (MDTA) and HEW providing pretraining, basic maintenance, health, basic education, day care and similar supportive services.

Title VI:

1. Prohibits any person whose compensation is paid from Economic Opportunity funds from taking an active part in political campaigns.

2. Requires efforts be made to assure coordination between OEO programs and the public employment office at the local level.

3. Provides for the establishment of information service centers at the Federal, State and local levels to collect, correlate and distribute information concerning antipoverty programs.

Title VIII:

1. VISTA:

a. Provides monthly stipend of $75 for volunteer leaders. (Present $50 monthly stipend for volunteers remains.)

b. Permits 15 percent of VISTA funds be available for special VISTA projects, such as, involving more poor people as volunteers.

STATEMENT BY MR. PAUL PELFRY, PRESIDENT, UNITED BRICK AND CLAY WORKERS OF AMERICA, BEFORE THE GENERAL SUBCOMMITTEE ON LABOR, HOUSE COMMITTEE ON EDUCATION AND LABOR, SEPTEMBER 27, 1966

My name is Paul Pelfry, and I am President of the United Brick and Clay Workers of America.

The ceramic tile industry in the U.S. is currently beset by two major disruptions.

On the one hand, tight money has severely limited mortgages and curtailed housing starts, putting a severe crimp into the demand for wall and floor tile.

On the other hand, an expanded domestic ceramic tile market built with a herculean effort of the U.S. industry-management and workers alike—has been systematically taken over by imports from Japan.

The first problem is something that we in this country understand and can cope with. There are economic fluctuations, and we have the machinery for dealing with them. There are disruptions caused by a falling off of new housing starts, but government, industry, and labor have the wherewithal ultimately to get things back on the track.

However, the influx of imports from Japan at dumping prices complicates the situation drastically. The problem of imports, combined with the curtailment of the market for ceramic tile caused by the tight money situation, is causing the closing of plants and the elimination of jobs in the ceramic tile industry.

The difficulty in meeting the problems of import competition becomes clear when we realize that the domestic industry and labor unions in the field have used much of the available machinery of government in an attempt to win relief, but to little avail. The domestic industry's decline has been apparent for some years, with an accompanying loss of jobs. Where there were more than 12,000 production workers in the industry a decade ago, there now are fewer than 7,000.

Productivity has increased, true enough—and by a very respectable 30 percent—more so, in fact, than in U.S. industry in general. But the market has grown several times that much, so that were it not for imports there would be 4,000 more workers, not 5,000 fewer.

A well documented antidumping case brought by almost the whole of the U.S. ceramic tile industry against all the Japanese wall tile manufacturers has generated reactions in Japan that sound like penitence. The Japanese manufacturers say they have agreed to cut back their exports to 75 percent of last year's figures; that is, April 1, 1966, to March 1, 1967.

They have also decided to ban sales of second quality glazed wall tile for export to the U.S. and instead to limit exports to first quality. Higher minimum prices were set as well. They will be 18 cents per sq. ft. for colored tile and 16 cents for white.

Let us analyze what appears to be a far reaching concession by the Japanese.

These actions have come at the same time that the U.S. has been experiencing a very sharp decline in residential construction. Housing starts over the past year have declined from 1.4 million in 1965 to 1 million in 1966, or a decline in residential construction of 25%. This is about equal to the purported voluntary decrease in Japanese wall tile exports to the U.S. Therefore, it is highly questionable whether such steps to raise export prices and limit the quantity of export shipments are sufficient to offset the injury that they have caused U.S. manufacturers by the dumping of their products and otherwise competing unfairly in the U.S. market.

The Japanese industry operates as an export cartel out to secure the best price and volume under existing market conditions, with no regard for the effects on the host country. The case against them is a strong one: in the first four months of 1966, just prior to the Treasury's action in withholding of appraisement on all wall tile shipments from Japan, exports of wall tile from that country averaged 4.9 million square feet per month, compared with 3.8 million in 1965, or 1.1 million square feet per month more, despite the sharp decline in housing starts here. It is apparent that the Japanese manufacturers, anticipating imminent restrictions from the U.S. government in view of the dumping complaint, reacted by dumping more tile into a market already suffering the sharp decline in housing starts. Thus, they deluged the U.S. market in early 1966, and there was a cutback when Treasury appeared ready to order withholding of appraisement and the collection of a bond to cover later dumping duties, should they be imposed. At the same time, the average unit values of Japanese wall tile were appreciably lower than they had ever been even when the dumping charges were being made.

I have dwelt on this to indicate that U.S. law on dealing with illegal and unfair acts of competition from abroad is difficult to get moving and even when moving treads its way slowly and deliberately. So if there is an urgent case of workers displaced by unfair foreign competition, current laws can't help them too much.

Ours is a free economy, and we would like to maintain it that way. We will take our chances on the ups and downs of our economy when it is free to move up and down—as in the case of tight money cutting back residential construction. We know this situation will ultimately adjust itself.

But the nature of the import competition that we have been facing from Japan means that decisions on the future of the ceramic tile industry, and therefore the future of jobs in that industry are highly dependent on what the Japanese tile cartel decides concerning exports to the U.S. and prices in the U.S. market.

What this results in is apparent from a letter which I would like to read in part.

It comes from Robert G. Bailey, President, Paramount Industries, Paramount, California.

Paramount Industries was formerly known as Pacific Tile and Porcelain Company. The company, Mr. Bailey said, "was engaged in the manufacture of glazed ceramic tile from 1933 until 1965" and "was recognized as one of the leading tile manufacturers on the West Coast of the United States."

For several years prior to 1965, it was apparent, he said, that the pressure of foreign imports, principally from Japan, was causing a steady deterioration in the price level of domestic made tile at the same time that costs of production were continuing to increase.

Mr. Bailey said that it became apparent that in order to remain in the ceramic tile business, it would be necessary to effect substantial reductions in the cost of manufacturing the product through mechanization and automation. The nature of the business was such that piecemeal improvements were not a feasible solution.

But in 1965 the company found it could not finance construction of such a plant, particularly in light of the distressed situation of the tile industry and the pessimistic view with which most investors regarded the industry because of Japanese imports.

On June 9, 1965, Mr. Bailey said, employees of the company's tile business totalled 193, and on November 12, 1965, totalled 114. With the exception of approximately 10 employees who were shifted to other business conducted with the company, all of these employees have been laid off.

The case of Paramount Industries is not isolated. In a small industry like ceramic tile, the loss of even a few companies is a major blow. Companies have gone out of business and others have curtailed production and employment—this in the face of a far larger than average increase in the overall market for ceramic tile.

Behind all these developments are some rather devastating figures of a market invaded and taken over by foreign imports. Glazed wall tile imports rose from almost zero in 1947 to 25.5 percent of the domestic market today. Unglazed mosaic floor tile started at zero at about the same time and now stand at 62.5 percent of the domestic market.

And there is considerable evidence gathered by the U.S. manufacturers that shows that the Japanese have taken over these markets by selling at dumping prices substantially below prices for comparable products in their home market, that they have falsified Customs documents to conceal dumping, and that they have misappropriated American brand names and trademarks to hide their Japanese origin. In addition other countries, notably Canada and Australia, have similarly complained of the dumping of Japanese ceramic tile. Australia has already taken action to stop this dumping, and we understand Canada plans also to take similar steps.

What this all means is that something more has to be done to allay the severe effects on workers of a calculated economic invasion from abroad.

One way, we believe, to do this is by effecting a much faster system for detecting and acting on disruptive imports. A complaint procedure, perhaps, could be established directly to the Secretary of Labor when a group of workers sees a threat to their jobs caused by excessive imports of a product. The Secretary would then have a preliminary investigation ordered, followed by a recommendation (if it were so indicated) to the President to temporarily curtail the imports in question pending a fuller investigation. If this had been done in ceramic tile, for instance, the illegal and unfair market practices which allowed the Japanese to take over U.S. ceramic tile sales would never have had such far-reaching effects.

This procedure would assure everyone his day in court, but would do it with mimimum disruption to the domestic industry.

STATEMENT SUBMITTED BY THE UNITED STATES POTTERS ASSOCIATION ON THE IMPACT OF IMPORTS ON THE AMERICAN EARTHENWARE DINNERWARE INDUSTRY, BEFORE THE U.S. HOUSE OF REPRESENTATIVES GENERAL SUBCOMMITTEE ON LABOR, THE HONORABLE JOHN H. DENT, CHAIRMAN

I am John T. Hall, acting chairman of the Foreign Trade Committee of the United States Potters Association offices of which are located in East Liverpool, Ohio, and am President and General Manager of The Hall China Company also located in the same city. I appear here on behalf of the seven member plants of The United States Potters Association all of whom are producers of earthenware dinnerware. These seven plants represent approximately 70% of the dollars and approximately 60% of the dozen of the domestic production in this field.

The United States Potters Association is one of the older trade associations in the United States having its beginning in 1875. The members of the association enjoyed a moderately prosperous existence until the middle nineteen fifties when the impact of imports from low wage foreign manufacturers made itself felt with a vengeance.

Now we all know that we of the United States have long been substantial importers of goods and materials. We have imported raw materials which are not domestically available in needed quantity, and have imported manufactured goods to satisfy a domestic demand for fashion, design and quality. In the past, price has not been a major motivation for importing most goods. However, as inflation has pushed our general price level higher and higher, more and more of our customers have turned to imported merchandise purely and simply because this imported product can be purchased for less money. The evil of this is that it means less production and, consequently, fewer jobs in this country.

First let us examine why the impact from foreign manufacturers was not felt so acutely until 1954. We all know that for forty or fifty years our economy has been based on the philosophy of high wages and high productivity. The desirable effects of this doctrine were clear. It would lead to lower unit costs, increased purchased power, and increased general consumption and market expansion.

Under this philosophy our large mass production industries developed. They felt secure because their unit cost made them competitive with the European manufacturers. However, there were other industries that were not suitable to mass production technique, or at least were still without the necessary inventions to make such production possible. Our industry falls in this latter classification.

The pottery industry has always had an import problem, but this problem became extremely serious four or five years after the war. It was then that the low European wage rates assumed such importance, for our government in an effort to restore the economies of the war torn nations shipped a vast amount of up-to-date machinery, equipment and know-how overseas. This machinery, equipment and know-how has not been sitting idly by, accumulating cobwebs. It is turning out goods that are priced well below ours. How is this possible? It is possible because these countries have never accepted the American wage philosophy. They bought or accepted only half of our system, namely the technological half, but have failed to embrace the higher wages, shorter hours, and better working conditions that are an integral part of our way of life.

A study of foreign pottery practices and wage rates will illustrate why it is no longer a surprise that the pottery industry in this country is not competitive. Many foreign plants are far larger than those in the United States. Several European plants employ over 10,000 men and women whereas, in this country, our largest potteries employ less than 3,000.

Foreign plants utilize the most modern labor-saving equipment, and modern management techniques which have provided our competitors with factories that are as efficient as any in the United States. However, I want to point out that the American pottery industry expends great sums of money for research and development and the improvement of sales techniques and there can be no question that our industry is economically and efficiently operated, and that our employees are as skilled as any in the world.

In addition to these modern, efficient factories, our competitors enjoy wage rates far below those paid in this country. For example, a caster making a teapot in the factories that are members of the U.S.P.A. will earn approximately $3.70 per hour (fringes included). His German counterpart will produce the same number of teapots per day for about $1.06* per hour and the Japanese tradesman will be paid about 36 cents* per hour.

A person running a plate forming machine in the United States earns about $2.95 per hour (fringes included). The operator of a similar machine in Italy will receive 57 cents* per hour, and a Japanese will do the same work for 36 cents* per hour.

The aforementioned examples of the disparity in wages between the American potter and his foreign counterpart illustrate the difference in wages that prevail in all crafts.

Since foreign plants make ware just as efficiently, but pay wages that are only a fraction of what is paid the American workmen, it is easily understood why the members of the United States Potters Association employed 12,000 people in 1948 and have but 4,152 on their rolls now, why the association member plants manufactured 27,466,052 dozens of ware in 1948 and made but 11,126,381 dozens in 1965, why the employees of the member plants worked 25,895,846 hours in 1948 and worked but 6,658,280 hours in 1965. (This is graphically explained by Exhibit 1) and why the United States Potters Association had a membership of 24 plants making earthenware in 1954 and now has but seven members. Those companies that have gone out of business are:

1954—Continental Kilns; Cronin China Company.

1955—Well of California; Crown Potteries Company.

1956—Paden City Pottery Co.; Southern Potteries Co.; American Limoges Pottery Co.

1957—Santa Anita Pottery; Hollydale Pottery.

---

*U.S. Department of Commerce—Business and Defense Services Administration.

1958—Vernon Kilns; Crooksville China Co.; Pope-Gosser China Co.
1959—Steubenville Pottery.
1960—Universal Potteries, Inc.
1961—W. S. George Pottery Co.
1962—Edwin M. Knowles China Co.
1964—French Saxon China Co.

It should be pointed out that with one exception this decrease in membership was not due to acquisition or merger. Sixteen of these plants were either liquidated or went bankrupt. The only exception was that of the French-Saxon China Company of Sebring, Ohio. The Royal China Company of the same city acquired the French-Saxon China Company which was on the verge of bankruptcy in 1964. This plant has seldon run since the acquisition.

The plight of this industry has been recognized by government agencies. The United States Department of Labor, in its analysis, dated April, 1962, entitled, "The Relationship between Imports and Employment," made the following summary of findings, as far as is pertinent herein, at page 74:

"SUMMARY OF FINDINGS

"The competition of increased imports appears to have been one of the major factors influencing the downward trend of recent years in employment and output in the earthenware and household china segments but not in the commercial (hotel and restaurant) segment of the domestic pottery industry. Imports of earthenware and household china rose rapidly between 1954 and 1960 (142 percent and 60 percent, respectively), and increased to a substantial share of the U.S. market (27 percent for earthenware and 90 percent for household china in 1960). The consensus of most manufacturers and importers consulted for this study was that the increases in the share of the market going to foreign suppliers were chiefly due to the substantial price differentials favoring imports, especially those from Japan."

It is simple business knowledge that if several manufacturers of a particular industry go out of that business, normally, the remaining manufacturers of the industry increase their business to about the same extent as that held by the outgoing companies. In the matter under consideration seventeen domestic companies manufacturing earthenware dinnerware went out of that business, between the period of 1954 to date. However, the domestic companies remaining in business not only did not get the business formerly held by the outgoing companies, but their own businesses also declined drastically during the same period.

In addition to the seventeen domestic companies going out of business, during the same period the population of the United States increased; the gross national product increased; the expendable income increased—but the production and sales of the remaining earthenware dinnerware manufacturers decreased. Even if there were no available statistics conclusively showing that all of this additional business went to importers of like and directly competitive articles, our own common sense would tell us that the business is going somewhere, and if not domestically, then it must be going to foreign manufacturers. However, we do not have to look very far or to even stretch our imaginations, because the statistics available to this Committee conclusively show that the imports of middle and low cost chinaware dinnerware and imports of earthenware dinnerware have increased, not proportionally to the factors above mentioned, but, we believe, have actually taken over directly the sales and production of the companies which ceased to manufacture these articles. Furthermore, these same foreign manufacturers have capitalized on the increase in population in the country, and the increase in expendable income, at the direct expense of the remaining domestic earthenware dinnerware manufacturers.

The tremendous drop in employment and production of the American segment of the industry is easily understood. Due to the vast increase of imports from low wage foreign manufacturers, the American earthenware producer is no longer competitive. Imports from low wage foreign countries first absorbed the lucrative department store business, forcing the American manufacturers into the unstable, low profit, high volume, premium and super market lines for this type of operation was not considered desirable by the importer. We now find, however, lower priced imported china and good grades of foreign made earthenware entering this field. Some of the larger super market chains are distributing a good grade of lower priced Japanese China thus eliminating the sales possibility of American made earthenware. Loss of this market could be catastrophic.

In order to seek relief, the Association instituted an "escape clause" action before the United States Tariff Commission in 1962. This action was under the provisions of Section 7 of the Trade Agreements Expansion Act of 1951, as amended. However, before the matter was finally concluded, the Trade Expansion Act of 1962 was passed by Congress. Therefore, our case had to be adjudicated under the provisions of the latter act. The new act instituted new criteria to be met, before relief could be given. The new criteria held that the plight of a domestic company, in order to secure relief, must exist due to increased imports being the *major* factor. The prior act merely held that it must be shown that there was an increase in imports due to a reduction in the rate of duty. The Commission, in our case, held that there was no doubt that this industry was injured, but it was not the *major* factor contributing thereto. It is respectfully pointed out at this time, that no domestic industry has secured relief from the Tariff Commission under Section 301 of the Trade Expansion Act of 1962, to date. The fact that the Tariff Commission offered us no relief because of the new criterion does not obliterate the fact that the industry is rapidly disappearing from the scene.

Gentlemen of the Committee, anyone who faces disastrous import competition immediately senses the source of the difficulty. There is no mystery about it. To deny the importance of wages in the competitive struggle today represents refusal to face facts.

The American wage earners, be they employees or management, do not want something for nothing. They want jobs. These jobs can be provided only if government will institute programs which will insure fair competition for the American manufacturers. Protection for these vulnerable industries must express itself in some method limiting the imports of certain merchandise until foreign wage rates and fringe benefits more nearly equal those of the United States. H.R. 17248 and H.R. 16831 recognize this and the United States Potters Association is happy to endorse these two bills.

Respectfully submitted,

JOHN T. HALL.

Mr. CLANCY. Mr. Chairman, I rise in strong opposition to this bill. Billions of dollars have been expended on this program, and yet it still has not gotten off the ground after more than 2 years. It makes no sense at all to pour additional funds into the poverty program as it is now being administered—or should I say maladministered. The poor, to whom were held out such glowing promises, and the taxpayers, who are footing the bill, have been pitifully shortchanged.

The handwriting was on the wall when this program was first conceived. If you will look back over the statements made by Members on this side of the aisle in the summer of 1964 when the enabling legislation was being considered here, you will see the warnings of waste and rampant bureaucracy that have marked the war on poverty from its inception.

We did not want our predictions to come true, but their inevitability was assured by the incredibly loose drafting of that something-for-everybody bill. It was impossible to understand completely what was proposed in the bill because, to an unprecedented extent, what would emerge in practice would be shaped by the individuals responsible for administering the programs rather than from guidelines set forth in the legislation itself. Another of the many glaring defects in the bill was the attempt to wage war on poverty in the 1960's with discredited weapons of the 1930's.

Since programs undertaken with poverty funds were begun in Cincinnati, I have been closely following developments. Earlier this year, I demanded justification of the proposed allocation of $36,000 by the Cincinnati Community Action Commission for public relations. I pointed out to Mr. Shriver that the needs of the poor are not being served by programs of this type. To me, this proposal was another indication of why there is so much criticism of the poverty program today.

Fortunately, the waste was somewhat trimmed when the board reconsidered its action and voted instead to set up a $22,800 a year program. It should not be necessary to spend even this amount to enhance the image of anti-poverty programs. Nothing beats good, effective work to win good, effective publicity.

Subsequently, however, the city solicitor ruled that the publicity plan vote was illegal since only 11 of the CAC's 38 members were present at the meeting when the program was approved, not a quorum. As a matter of fact, all decisions made at this "no quorum" meeting were declared null and void. During this particular meeting, programs were approved costing a total of $1,837,107. With the expenditure of such a large sum at stake, it would seem the board could at least have waited until a quorum was present before taking such action. In this connection, The Cincinnati Post & Times Star said:

The Community Action Commission now must, in effect, begin all over.

The ruling of the agency's legal adviser, City Solicitor McClain, that decisions made at a no quorum meeting are null and void sets the stage for a complete overhaul of the CAC's operations.

The CAC was created 20 months ago with a board of 15 members. It has grown steadily and now numbers 38. Most of the board members have experience in civic or political life and, on the surface, it appears incredible that the CAC could have made such a miserable record with its twistings and turnings, off-again on-again decisions of recent months.

A major problem is absenteeism. It is certainly true that busy men and women cannot attend every meeting; it is equally true that when 10 or 12 members make a decision, there is no evidence that this is

a majority view. Either the majority quorum rule must be respected or the CAC should invite the perennial absentees to retire . . .

The CAC has the direct responsibility for the prudent and useful spending of $5 million or more in tax funds annually in this area. Some of the spending ideas proposed by the director and staff would be tossed out summarily as "boondoggles" if laid before any local government where the officials are directly responsible to the voters. One example is a work experience project for 200 unskilled men to be administered by a staff of 54, starting with a $14,000 a year chief.

The pulling and hauling over a well-financed public relations department and over the adoption of a political activities ban for anti-poverty employees are well-publicized controversies in which the fraction present at a particular meeting spoke for the CAC.

And while I am quoting from the Cincinnati press, I would like to call to your attention some editorial comments from our city's other respected newspaper, the Cincinnati Enquirer, under the heading "It's Past Time To Review":

There is a job that CAC should be doing. The Enquirer believes that both the job and the general public (which is footing CAC's bill) should be getting a far better shake than they have been getting.

The Community Action Commission has, on at least two rather noteworthy occasions, found itself going in several different directions at the same time—then met itself on its return. We mean its indecision first on the matter of an expenditure of $36,000 for an improved public relations image, and second on the involvement for war on poverty staff workers in political activity.

The editorial continues:

It is galling to know that some of the decisions of CAC are made by as few as 13 of the 35-member board. We have been frankly amazed at the lack of singleness of purpose.

* * * Despite the fact that it depends solely on the public for its being, and despite the fact that it is the public it is supposedly serving, CAC has expressed the wish to hide behind the veil of its charter as a private, non-profit organization to hold some, or all, of its sessions in private.

Its intention would be to hold the meetings and then let the public know what it has done—maybe—by calling a press conference.

We wonder if there is something about the proceedings that CAC finds necessary to hide, or whether it is trying to engage in a news-management operation all of its own.

In the past several months I have been endeavoring to make a comprehensive review of our local poverty program. In view of the fact that millions of tax dollars had been expended in the Cincinnati area and 2 years had elapsed since the inception of the war on poverty, I thought it essential to ask for an accounting of what has been accomplished by the numerous projects in the Cincinnati area.

I contacted the executive director of the community action committee, the director of welfare for Hamilton County, and school board officials in an effort to obtain a complete picture of tangible results achieved by the program. I must confess that I did not have any great expectations, but I was certainly hopeful that some concrete achievements could be recorded. Unfortunately, even my limited optimism was unwarranted. The director could not name one family removed from welfare rolls as a result of this program.

When making my inquiries I expected to be informed that at least a few families had been taken off the welfare rolls and that welfare costs were lower now than before inception of the poverty program. I expected that since 3,000 youths have been employed in the Neighborhood Youth Corps, the number of high school dropouts would have decreased, for it is my understanding that "the Corps seeks to assist and encourage young men and women to stay in school full or part time."

I was advised instead that whereas total expenditures of the Hamilton County Welfare Department in 1963, before the poverty program, were $22,487,002.59, they rose to $25,633,566.24 in 1965, an increase in excess of $3 million. I also noted that the total staff numbered 453 at the end of 1960 and had jumped to 749 by the end of July 1966.

In 1963 the number of children 6 to 17 years of age who were not in the Cincinnati public schools totaled 1,580. This year, according to data I received this month in response to my inquiry, 2,718 children of school age were not attending school. And figures furnished me by the Hamilton County Board of Education indicate that the number of students dropping out of school is going up instead of down.

Most appalling to me was the information—or should I say lack of information—I received upon making an inquiry as to the results of sending 368 Cincinnati area youth to Job Corps centers. My inquiry revealed that local poverty officials have no idea whatsoever what became of the youth who were accepted into the Job Corps; they simply cannot account for them. We do not know if these boys and girls were eventually placed in permanent employment, if they entered the armed services, if they returned to school, or if they ever got to the center in the first place.

Even the poverty warrior who was asked for the Job Corps information conceded that the existing system is not a very good one. To my way of thinking, it is not even a system at all if the youth are lost track of completely when they leave Cincinnati. How are we to gage the results of this program if the youth are never heard from again? Considering the investment of more than $9,000 for each enrollee, OEO should be able to keep better records.

In pointing out these deficiencies, I am not unaware that an undertaking of this magnitude would inevitably encounter difficulties in the beginning. But after 2 years and the appropriation of $2⅓ billion, abuses, scandals, and waste are mounting and no significant corrective changes have been made in the legislation.

I do not say that nothing good has come out of the expenditure of this large sum. The Headstart program has made some strides but, here again, it seems that even the program called the most successful in the war on poverty is becoming mired in bureaucratic confusion. When we balance accomplishments and failures there is not much that can be put on the achievement side of the scale. If politics had been kept out of the poverty war, I think the record would read a lot better.

We did not expect miracles, but we are entitled to expect some concrete achievements. Instead, we have needless duplication of existing private, State, and Federal programs, extravagant mismanagement, inexcusable instances of extremely poor judgment and mounting scandals. For these reasons I will vote against the bill today.

Mr. IRWIN. Mr. Chairman, in my own backyard in Bridgeport in Connecticut, we have under the auspices of the local antipoverty agency—ABCD—as exciting an illustration as there is anywhere else in the country of the value and validity of the Neighborhood Youth Corps as an idea and as an activity.

In this respect, superintendent of police, Joseph A. Walsh, has said, and I quote:

We believe that the ABCD Neighborhood Youth Corps has been a major factor in helping to reduce juvenile crime. Without the efforts of the ABCD Neighborhood Youth Corps in getting hundreds of young men and women off the streets and into productive work, the Bridgeport crime rate might have far exceeded the 6% rise registered on a statewide basis over the past year.

But the effect of the ABCD Neighborhood Youth Corps which is directed by Charles Tisdale and his deputy, James L. Carroll, and the Catholic Youth Organization Neighborhood Youth Corps, directed by Rev. Louis A. Deprofio goes beyond a contribution to crime reduction.

During the summer of 1965, 360 young men and women were assigned by ABCD to jobs in such participating agencies in the Greater Bridgeport region as the YMCA, the YWCA, the Boys' Club of Bridgeport, the department of public purchases, the board of education, the Archbishop Sheehan Center, the department of parks and recreation, the Council of Churches, Goodwill Industries, and the International Institute.

These 360 young men and women were chosen from among 1,295 who clamored to get into the program. They variously served as everything from clerical aids and assistant zookeepers to carpenter, glazier, library, and recreational aids—and as operators of mimeograph and adding machines.

The 160 enrollees of the CYO Neighborhood Youth Corps program had jobs in the local hospitals, libraries, and schools. They performed such functions as nurses aid, emergency room and ward assistant, and clerical aid. Such employment meant that 50 percent of the school dropouts in the program were placed in permanent jobs with a future. And many of them returned to school in the fall.

More than 200 of ABCD's enrollees started savings accounts for the first time: One young man, as a result of exposure to office procedure, enrolled in a correspondence course in accounting. Thirty-five young men and women, who were school dropouts, were persuaded to resume their studies—and 10 borderline cases similarly returned to the classroom in the fall. This year's program shows both an increase in scope and variety in the kind of benefits the enrollees receive.

This year there are 700 of them including 150 dropouts of the hard-core type. They have been again selected from among the most disadvantaged youth in Bridgeport—a point confirmed by the fact that at a single high school—Bassick—the vocational guidance counselor identified 324 young men and women as eligible under the OEO poverty index.

Now when we combine last summer's ABCD program with that of last fall and of this summer, we find that more than 1,100 youth have been or are enrolled in Neighborhood Youth Corps and we have the following gratifying and even startling results:

Seventy-five school dropouts, with work experience and discipline gained from the Neighborhood Youth Corps, were placed in full-time jobs—some as drill press and grinder operators and in machine servicing apprenticeship training programs in Avco, Lycoming, and National Cash Register; others were placed as machine servicing apprentices in the Coulter & McKenzie Co., and others in State and municipal civil service categories ranging from highway maintenance to record filing. The Connecticut National Bank has hired three teller trainees from the ABCD Neighborhood Youth Corps, and the Howland Dry Goods Co. another three as tabulating machine operators. In the current program, two are enrollees training as IBM operators; five as mechanics' assistants at the Bridgeport airport, eight as firemen aids, and the list further includes four exterminator assistants and a key punch operator.

Typically, too, five unwed pregnant mothers were taken off the welfare rolls and trained as clerk-typists and placed in jobs: Seven parollees from the Connecticut Reformatory at Cheshire are getting a new lease on life in the Neighborhood Youth Corps—two of them have already been placed in jobs, and one of them returned to Cheshire as an "incorrigible." A young Neighborhood Youth Corps resource person, Alfred Ribot, was selected as one of the seven in the Nation to receive the Sargent Shriver Scholarship sponsored by the Institute in International Living and is now in Calcutta studying the lower depths of poverty at firsthand.

Central to the success of the Bridgeport ABCD Neighborhood Youth Corps is a system of ABCD intensive 1 to 1 counseling under which each enrollee receives 2 hours a week of highly personalized attention focused upon his career plans, his aspirations, his educational needs to prepare himself for something more than casual jobs with their lack of future.

Perhaps even more important are the group counseling sessions in which enrollees frankly exchange their views and their experiences. As a result of this counseling technique, the enrollees have formed in their own "pockets of poverty" areas their own Neighborhood Youth Corps councils. These deal with such neighborhood problems as improvement of cultural and recreational facilities, traffic control and other questions with which the Youth Corps enrollees are concerned as aware and responsible young citizens.

The ABCD Neighborhood Youth Corps counselor, frequently a public school teacher, is recruited from the six ABCD neighborhood "pockets of poverty" target areas. ABCD has found that such a counselor tends to have empathy and understanding. Since he has conquered environmental handicaps confronting the impoverished youth of Bridgeport today, he is regarded within the areas a "somebody who has made it," and, therefore, exerts the influence of example upon the youthful residents with whom he comes in contact.

This year the ABCD Neighborhood Youth Corps has been experimenting successfully with a unique educational component designed to stimulate the interest of the students in a special curriculum for which 250 Neighborhood Youth Corps youth have enrolled and which is financed through title I funds under the Connecticut State Disadvantaged Children's Act. For 2 days a week, and without pay, the enrollees attend courses which include communication and language skills with special reference to vocabulary building and diction; training in business procedures, typing and clerical skills, and other subjects.

Recently ABCD Chairman Leete P. Doty congratulated the enrollees for "their initiative and extra effort in participating in this program without pay and on your own in order to develop your talents."

Bridgeport's mayor, the Honorable Hugh C. Curran, has told the ABCD Neighborhood Youth Corps that they are "learning and having a good time of it." He has called the program a "highly valuable experience."

The response to this special educational program has been far beyond anybody's expectations in terms of the progress made and the diligence displayed by the 250 Youth Corps enrollees.

Moreover, in accord with the ABCD doctrine that the beneficiaries of antipoverty funds should be given every opportunity for upward mobility, an increasing number of Neighborhood Youth Corps enrollees are now being referred to the vocational opportunity center which is an open-door program offering courses in electronic assembly, health and hospital services, welding, industrial maintenance, and hotel and restaurant work together with crash courses in mathematics and the communication skills.

This vocational opportunity center is a joint enterprise of the Bridgeport Board of Education, the Connecticut Department of Education, and ABCD. It has been designed to train both young and mature men and women in those skills now in demand in the Bridgeport labor market.

The Neighborhood Youth Corps enrollees at this center obtain simulated on-the-job training along with intensive classroom instruction in everything from reading a blueprint to neatness of appearance. The training received from the Neighborhood Youth Corps and in the vocational opportunity center provides excellent preparation either for a specific job in industry, commerce, finance, or in public service areas, and also serves as prologue to direct on-the-job training which ABCD is emphasizing as a part of its projected manpower development and employment program.

This program seeks to encourage upward mobility among the 1,450 unemployed youth in the 16 to 21 age bracket in the Bridgeport area, along with adult employed and underemployed. It will coordinate the activities of the Neighborhood Youth Corps with those of the Connecticut State Employment Service, the Youth Opportunity Center, and ABCD neighborhood offices and multiservice centers, the vocational opportunity center, and the youth employment and information center, together with other institutions and agencies to make available the widest feasible spectrum of training facilities, both institutional and on the job. Here again the accent is upon motivation, counseling, guidance, and followup to place the individual, who too often regards himself a reject of society, into the mainstream of economic activity. In short, the Neighborhood Youth Corps in Bridgeport, does more than pay wages to improve the earning power of low-income families, to encourage the completion of schooling or to instill habits of discipline and pride in work. The ABCD Neighborhood Youth Corps is not a handout but a handup. It is an opportunity-oriented program not a venture in philanthropy. It is a first, solid rung on the ladder of continuous improvement of the individual's capacity to educate himself further, to acquire a salable skill and to keep moving up on the socio-economic ladder.

Mr. RANDALL. Mr. Chairman, I am one of those Members who supported the poverty bill in 1964 and again in 1965. The other day I took the time to go back to check my remarks made prior to the passage of the bill in 1965. I find that I had doubts then, but remained willing to give the program a chance to work. We heard the argument then that the program had to go through its period of "growing pains." Maybe that was a valid argument in 1965. That excuse, however, is still the same one being offered in 1966 for the errors and failures of the poverty program today.

No one can be against the lofty purpose proposed for the program in 1964, and offered again as the objectives in 1965, and now once again announced as the purpose of the 1966 Economic Opportunity Amendments.

To put the matter in different language, none of us are opposed to a poverty program per se. We certainly are opposed to the manner in which this program has been managed, or, to use the more accurate expression, mismanaged. We all know about the excessive administration expenses and salaries which are all out of proportion to the small part of the money that finally goes to the poor. There are far too many supergrade positions. In the Department of Defense there is about one supergrade position to about 1,000 civilian employees. In the Office of Economic Opportunity there is one supergrade position to less than 25 employees.

The bitterest critics of the program have described it as the most ingenious

and grandiose program of giveaway of all time, exceeding even the foreign aid program. I have not had the opportunity to devote the time, or had the means to study all of the operations of the program to an extent that I could agree with this charge. But I can agree and do know that much of the criticism that has been leveled against the program is well taken. If the program had, in fact, worked well for our district, and had been managed well, then surely sometime at some point preceding debate on this bill, we would have received substantial correspondence in support of the program. As it was, the only voice of support came from those working on or for some of the individual projects of the poverty program.

In the early summer I mailed out about 55,000 opinion polls, or questionnaires. Contained in the poll were four questions relating to the poverty program. The first question asked whether our people would favor an increase in appropriation for this program. Only 4 percent responded in the affirmative; the second question asked whether they approved an appropriation of an equal amount for 1966. Twenty-two percent answered to this choice of alternatives. The third question asked for views on a decrease in poverty appropriations. Thirty percent responded in favor of a decrease in the appropriation. Question four inquired about abolishing the program. Forty-two percent were in favor of suspending the program in its entirety.

A further analysis of these responses will show that a total of 72 percent were in favor of either decreasing or abolishing the program while only 4 percent were in favor of increasing the appropriation.

Now, Mr. Chairman, the question could be asked how is it possible for a Congressman to oppose a program that has channeled some money into his congressional district and which holds the promise to continue to allocate money to his congressional district. My answer is that somewhere along the line, the time must come when a Member of Congress must look not alone at the opportunity to "point with pride" to the money allocated to his district, but must face up to stern reality and be willing to recognize the necessity to "view with alarm" the manner of management, or mismanagement of the use of such funds as well as their inflationary effect at a time of full employment.

I supported what has been described as the opportunity crusade, by the gentleman from Minnesota. I think, however, it should be made very clear that the minority party enjoys no monopoly on the philosophy contained in such a proposal which was the essence of the motion to recommit. I can say this because the files in my office will show that as early as last May when we began to receive mail in opposition to the poverty program, I said again and again in answer to letters and countinued on through the summer to say that there were some good projects or accomplishments under the poverty program. I said in my letters there was no reason to abandon all of the projects under the Office of Economic Opportunity. But I made it crystal clear that these good projects should be retained and perpetuated under the old established departments of Cabinet-level rank or individual agencies, or among long-established independent agencies and that the rest of the program should be discontinued along with the Office of Economic Opportunity.

The policy committee of our friends on the other side of the aisle finally, in August, got around to a public pronouncement of the identical proposal my office had made in May. I mention this only to make clear that some of us who believe there may be good projects in the overall program, also happen to believe very strongly there should be retained and run by the old established departments and the other projects abolished. We had advanced these views long before the Johnny-come-latelies, who now offer their plan as a substitute for the so-called war on poverty.

Now, Mr. Chairman, I recognize there are pockets of poverty in this country of ours. But the way we are going about the elimination of poverty under this present program is not the sensible way. To state the matter differently, there is a right way to fight poverty and a wrong way, and I submit that we have been going about this the wrong way.

As a Member of Congress I have tried to eliminate poverty by supporting the elementary and secondary education bill as well as the manpower retraining legislation. Over the years we have supported the public works program and the economic development bill, as well as the Area Redevelopment Act and the accelerated public works program. But, bear in mind these programs provide payrolls for productive work performed. These wages had a quick feedback directly into the economy. All of these programs had one outstanding difference or distinction from the poverty program in that they were an investment in the future of this country.

Each of these programs was a permanent investment rather than a makework project without any lasting or permanent value. It seemed to me that by means of these investments we had the sensible way to attack poverty, rather than by the high salaries paid to social workers who would gather themselves together to sit down to figure out schemes for new projects that far too frequently inspire the sharp criticism that has been directed to the Office of Economic Opportunity.

The mail coming into our office over the past year has again and again stated the program has let our country's poor people down after giving them clever slogans and false promises. False promises are worse than none at all. If the war on poverty had been built around a series of tough, meaningful programs, to be carried out by the appropriate established agencies, then today these expenditures would be producing some results. No one can say the poverty program has been lacking in funds. There is enough money which has been incredibly misspent. If this money had been well administered, none of those who now claim the defense of "growing pains" would have to interpose such a defense. The truth of the matter is much of the money is not really benefiting the poor but is for the benefit of the administrators and social workers who are at the top of the program.

Some of the most critical mail that I have ever received in my office has, had as its subject matter, the LeRoi Jones Black Arts Repertory Theater in Harlem. Some of my constituents observed that if their Congressman could support a program of this kind, then he should also ask for a project to be established to teach constituents how to hate a Congressman also could authorize money for the LeRoi Jones Theater to espouse the hating of white people.

When I complained to the OEO about LeRoi Jones I received only a very weak apology to the effect that the central office of OEO had no control over the program which was approved in Harlem. When I complained again about this antiwhite hate theater the central office from OEO finally came around to the admission that the Harlem theater was a mistake and that Jones would get no more money. Yet remember, he had received a grant of $40,000 as originally reported but in the debate of this bill on last Tuesday it is suggested the total grant was actually $115,000.

One of the noble and lofty innovations which was made a part of the original legislation was the participation of the poor at the policymaking level. I now must question whether this arrangement has worked successfully. Certainly it is now in order to ask the question "How can it be expected the poor can suddenly become able to manage the affairs of their fellows, when they have not been able to manage successfully their own affairs?"

For fear of leaving the impression that all of those who have to do with the administration of the poverty program are lacking in good intention or without dedication, I think I should correct that by saying that we have a well-managed regional office at Kansas City, Mo. I single out for praise the work of the top administrator of that office, Don Thomason. He is not one of those whose salary was doubled when he took his new job. He is a good administrator. He had held important posts and had a proven record in management and administration. He was at one time a commissioner of agriculture of our State and managed one of the largest and most successful State fairs in the Nation. My hat is off for his efforts to try to improve the poverty program and to do his level best to correct the errors and omissions of the various projects and programs. In every instance when I have complained to him he has given me a straightforward and honest answer and not the kind of weak and apologetic answers I have received from others.

There is one other thought that should be included in these remarks when considering the reasons why the poverty program should be reduced. We hear a lot of talk about inflation. Who can deny that the spending provided by the poverty program, no matter how worthwhile

the objectives may be, contributes to the inflationary process? Right on the heels of this question, is another inquiry that must be answered—how can we square a program of this kind at this time when there is full employment during a time of prosperity. Quite a lot has been written about the Watts riots. It has been said there might be a repetition of these riots if the poverty program in that area was not beefed up or expanded. The harsh facts are that at the time when the Watts riots occurred there was page after page of help-wanted ads in the Los Angeles newspapers. This brings us right back to the proposition that the best way to cure poverty is to spend money on education, housing, and public works, to provide employment and the means for permanent employment and which result in permanent investments or things of value for the future rather than simply putting some money for a time in the hands of those who do not seem to want to accept work when it is offered.

All of us should remember as we vote on this program this year it is against a background of full employment. We must also remember that we are at war in southeast Asia. Surely one war at a time is enough.

Mr. FOUNTAIN. Mr. Chairman, the day is long past when any thinking person can regard poverty as a problem which affects only the impoverished. Poverty and the various factors which create and nourish it are unquestionably a national problem.

I do not think many people question the fact that appropriate and proper assistance to those who legitimately need it and can benefit from it is an investment—not a gift. Antipoverty programs can and should enable those participating not only to obtain more of the benefits of society but to make a far greater contribution to it. This is unlikely to be accomplished, however, unless such programs are wisely planned and carefully administered, so as to truly help people to help themselves.

Some programs carried on as a part of the so-called war on poverty have accomplished worthwhile results. They have been described already during this debate. Unfortunately, because of so much unwise planning and inexcusable administrative blunders, the successes have been overbalanced by failures, and the results of a $200,000 investigation of the program have never been disclosed.

In North Carolina, for example, a man still on parole from two life sentences and three 30-year prison terms was employed as business manager of a federally financed Headstart program with the full knowledge of officials of the Office of Economic Opportunity. In fact, the evidence indicated that OEO officials persuaded him to take the job. Moreover, after the situation was disclosed by a television station, OEO officials publicly defended the hiring of the paroled man—so paroled, incidentally, that he was not permitted to leave the county of his residence during the term of his parole.

OEO Director Sargent Shriver reprimanded the OEO officials concerned and promised that action was being taken to prevent any similar occurrences in the future. However, the North Carolina situation is only one of too many instances in which extremely bad judgment has been displayed.

It is inconconceivable to me that any competent subordinate could make the error made in the North Carolina case and still retain his job. Then, after making the mistake, and while I was awaiting an explanation from OEO Director Shriver, they went to all lengths through the press to defend the appointment. In fact, they almost bragged about it by saying, in substance, that it was the proper thing to do since the man himself was being rehabilitated.

The known facts concerning the so-called antipoverty program disclose beyond any question entirely too much waste, as well as politics, and too much confusion. Primarily I believe OEO programs are unnecessarily duplicated or overlap programs being carried on by other Federal agencies. What disturbs me as much as anything is the fact that the program does not seem to be helping people who need help. Although one-half the poor people in the country live in the rural areas, only 10 percent of the poverty funds have gone to rural areas.

One of the basic defects in this legislation is the fact that it gives what we in the Congress have too often given to executive agencies—a blank check for all kinds of programs. Once committed to what OEO has started, good or bad, it is hard to do much about it.

In fact, this legislation now gives the Director of the "war on poverty" almost unlimited authority to use tax funds to support private activities, organizations, and institutions, including churches without strict accountability of funds. Where does the Congress get the right to grant such authority to anyone?

It has already been established that a large percentage of the funds goes to pay salaries of officials at all levels, with too little getting to the poor. This year, salaries of Federal office holders alone will total over $57 million, and 1,557 of the Federal poverty employees will get over $10,619.

At least another $150 million will be spent for redtape administration in Washington. Of course, if people are employed to do a job they ought to be paid, and paid adequately. What I question most about employees are the numbers employed, the titles used, and the total money spent.

The Job Corps and other youth programs, in my opinion, could be run far more efficiently by local and State school systems. At this time the Job Corps is costing between $9,000 and $12,000 per boy or girl for 1 year. What is worse, however, is the fact that it has a very poor record of preparing them for jobs. It is time we realize that the poor want jobs for which they can qualify. They need training, often in the most basic skills. Yet, provision for occupational training and basic education is not required.

In the present Neighborhood Youth Corps, only 10 percent of enrollees receive training. As someone has already asked: Will 90 percent of the Neighborhood Adult Corps enrollees be similarly neglected? In fact, very few young people who need this help are getting it. Twenty seven thousand enrollees from all over the country is only a drop in the bucket.

Having spent over $2 billion in 2 years, the war on poverty apparently is not able to produce a single person truly lifted from poverty—unless it is one of the higher paid officials.

According to Health, Education, and Welfare Secretary Celebrezze in 1964, the Federal Government spends over $30 billion each year on programs to prevent poverty. Is it not the sensible thing to do—to improve these existing programs, instead of continuing a futile and failing "war on poverty" under the Economic Opportunity Act? A proper redirecting and better use of existing programs seems to me to be the best approach.

I had mixed emotions about this program when it first passed the Congress. However, when certain amendments were adopted—such as the one giving each State Governor a veto, and when seemingly reasonable policy commitments were made by the Kennedy administration—many of us were hopeful that this experiment would pay off. Even before the first appropriations were voted, it became obvious that OEO would use a blank check and embark upon too many things at too high a cost with too much duplication of existing programs.

It soon appeared to me that the Congress should "stop, look, and listen" to see what it had done and where it was going. It still is not too late to do this.

My concern and your concern, I believe, is for our less fortunate citizens—although frankly I have never appreciated describing them as in poverty because in so many ways, other than material, many of them are the richest and finest people I know. With proper study planning and effort much of the antipoverty program might still be salvaged and made a serviceable tool for helping the poor, but the Republican substitute is not the answer. If adopted, before it has run its course long, it may well cost far more money and result in even more abuses than the present program.

In fact, to even talk about transferring the "Headstart" and other educational programs to the supervision of Commissioner Howe is like waving a red flag in the eyes of a bull—so far as my people are concerned. We have had enough of his so-called educational guidelines which he and his agents have used to exceed the authority granted him by any law, including civil rights.

I have already seen programs under this act held up by the OEO Director until his board of bureaucrats were satisfied that a particular percentage of integration had been effected or a particular school building used. Our people of both races have adjusted themselves to desegregation, but they will never accept "forced integration." They have accepted "freedom of choice." What is more democratic?

If this program is to continue, maybe the Headstart and other portions thereof

ought someday to be under the jurisdiction and supervision of the Office of Education, but not until that agency is headed by a commissioner and staffed by human beings who know something about the facts of life, people who will abide by the letter and spirit of the laws they administer. This they are not now doing. They are ignoring title VI of the Civil Rights Act of 1964. They have made their own law, and called them guidelines.

Thus, I cannot support the substitute in the form of a motion to recommit—even if on its face it appears to cost less. I am afraid the substitute is just an excuse for some to avoid giving appearances of being against the fight to eradicate poverty. We all want to help the poor. We also want to help them to help themselves. Federal, State, and local governments and private agencies and institutions are annually spending billions of dollars in a multitude of so-called anti-poverty programs. If these could be better used and coordinated and more sharply aimed at the prevention, as well as the elimination of poverty, such legislation as this could be avoided.

Under existing programs—Federal, State, and local—the first need of the poor is a decent job. Consequently, it is imperative that we improve present efforts to help unskilled, unemployed, and underemployed citizens.

We need to reexamine and reevaluate all related programs, especially the welfare and educational ones, to determine whether or not they are accomplishing their goal of reaching the right people in the right way at the right time in life.

In my opinion, neither this legislation nor the substitute proposed, is the answer to the problems of the poor. We will never solve the problem, but we can help alleviate it if we will sincerely take the kind of inventory needed to determine the responsibilities of everyone in both the private and public sectors, and then in an orderly, nonpolitical way, take such steps as are then necessary.

JOB CORPS

Mrs. MINK. Mr. Chairman, Job Corps is more than a symbol of our commitment to the war on poverty. It is tangible evidence that we are willing to face the challenge of helping the young men and women who are in the greatest need of special educational programs.

Job Corps seeks to help those whose horizons have never had the opportunity to rise above the enervating conditions of poverty. Those whom the program seeks to help are school dropouts under the age of 22, who are unemployed but willing to improve their job opportunities.

Job Corps is not just job training, however; it is also a special educational experience. In these centers, corpsmen are given courses in reading and arithmetic to improve their job qualifications, and to bring their reading skills up to a level commensurate with their expectations for future employment.

One of the most valuable features of the Job Corps is the experiences the enrollees gain of living with persons of different backgrounds. For the boy from Harlem it may be the first time he has ever spoken more than a few words with a white boy of the same age. The experience of living together at a camp can show these youths that poverty is not in and of itself discriminatory.

The Job Corps centers afford these young people a different environment from their original ones. The corpsman gets a chance to see an entirely different part of life. The broadening of horizons that takes place in the camps is most valuable in the development of young people's capabilitiy for insight into themselves and other people.

What greater tribute to Job Corps could there be than the fact that so many corpsmen have decided, after completing their Job Corps experience, to return to school? They were all school dropouts. With the sound environment in which to study and learn that has been provided them in the corps, OEO has shown that their early educational disadvantages can be overcome and that these young people can be saved and directed to more productive lives.

Many citizens have made much to do about the disciplinary problems among Job Corpsmen. Those who assail the program on this account should consider how many of the corpsmen have come from broken homes or homes whose chief wage earner is chronically unemployed.

In fact, considering the circumstances from which these enrollees come, disciplinary problems have been relatively few. I think that we should express our surprise that Job Corps has done so well in this area, rather than indignation that a few outbreaks have occurred.

The money spent on Job Corps now will produce great national profits in the future. Every corpsman who becomes fully employed will pay taxes. Most likely, he will be a much more responsible citizen—with a job, he will be much less likely to get in trouble with the law.

Finally, the fact that the entire Job Corps program is voluntary must be stressed. Unlike the usual educational environment for these young people, Job Corps is not a place where they must be every day. They are in the Job Corps because they want to be. The element of real maturity which it takes to make a decision such as the choice to go to a Job Corps camp, is something deserving of high praise. It represents a decision to stop just hanging around the corner, a decision to stop drifting. It represents a decision to get out of the vicious cycle of poverty.

I take this opportunity to pay special tribute to these young people who have completed their training at the centers and express the hope that they shall continue to meet with similar successes in the future.

LEGAL SERVICES FOR THE POOR

Mr. Chairman, the legal services program of the Office of Economic Opportunity is essential in educating the poor as to their basic rights.

The poor are much affected by the laws which we pass, much more than they realize, but because of their limited educational backgrounds or because of other deprivations which they have suffered, they are not aware of many of their rights under the law. Too often they see the law as a hostile force which evicts them from their homes or garnishes their wages without their being adequately informed or adequately represented.

There are many courts, in our large cities especially, in which civil cases involving the poor are litigated with no attorney representing the poor. Since our system of justice is firmly based on the idea of advocacy in adversary proceedings, how can we say that justice is achieved when both sides are not represented in the courtroom?

The legal services program of the Office of Economic Opportunity has provided for this lack. OEO grants to local legal aid societies, in cooperation with State and municipal bar associations, have expanded the services which attorneys can render to those who cannot afford to pay for legal fees. Careful guidelines for the administration of these funds are in effect.

The fact that the volume of cases processed under OEO funding has greatly increased should not be viewed with alarm but with hope. I say this because we must honestly realize that the poor can only escape from poverty as they escape from the jungle of housing codes, unscrupulous installment contracts, and other legal mazes which only lawyers can assist them with.

We must also realize that this poverty problem of ours needs attention of a scope equal to its magnitude. Attorney General Katzenbach has remarked that by cutting off the poor man from our society, we make him a "functional outlaw."

In my own State of Hawaii, an OEO grant of $163,445 has made it possible for the Legal Aid Society of Hawaii to expand its staff attorneys from two to six. No longer is there merely one crowded and understaffed office in downtown Honolulu. Offices have been opened in several low-income neighborhoods. A staff lawyer from the Legal Aid Society spends several hours each week at scheduled times in the local neighborhood itself.

But it is not only in courtroom representation that the legal services program is vitally important. So many problems can be, if not solved in advance, at least anticipated. Under the preventive law programs of OEO, the poor can understand how the law affects them, and how they can improve their condition through standard legal procedures. An example of this type of program can be found in the District of Columbia program which has issued an illustrated brochure for residents of low-income neighborhoods concerning legal problems common to the poor.

I would hope that we can see the expansion of this extremely worthwhile program in the years to come. What is provided today in H.R. 15111 is the very least that we must have to retain this great effort to uplift the poor.

Mr. MATSUNAGA. Mr. Chairman, I rise in support of H.R. 15111, the Economic Opportunity Amendments of 1966.

We have been called upon this week to carry forward the task of eliminating

the blight of poverty which scars this land. If we are to realize that great American dream, every citizen must be given the opportunity to live in decency and dignity, which can result only from a good education and steady employment. The Economic Opportunity Act of 1964 has been a step in this direction. Now we must enlarge those components of the program which have been the most successful. The Economic Opportunity Amendments of 1966, as set forth in H.R. 15111, are substantially directed toward this goal.

The best attack on the poverty cycle has been provided by such programs as Operation Headstart, which aims at reaching the 3 million children who come of school age each year, never having seen a book, and further disadvantaged by nutritional and health disabilities. Supplying additional funds can weigh the balance in their favor toward a meaningful education and future. As a two-summer program, Headstart directly affected the lives of more than 1 million preschool children. Headstart followthrough and year-around programs have reached over 200,000 children.

Next, we must financially strengthen the Neighborhood Youth Corps, so that it will be able to meet the growing demands placed upon its resources. The Corps' aid program in providing for useful employment and earnings for young people 16 through 21, which enables them to finish their education, can be their only key to a diploma and future success in life. And, finally, though by no means the last of fruitful projects undertaken by the Economic Opportunity Act, we must recognize the vital role played by VISTA, Volunteers in Service to America, and grant them the tools to continue their efforts against poverty. There are now 2,236 VISTA volunteers in service in 47 States and the District of Columbia. Not only are these young people rendering a great service in the war on poverty, but they are receiving training which will prepare them for leadership in government at the Federal, State, and local levels.

The emphasis on job training for adults must also be increased, especially those hard-core chronically unemployed, who have been overlooked by both public and private employers. The jobs we provide for them must become a means of developing their career potential, so that they will be able to seek opportunities which will better their positions in life. There are now 475 projects which have been approved, involving over 134,000 hard-core unemployed adults in work experience programs.

Community problems, both urban and rural, must be dealt with, and if necessary, new approaches developed to solve such chronic problems as narcotic addiction. The legal needs of the poor must be met if the injustices that often accompany poverty are to be combated. And, we must make an effort to curb adult illiteracy, which feeds into and prolongs the poverty cycle.

It is toward these goals that the Economic Opportunity Amendments of 1966 are directed. Adoption of the amendments would mean the continuance of a national program which in less than 2 years has served more than 8 million Americans.

Mr. Chairman, the war on poverty must be continued with renewed vigor. I urge wholehearted support for H.R. 15111.

Mr. VIVIAN. Mr. Chairman, each year, my State of Michigan employs some 20,000 migratory workers in agriculture, the second largest industry of the State. Some 40,000 men, women, and children travel to the State early in the year to work in fields and packing sheds, and return South after harvest time. Prior to 1964, Michigan employed both citizens of Mexico and also Spanish-speaking Texans. Since, the only migratory workers legally available are from Texas.

Until last year, virtually no community services were available to the migrant families. But in 1965 one of the first programs funded by the U.S. Office of Economic Opportunity on its inception was to Michigan Migrant Opportunity, Inc., to permit the organization to establish services for migrant families in five areas of the State, including part of my district.

The key effort under this program, Mr. Chairman, is education of the children of present and past migrant families who often have or had little formal school opportunity. As you know, many of these children leave school in the spring and follow the crops. Therefore, although most American children are in school 9 months of the year, most migrant children receive only 6 months of schooling, or less.

Now, through the OEO migrant program, these children are being educated in my home State during the summer months, to supplement the incomplete education they receive during their brief winter stay farther South. With improved educational attainments and exposure to other work and living patterns, many of the children will be able to break away and escape from the cycle of poverty which enmeshed their parents and grandparents.

The migrant program also now provides day care for the younger children, so that while the parents and other older children are at work in the fields during the day, the young children will be safe. All too often in the past, migrant children have been left locked in cars, or in the dubious care of 7- and 8-year-olds, while their parents worked.

A third important aspect of the MMOI project is education of adult migrants and ex-migrants. Many of the older migrants know little of the English language; some are illiterate. Now, for the first time, they are being given the opportunity to learn to speak, read, and write English and Spanish. In this way, they are being prepared for adjustment to and acceptance in local community life, and for better paying jobs. With increasing automation of the farms, soon many will find it difficult to retain work in agriculture. Vocational training under the manpower training program will help them find new job opportunities.

The entire OEO migrant program in Michigan cost about $1,300,000 last year, Mr. Chairman; but its efforts are worth a great deal, too, to both the people affected, and the communities in which they stay.

I support the program strongly, Mr. Chairman, and ask its continuation. I expect the local leaders of the program to make every effort to assure that every dollar spent produces a dollar's worth of benefit to our wide community of peoples. And I hope that every local resident and migrant will complain constructively when errors are made. But it would be most shortsighted of us to let this program die, by irresponsible disinterest or misplaced economy.

Mr. PHILBIN. Mr. Chairman, while there is opposition to this bill and complaints about its administration, I am convinced that the American people as a whole are anxious to continue to reduce and eliminate poverty in this country, and that would be especially true of the abject poverty, want, ignorance, disease, and maladjustment that exist in many places.

There is never any excuse for wasteful, extravagant spending of Government funds, and we in Congress must certainly take great pains in exerting our powers to minimize unwarranted or ill-considered expenditures.

I hope that as a result of the extensive hearings on this bill and contacts between Representatives of Congress and the agencies involved, new and effective efforts will be made to spend available funds wisely, well, and effectively to accomplish the objective we have in mind of helping a great many people in this country who need help urgently.

Mr. FARBSTEIN. Mr. Chairman, no piece of legislation gives me more pleasure to support than the Economic Opportunity amendments, which intensify the war on poverty. This is a good and noble war, perhaps the best that we as a nation have ever waged. I think we still have a long way to go before we can call it "all-out" war. We will not win unless we intensify our efforts still more. But we have made a start and I am confident that in the ensuing years we will put more and more of our national resources into this great enterprise—until we have genuinely eliminated poverty. Its critics cite its failures. They would have me abandon the war because some general made a tactical error here, some colonel another error there. One cannot conduct an operation of such magnitude without mistakes. He who would penalize the entire program for a few of its slips is really out to destroy the program. I congratulate the war on poverty for the successes it has already achieved and I look forward to more wondrous achievements.

Several weeks ago, I visited the headquarters of a small antipoverty organization in New York and was struck by the atmosphere of dedication and concern that I found. I asked its director, Mr. Jack Isaacs, to send me some information about the group. The letter I received, and which I here insert into the RECORD, amply demonstrates what fine things the antipoverty program is doing. In softly-stated fashion, this letter tells a wonderful story.

MOVIMIENTO PUERTORRIQUENOS UNIDOS,
New York, N.Y., September 21, 1966.
Hon. LEONARD FARBSTEIN,
U.S. Representative,
House of Representatives,
Washington, D.C.

DEAR SIR: As a result from your visit on September 2, 1966 to the Movimiento Puertorriquenos Unidos at 734 East 5th Street, and as per your request, I am sending you a brief history of this organization.

The Movimiento Puertorriquenos Unidos (M.P.U.) is a Neighborhood Block Association that has emerged from the neglected needs and frustration of its members. Although by name it seemingly represents those of Puerto Rican descent, it is in fact an integrated organization reflective of the racial and ethnic distribution of its community.

East 5th Street between Avenues B, C & D is populated predominantly by Puerto Ricans (80%), Negroes (15%) and "others." (approximate figures). The organizational "Target Block", East 5th Street between Avenue C & D has on it some 2,000 people, coming from nearly 600 families, with about ½ on welfare and all living in 32 old-law tenements. The block has been known for its high rate of narcotic users, unemployment, crime, family dislocation, poor school achievement and a general sense of despair and apathy. Efforts to relocate tenants into public housing have been thwarted by their own lack of eligibility due to illegitimacy, too many children, no legal marriage, crime, addiction or simple ignorance as to how to apply.

The organizational process was stimulated by a small group of indigenous poor people, residents of the block, who sought advice and assistance from the local school Guidance Counselor and the Director of the local Area Services of the Housing and Redevelopment Board. This occurred some two years ago after it became apparent no direction or leadership was forthcoming from other sources (M.F.Y. or Settlement Houses). The organizational process was difficult and without any source of funds. Suspicion and an underlying hostility were apparent. Difficulty between the Negroes and Puerto Ricans threatened to destroy the new group, but meetings were scheduled and a local dialogue ensued. Without a "storefront" or office the group began to coalesce, scheduled meetings which took place in their homes or in a building basement provided by a local "super." It should be noted that the entire membership and elected leadership all were and are members of the poor with the two above-mentioned professionals providing their time and resources on a volunteer basis. In pursuing its stated goal of "improving the neighborhood and bettering our conditions of life", the group got involved in a variety of projects. Sophistication was accelerated by meetings and conferences with agency professionals, city representatives and other local groups. The ponderous machinery of government and its limitations became real for 5th Street. After one year of letter-writing and meetings, *floodlights* were installed in the local school yard enabling the establishment of safe supervised, *evening*, summer recreation for youngsters who otherwise would have been running at all angles through the streets. The Board of Education was at first reluctant but community need as expressed through this group was persuasive—in this instance.

Petitions for a *Vest-Pocket Park* were collected and a dialogue between the community and the City Planning Commissioner commenced. This official visited the block and talked to the leadership. Further meetings were held in her office. Construction has been promised for next spring. These are but two examples of neighborhood involvement—there were others. Perhaps most important was the insistence by the group on its inclusion on the various committees that professional agencies have established in its area. The people now wanted to influence action that others were taking on its behalf. Thus the group became known to L.E.N.A., M.F.Y., Local Police Pet Youth Council, church groups, etc.

During the spring of 1966, the group submitted a proposal for O.E.O. summer funds. This was approved and for the first time the M.P.U. had a home of its own (rented a local store-front). From this money an education, recreation and community service program evolved. Local people were intensively trained and paid to work as community workers. Nineteen local people secured employment—most of these had previously been unemployed. Their performance was outstanding. They wrote a newspaper, met with welfare workers, organized the landlords into a group for purposes of dialogue and to have them submit a proposal to the city for the rehabilitation of their homes, sat on committees dealing with narcotics and health, initiated discussions with the local police, held public meetings about these issues, held block clean-ups, filled out and pursued public housing applications, secured surplus food for those eligible and democratically made themselves known to public officials. When the O.E.O. evaluated their summer programs, out of some 30, the M.P.U. and two others were refunded. Although the money is small ($6,000 to be used until 12/31/66), the organization can now continue.

The members of M.P.U. remember your visit and are hoping that you will be able to assist them to continue the work that they have started so successfully.

Respectfully submitted.

JACK ISAACS.

I am particularly gratified, Mr. Speaker, that the Economic Opportunity Amendments of 1966 contains, as one of its provisions, the Farbstein small loan bill. This bill sets aside $8 million as a loan fund for individuals and families who have become victims of economic crises not of their own making. It allows the Director of the Office of Economic Opportunity to make loans of up to $300 available, at 2 percent interest per annum. I believe this loan program will enable many families to save themselves from economic disaster, without their having to seek charity or relief. I thank my colleagues for supporting this measure. I am sure it will justify their confidence.

Mr. LOVE. Mr. Chairman, shortly after the House Committee on Education and Labor reported H.R. 15111, a bill to provide for the continued progress in the war on poverty, I decided to go over these provisions with some of the leaders of the antipoverty programs in my district.

I particularly sought the ideas of the community action program leaders who work with an organization known as SCOPE—Supporting Council on Preventive Effort—in Dayton.

Although they were disappointed with some of the amendments designed to increase efficiency of the 1964 Economic Opportunity Act, the leaders asked me to support the bill after considerable discussion and careful analysis. In view of the fact that this measure obviously emphasizes Headstart and the Neighborhood Youth Corps, it appears that the community action program may be reduced. I certainly hope not.

Just before the bill introduced by the gentleman from Florida [Mr. GIBBONS] was placed on the calendar for debate, I was furnished with a copy of the Republican bill which struck the entire language of the bill after the enactment clause. The Republicans call their substitute bill ROC—Republican opportunity crusade. I have studied this bill with the conclusion that it is a "me too" bill with a Madison Avenue twist. Its main purpose is to slough off some of the principal programs of the Office of Economic Opportunity in order to destroy the agency.

I believe that it was designed to further support some Members' efforts who indulged in a personality conflict with the Director of OEO, Sargent Shriver. The charges leveled at OEO have been charges of mismanagement and inefficiency. For the most part, these charges have not been convincingly proven. It appears to me that we would end up with much less efficiency by scattering the antipoverty programs to the larger Government bureaus, thus making it more difficult to manage and harder to measure the impact.

OEO is by definition an experimental program and no doubt, in trying to set up its programs where no precedent exists, there has been some inefficiency. I do not condone this but I believe that the bill under consideration today is another step toward ironing out the wrinkles that exist in OEO.

The amendment offered by the gentleman from Ohio [Mr. ASHBROOK] is another attempt of the loyal opposition to weaken the bill. Any corporate executive would know that you cannot hamstring the officers who run the corporation by unreasonably limiting the top personnel as this amendment attempts to do. To develop a good program, one needs topnotch personnel, particularly in a field which involves so many human beings and is, admittedly, experimental.

Mr. QUIE. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I take the floor at this time to explain my motion to recommit. As far as I know, all the amendments have been offered. My motion to recommit will be the substitute that I offered at the beginning of the 5-minute rule, with two changes. One is to include a limitation on the size of the Job Corps to 30,000 enrollees. The other is to include the bail bond amendment similar to that which was just offered by the gentleman from Illinois [Mr. COLLIER].

Mr. GERALD R. FORD. Mr. Chairman, will the gentleman yield?

Mr. QUIE. I am happy to yield to the gentleman.

Mr. GERALD R. FORD. It was my understanding that the bail bond amendment would be all-inclusive. It would preclude OEO from paying for any bail with Federal funds for anyone charged with a crime. As we all know, when someone from the military, the Army, Navy, or Air Force, is apprehended in a community outside of a post, camp, or station, no military official can go down to the authorities and pay U.S. funds to provide bail for the accused. I see no reason whatsoever why the Job Corps

trainees or anybody else under the jurisdiction of OEO should be treated any differently from the military.

Mr. QUIE. Mr. Chairman, I would just like briefly to explain what my substitute does. It will provide for $300 million less money than the committee bill does. It includes the amendment which would not permit a person to remain in the Job Corps if he were convicted of a felony. It includes the $5,000 limitation on an individual who is in the Job Corps. It provides for an Industry Youth Corps so that the young people in the Neighborhood Youth Corps will not only be trained in the county courthouse or by the Conservation Department but also can get jobs and training in private industry. It provides for the military career centers so that the young men who want to fit themselves mentally and physically for a military career can receive that kind of training voluntarily. What it does is divide up the community action money according to the ratio of the people who are in rural areas and those in urban areas, so that the rural areas would have enough money to run their community action agencies.

Mr. Chairman, this would mean that for about 46 percent of the poor people who live in rural areas, this would insure that the money needed to help in the community action program would be made available to them.

Mr. Chairman, additionally, the provisions of the motion to recommit would transfer all of the activities of OEO to the existing agencies, with the exception of the community action program and VISTA. This means that the educational facets of this program would go to the Office of Education.

It means that the Job Corps and the Neighborhood Youth Corps will go to the Department of Health, Education, and Welfare. It means that the loans which are made to support poor farmers would go to the Farmers Home Administration.

And, Mr. Chairman, title V, for the purposes of welfare recipients, would be administered by the Department of Health, Education, and Welfare.

Therefore, Mr. Chairman, this is a substitute which I believe will correct most of the abuses that we have seen existing in the Office of Economic Opportunity for these last 2 years and will permit us to go forward in an effort to reach the poor people of this country, to train and teach them in the ways and means that they might rise out of poverty.

Mr. Chairman, in other words, the motion to recommit if adopted would permit the poor to get out of poverty and it will provide more money in fighting this battle because of the involvement of the States and private industry in this effort than has not been heretofore utilized, a program which we call the Opportunity Crusade Act of 1966.

Mr. GIBBONS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I shall not take the full 5 minutes.

Mr. Chairman, as I understand the motion to recommit, it is the same motion that we have voted down at least upon three occasions during the last 2 days.

Mr. Chairman, all of the good things that they propose to do in the motion to recommit are contained in the bill now pending before you.

In effect, Mr. Chairman, the motion to recommit is made up of all of the things that we have voted against at least three times in this Committee of the Whole House on the State of the Union in the last 3 days.

Mr. Chairman, I call for a vote.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. BROOKS, 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. 15111, pursuant to House Resolution 923, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment?

Mr. CEDERBERG. Mr. Speaker, I demand a separate vote on the Ashbrook amendment.

The SPEAKER. Is a separate vote demanded on any other amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER. The Clerk will report the amendment on which a separate vote has been demanded.

The Clerk read as follows:

On page 31, after line 7, insert:

"LIMITATION OF SUPERGRADES

"SEC. 608. Title VI of the Act is amended by inserting the following section:

"'SEC. 618. Of the positions approved for the Office of Economic Opportunity and its field offices, positions in the classification category of GS 16, 17, and 18 of the General Schedule of section 5332, title V, United States Code, shall not exceed one for every one hundred employees.'"

The SPEAKER. The question is on the amendment.

Mr. CEDERBERG. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 257, nays 108, not voting 67, as follows:

[Roll No. 318]

YEAS—257

Abbitt
Abernethy
Adair
Adams
Addabbo
Anderson, Ill.
Anderson, Tenn.
Andrews, Glenn
Andrews, N. Dak.
Arends
Ashbrook
Ashley
Ashmore
Ayres
Bandstra
Baring
Bates
Battin
Belcher
Bell
Bennett
Berry
Betts
Bray
Brock
Broomfield
Brown, Clarence J., Jr.
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burke
Burleson
Burton, Utah
Byrnes, Wis.
Cahill
Callan
Callaway
Carey
Casey
Cederberg
Chamberlain
Clancy
Clausen, Don H.
Clawson, Del
Cleveland
Collier
Colmer
Conable
Conte
Cooley
Corbett
Craley
Cramer
Culver
Cunningham
Curtin
Curtis
Dague
Davis, Ga.
Davis, Wis.
de la Garza
Delaney
Dent
Devine
Diggs
Dole
Donohue
Dorn
Dowdy
Downing
Dulski
Duncan, Oreg.
Duncan, Tenn.
Dwyer
Edwards, Ala.
Ellsworth
Erlenborn
Everett
Evins, Tenn.
Fallon
Feighan
Findley
Fino
Flynt
Foley
Ford, Gerald R.
Fountain
Frelinghuysen
Friedel
Fulton, Pa.
Fulton, Tenn.
Fuqua
Garmatz
Gathings
Giaimo
Goodell
Grabowski
Green, Oreg.
Grider
Gross
Grover
Gurney
Hagen, Calif.
Haley
Hall
Halleck
Halpern
Hamilton
Hanley
Hansen, Idaho
Hansen, Iowa
Hansen, Wash.
Hardy
Harsha
Harvey, Mich.
Hawkins
Hays
Henderson
Herlong
Hicks
Horton
Hosmer
Hull
Hungate
Hutchinson
Ichord
Jacobs
Jarman
Joelson
Johnson, Pa.
Jonas
Jones, Ala.
Jones, N.C.
Keith
Kelly
King, Utah
Kornegay
Kunkel
Kupferman
Laird
Langen
Latta
Leggett
Lennon
Lipscomb
Long, La.
McCulloch
McMillan
Macdonald
MacGregor
Mahon
Mailliard
Marsh
Martin, Nebr.
Mathias
Matthews
May
Michel
Mills
Mize
Moeller
Moore
Morris
Morton
Mosher
Natcher
Nelsen
O'Brien
O'Hara, Ill.
O'Neal, Ga.
Ottinger
Passman
Patten
Pelly
Philbin
Pickle
Pike
Poff
Powell
Pucinski
Quie
Quillen
Redlin
Reid, Ill.
Reid, N.Y.
Reifel
Reinecke
Rhodes, Ariz.
Rhodes, Pa.
Rivers, S.C.
Rogers, Fla.
Rooney, N.Y.
Rooney, Pa.
Roudebush
Roush
Rumsfeld
Satterfield
Saylor
Schisler
Schmidhauser
Schneebeli
Schweiker
Secrest
Senner
Shipley
Shriver
Sikes
Skubitz
Slack
Smith, Calif.
Smith, Iowa
Smith, N.Y.
Smith, Va.
Springer
Stafford
Staggers
Stalbaum
Stanton
Steed
Stratton
Stubblefield
Sweeney
Talcott
Taylor
Teague, Calif.
Teague, Tex.
Tenzer
Thomson, Wis.
Tuck
Tupper
Tuten
Ullman
Race
Randall
Van Deerlin
Vanik
Vigorito
Vivian
Waggonner
Walker, Miss.
Watkins
Watson
Watts
Weltner
Whalley
White, Tex.
Whitener
Whitten
Widnall
Williams
Wilson, Bob
Wolff
Wyatt
Wydler
Yates
Younger
Zablocki

NAYS—108

Annunzio
Barrett
Beckworth
Bingham
Blatnik
Boggs
Boland
Bolling
Brademas
Brooks
Burton, Calif.
Byrne, Pa.
Cameron
Celler
Clark
Clevenger
Cohelan
Conyers
Corman
Daniels
Dawson
Dingell
Edmondson
Edwards, Calif.
Farbstein
Farnsley
Farnum
Fascell
Flood
Fogarty
Ford, William D.
Fraser
Gallagher
Gibbons
Gilbert
Gilligan
Gonzalez
Green, Pa.
Griffiths
Hanna
Hathaway
Hechler
Helstoski
Holifield
Holland
Huot
Irwin
Johnson, Calif.
Karsten
Karth
Kastenmeier
Keogh
King, Calif.
Kirwan
Krebs
Long, Md.
Love
McCarthy
McDowell
McFall
McGrath
Machen
Mackie
Madden
Matsunaga
Meeds
Miller
Minish
Mink
Moorhead
Morgan
Multer
Murphy, Ill.
Murphy, N.Y.
Nix
O'Hara, Mich.
Olson, Minn.
Patman
Pepper
Perkins
Price
Rees
Resnick
Reuss
Rivers, Alaska
Roberts
Rodino
Rogers, Colo.
Ronan
Rosenthal
Rostenkowski
Roybal
Ryan
St Germain
St. Onge
Scheuer
Sickles
Sisk
Sullivan
Thompson, N.J.
Todd
Trimble
Tunney
Udall
Waldie
White, Idaho
Wilson, Charles H.
Young

NOT VOTING—67

Albert
Andrews, George W.
Aspinall
Bolton
Bow
Brown, Calif.
Cabell
Carter

Chelf	Jones, Mo.	Olsen, Mont.
Daddario	Kee	O'Neill, Mass.
Denton	King, N.Y.	Pirnie
Derwinski	Kluczynski	Poage
Dickinson	Landrum	Pool
Dow	McClory	Purcell
Dyal	McDade	Robison
Edwards, La.	McEwen	Rogers, Tex.
Evans, Colo.	McVicker	Roncalio
Fisher	Mackay	Scott
Gettys	Martin, Ala.	Selden
Gray	Martin, Mass.	Stephens
Greigg	Minshall	Thomas
Gubser	Monagan	Thompson, Tex.
Hagan, Ga.	Morrison	Toll
Harvey, Ind.	Morse	Utt
Hébert	Moss	Walker, N. Mex.
Howard	Murray	Willis
Jennings	Nedzi	Wright
Johnson, Okla.	O'Konski	

So the amendment was agreed to.

The Clerk announced the following pairs:

Mr. Albert with Mr. Martin of Massachusetts.

Mr. Hébert with Mr. Bow.

Mr. O'Neill of Massachusetts with Mr. Carter.

Mr. Pool with Mr. Martin of Nebraska.

Mr. Fisher with Mr. Robison.

Mr. Selden with Mr. Morse.

Mr. Hagan of Georgia with Mr. Minshall.

Mr. Cabell with Mr. Harvey of Indiana.

Mr. Aspinall with Mrs. Bolton.

Mr. Kluczynski with Mr. Dickinson.

Mr. Nedzi with Mr. McClory.

Mr. Moss with Mr. McDade.

Mr. Monagan with Mr. Utt.

Mr. Olsen of Montana with Mr. McEwen.

Mr. Denton with Mr. Gubser.

Mr. Brown of California with Mr. O'Konski.

Mr. Dyal with Mr. Pirnie.

Mr. Stephens with Mr. King of New York.

Mr. Howard with Mr. Morrison.

Mr. Daddario with Mr. Derwinski.

Mr. Jennings with Mr. Walker of New Mexico.

Mr. Kee with Mr. Willis.

Mr. Johnson of Oklahoma with Mr. Wright.

Mr. Evans of Colorado with Mr. Scott.

Mr. Edwards of Louisiana with Mr. Landrum.

Mr. Purcell with Mr. Thompson of Texas.

Mr. Greigg with Mr. Murray.

Mr. Dow with Mr. Chelf.

Mr. Gettys with Mrs. Thomas.

Mr. McVicker with Mr. Gray.

Mr. George W. Andrews with Mr. Roncalio.

Mr. Mackay with Mr. Rogers of Texas.

Messrs. ASHLEY, VAN DEERLIN, O'HARA of Illinois, TENZER, HAGEN of California, and Mrs. KELLY changed their vote from "nay" to "yea."

The result of the vote was announced as above recorded.

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.

Mr. QUIE. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. QUIE. I am, Mr. Speaker.

The SPEAKER. The gentleman qualifies.

The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. QUIE moves to recommit the bill, H.R. 15111, to the Committee on Education and Labor with instructions to report the same to the House forthwith with the following amendment:

Strike out all after the enacting clause and insert:

"That this Act may be cited as the 'Opportunity Crusade Act of 1966'.

"FINDINGS AND DECLARATION OF PURPOSE

"SEC. 2. It is the finding of Congress that, in spite of the impressive historical record of this Nation in offering unrivaled opportunities for advancement to our citizens, much remains to be done. Artificial barriers and indigeneous backgrounds too often inhibit the full development of individual potential. It is not enough, however, simply to launch a program with compelling and persuasive objectives. A realistic program to help restore dignity and hope to those who are unable to sustain themselves in modern society is our urgent imperative. A program which merely raises expectations and administrative salaries without meaningful results fails to meet the dynamic requirements of our society. Those citizens who are to be served by government programs must have a significant role in helping themselves. Expenditures by government to do things to beneficiaries, rather than in partnership with beneficiaries, is a miscarriage of the true congressional purpose of dignifying human lives.

"It is therefore the policy of the United States to provide these individuals at low levels of income and education with the power and hope necessary to raise themselves above the levels of poverty.

"To accomplish this objective it is the intent of Congress that the needs of the very young be given first priority. Sensible and diverse programs emphasizing education, health, strengthening of the family and productive jobs must have maximum local and individual participation. Community action, involving the poor at policymaking levels with officials and citizens of talent and experience, is the indispensible ingredient of success. Permanent, productive jobs, with personal dignity and independence, must be provided primarily by private enterprise. It is the role of government to stimulate, educate and provide incentives. All levels of government must participate in a meaningful way. It is the intent of Congress that this Act shall launch an opportunity crusade for the isolated Americans imprisoned by poverty.

"TITLE I—JOB CORPS

"*Part A—General*

"Statement of Purpose

"SEC. 101. The purpose of this title is to provide residential centers to assist young men and women who are unable to cope with their present family or community environments to prepare for the responsibilities of citizenship, to increase their skills for employment, to enhance their ability to respond to programs of education, training, and work experience, and to prepare themselves for jobs in a free enterprise economy.

"Job Corps

"SEC. 102. In order to carry out the purposes of this title there is hereby established a Job Corps in the Department of Labor to be administered, in coordination with programs carried out under the Manpower Development and Training Act of 1962, by the Secretary of Labor (hereinafter in this title referred to as the "Secretary").

"Composition of the Job Corps

"SEC. 103. (a) The Job Corps shall be composed of not to exceed 30,000 young men and women who—

"(1) have, at the time of enrollment, attained age sixteen but not attained age twenty-two,

"(2) are permanent residents of the United States or are natives and citizens of Cuba who arrived in the United States from Cuba as nonimmigrants or as parolees under section 214(a) or 212(d)(5), respectively, of the Immigration and Nationality Act,

"(3) meet such other standards of enrollment as may be prescribed by the Secretary, and

"(4) have agreed to comply with rules and regulations prescribed by the Secretary.

"(b) No person may be an enrollee in the Job Corps for more than two years, except as the Secretary may determine in special cases.

"Allowance and Maintenance

"SEC. 104. (a) Enrollees may be provided with such living, travel, and leave allowances, and such quarters, subsistence, transportation, equipment, clothing, recreational services, medical, dental, hospital, and other health services, and other expenses as the Secretary may deem necessary or appropriate for their needs. Transportation and travel allowances may also be provided, in such circumstances as the Secretary may determine, for applicants for enrollment to or from places of enrollment, and for former enrollees from places of termination to their homes.

"(b) Upon termination of his or her enrollment in the Corps, each enrollee shall be entitled to receive a readjustment allowance at a rate not to exceed $50 for each month of satisfactory participation therein as determined by the Secretary: *Provided, however,* That under such circumstances as the Secretary may determine a portion of the readjustment allowance of an enrollee not exceeding $25 for each month of satisfactory service may be paid during the period of service of the enrollee directly to a member of his or her family and any sum so paid shall be supplemented by the payment of an equal amount by the Secretary. In the event of the enrollee's death during the period of his or her service, the amount of any unpaid readjustment allowance shall be paid in accordance with the provisions of section 1 of the Act of August 3, 1950 (5 U.S.C. 61f).

"Application of Provisions of Federal Law

"SEC. 105. (a) Except as otherwise specifically provided in this part, an enrollee shall be deemed not to be a Federal employee and shall not be subject to the provisions of laws relating to Federal employment, including those relating to hours of work, rates of compensation, leave, unemployment compensation, and Federal employee benefits.

"(b) Enrollees shall be deemed to be employees of the United States for the purposes of the Internal Revenue Code of 1954 (26 U.S.C. 1 et seq.), and of title II of the Social Security Act (42 U.S.C. 401 et seq.), and any service performed by an individual as an enrollee shall be deemed for such purposes to be performed in the employ of the United States.

"(c)(1) Enrollees under this part shall, for the purposes of the administration of the Federal Employees' Compensation Act (5 U.S.C. 751 et seq.), be deemed to be civil employees of the United States within the meaning of the term "employee" as defined in section 40 of such Act (5 U.S.C. 790) and the provisions thereof shall apply except as hereinafter provided.

"(2) For purposes of this subsection:

"(A) The term 'performance of duty' in the Federal Employees' Compensation Act shall not include any act of an enrollee while absent from his or her assigned post of duty, except while participating in an activity (including an activity while on pass or during travel to or from such post of duty) authorized by or under the direction or supervision of the Corps.

"(B) In computing compensation benefits for disability or death under the Federal Employees' Compensation Act, the monthly

pay of an enrollee shall be deemed to be $150, except that with respect to compensation for disability accruing after the individual concerned reaches the age of twenty-one, such monthly pay shall be deemed to be that received under the entrance salary for GS-2 under the Classification Act of 1949 (5 U.S.C. 1071 et seq.), and section 6(d)(1) of the former Act (5 U.S.C. 756(d)(1)) shall apply to enrollees.

"(C) Compensation for disability shall not begin to accrue until the day following the date on which the enrollment of the injured enrollee is terminated.

"(d) An enrollee shall be deemed to be an employee of the Government for the purposes of the Federal tort claims provisions of title 28, United States Code.

"(e) Personnel of the uniformed services who are detailed or assigned to duty in the performance of agreements made by the Secretary for the support of the Corps shall not be counted in computing strength under any law limiting the strength of such services or in computing the percentage authorized by law for any grade therein.

"Part B—Skill centers

"Establishment of Centers

"SEC. 111. The Secretary shall provide for the establishment and operation of skill centers at which enrollees assigned thereto will be provided, wherever possible, under simulated or actual employment conditions, education, training, and other activities designed to develop the motivation, work discipline, and the skills necessary for the successful pursuit of a vocation after leaving the Job Corps.

"Operation of Centers

"SEC. 112. (a) To the extent possible, the Secretary shall establish and operate skill centers provided for in this part through contracts with private industry.

"(b) Contracts entered into under this section shall contain such provisions as may be necessary to insure that the profits accruing thereunder are reasonable and subject to renegotiation in the event they are excessive for any reason, as determined under standards which shall be established by the Secretary.

"Part C—Conservation centers

"Establishment of Centers

"SEC. 121. The Secretary shall provide for the establishment and operation of conservation centers in rural areas at which the Secretary shall provide, in coordination with other manpower development and training programs under his jurisdiction, for basic education, training, motivation, and work discipline of youths who (1) are so deficient in education, skills and work habits, that they are unable to qualify for acceptance in skill centers or other applicable manpower development and training programs, or (2) indicate a special interest in conservation or outdoor recreational activities as a continuing pursuit and are unable to qualify for other programs because of educational deficiencies.

"Operation of Centers

"SEC. 122. The Secretary shall establish and operate conservation centers through agreements with Federal, State, and local agencies charged with the responsibility of conserving, developing, and managing the public natural resources of the Nation and of developing, managing, and protecting public recreational areas. Enrollees in conservation centers shall be utilized by such agencies in carrying out, under the immediate supervision of such agencies, programs planned and designed by such agencies to fulfill such responsibility, and including agreements for a botanical survey program involving surveys and maps of existing vegetation and investigations of the plants, soils, and environments of natural and disturbed plant communities.

"Part D—Military Career Centers

"Establishment of Centers

"SEC. 131. The Secretary shall provide, through agreement with the Secretary of Defense, for the establishment and operation by the Secretary of Defense of military career centers at which enrollees assigned thereto will be provided education, training, and other activities to prepare them for military service. Such centers shall be so operated as to equip the enrollees for a successful military career.

"Enrollment in Centers

"SEC. 132. Enrollees in military career centers shall be persons who (1) have evidenced an interest in the possiblity of qualifying for a military career or have expressed a special preference to become an enrollee in the military career center and (2) are not qualified for military service, but who show promise of becoming qualified for such service through preparation received in a military career center.

"Operation of Centers

"SEC. 133. The Secretary of Defense shall have full and complete authority to design, program, and administer the military career centers and shall have complete authority over enrollees in said center. The Secretary of Labor's sole responsibility in connection with the military career centers shall be the screening and referral of applicants.

"Part E—Administraton

"Selection and Assignment of Enrollees

"SEC. 141. (a) The Secretary shall provide for the selection of persons for service in the Job Corps. He shall select for enrollment only persons he believes are unlikely to be able to benefit from education or training in any other facility or program and require a change of family or community environment in order to respond adequately to such education or training.

"(b) The Secretary shall make no payments to any individual or to any organization solely as compensation for the service of referring the names of candidates for enrollment in the Job Corps.

"(c) Each applicant for the Job Corps shall undergo physical and mental examinations under standards prescribed by the Secretary. Inquiries shall be made of appropriate State bureaus of identification to determine any parole or probationary restrictions that may apply to individual applicants. Applicants shall be finger printed in accordance with procedures followed for military inductees, and inquiry shall be directed to the Federal Bureau of Investigation or other appropriate agencies to determine criminal violations by said applicant, criminal charges pending against said applicant, or other similar information. Criminal violations by said applicant shall not disqualify the applicant from the Job Corps but special evaluation of the distinctive nature of said applicant's problems shall be made and provision made for suitable treatment and handling.

"(d) The Secretary shall report to the Congress any time a Job Corps center established more than six months has more staff personnel than it has enrollees.

"(e) Job Corps officials shall, wherever possible, stimulate formation of indigenous community activity in areas surrounding Job Corps centers to provide a friendly and adequate reception of enrollees into community life.

"Community Advisory Groups

"SEC. 142. The Secretary shall promote the formation of community advisory groups to develop community programs which will provide appropriate job opportunities or further training for graduates of Job Corps programs. Wherever possible, such advisory groups shall be formed by and coordinated under the local community action board.

"Job Counseling and Placement

"SEC. 143. The Secretary shall provide testing and counseling for each enrollee at appropriate intervals and at least three months prior to the enrollee's scheduled termination date. Data derived from such counsel and testing shall be sent to the agency of the Department of Labor situated in the area in which the enrollee proposes to reside, as well as to the community advisory group provided for under section 142, for that community. Upon the termination of an enrollee's service in the Job Corps, all records pertaining to such enrollee (including data derived from his counseling and testing) shall be made available immediately to the officials of the Department of Labor administering the program nationally. Such agency shall develop suitable job opportunities for the enrollee or, where appropriate, shall make arrangements for further education or training for enrollee.

"Regulations; Standards of Conduct

"SEC. 144. (a) The Secretary shall prescribe such rules and regulations as he deems necessary to govern the conduct of enrollees in the Job Corps, subject to the limitations and special provisions in this title. The Secretary shall also establish standards of safety and health for enrollees, and furnish or arrange for the furnishing of health services.

"(b) In the case of Job Corps enrollees charged with violation of State criminal statutes, the Job Corps shall provide the cost of attorney and other legal services only in circumstances where adequate provision for such representation of indigent defendants is not provided under applicable State law.

"(c) Any enrollee in the Job Corps who is convicted of a felony committed during his enrollment shall be immediately dismissed from the Job Corps.

"(d) Within Job Corps centers, standards of conduct and deportment shall be provided and stringently enforced. In the case of violations committed by enrollees, dismissals from the Corps or transfers to other locations should be made in every instance where it is determined that retention in the Corps, or in the particular Job Corps center will jeopardize the enforcement of such standards of conduct and deportment or diminish the opportunity of other enrollees.

"(e) In order to promote the proper moral and disciplinary conditions in Job Corps centers, the individual directors of Job Corps centers shall be given full authority to take appropriate disciplinary measures against enrollees including, but not limited to, dismissal from the Job Corps, subject to expeditious appeal procedures to higher authority as provided under regulation set by the Secretary.

"Relationships with States

"SEC. 145. (a) No center shall be established under this title within a State unless a plan setting forth such proposed establishment has been submitted to the Governor of the State and such plan has not been disapproved by him within thirty days of such submission.

"(b) The Secretary is authorized to enter into agreements with States to assist in the operation or administration of State-operated programs which carry out the purpose of this title. The Secretary may, pursuant to such regulations as he may adopt, pay part or all of the operative or administrative costs of such programs.

"(c) The Director shall establish appropriate procedures to insure that the transfer of Job Corps enrollees from State or local jurisdiction shall in no way violate parole or probationary procedures of the State. In the event procedures have been established under which the enrollment of a youth subject to parole or probationary jurisdiction is acceptable to appropriate State authorities,

the Director shall make provisions for regular supervision of the enrollee and for reports to such State authorities to conform with the appropriate parole and probationary requirements in such State.

"Use of Local Public and Private Education and Training Agencies

"SEC. 146. Wherever practicable education and vocational training for enrollees in the Job Corps shall be provided through local public or private educational agencies or by vocational institutions or technical institutes where such institutions or institutes can provide substantially equivalent training unless such education or training can be provided within the Job Corps more effectively or with reduced Federal expenditures.

"Discrimination Prohibited

"SEC. 147. In the selection of enrollees or staff in the Job Corps, and in the administration of the Job Corps program, no discrimination shall be permitted on the basis of a person's race, color, religion, sex, or national origin.

"Oath of Allegiance

"SEC. 148. Each enrollee (other than an enrollee who is a native and citizen of Cuba described in section 103(a)(2) of this Act) must take and subscribe to an oath or affirmation in the following form: "I do solemnly swear (or affirm) that I bear true faith and allegiance to the United States of America and will support and defend the Constitution and laws of the United States against all its enemies foreign and domestic." The provisions of section 1001 of title 18, United States Code, shall be applicable to the oath or affirmation required by this section.

"Limitation on Administrative Costs

"SEC. 149. The Director shall take such action as may be necessary to insure that for any fiscal year the cost of operating Job Corps centers (exclusive of capital costs including costs of construction and renovation) shall not exceed $5,000 per enrollee in such centers.

"Authorizations of Appropriations

"SEC. 150. For the purpose of carrying out this title, there is hereby authorized to be appropriated the sum of $170,000,000 for the fiscal year ending June 30, 1967, and the fiscal year ending June 30, 1968, and the fiscal year ending June 30, 1969, such sums may be appropriated as the Congress may hereafter authorize by law.

"TITLE II—NEIGHBORHOOD YOUTH CORPS

"Part A—General provisions

"Statement of Purpose

"SEC. 201. It is the purpose of this title (1) to enable needy young men and women to continue their education at the secondary school level through in-school programs, carried on by public and other nonprofit agencies, which contribute to an undertaking or service in the public interest that would not otherwise be provided, or contribute to the conservation and development of natural resources and recreational areas, and (2) to provide programs of out-of-school on-the-job training for needy, unemployed young men and women to enable them to return to school or assist them to become self-sustaining while obtaining the training necessary for a successful career in a vocation.

"Establishment of Neighborhood Youth Corps

"SEC. 202. In order to carry out the purpose of this title there is hereby established a Neighborhood Youth Corps in the Department of Labor, to be administered in coordination with programs carried out under the Manpower Development and Training Act of 1962, by the Secretary of Labor (hereinafter referred to in this title as the "Secretary").

"Development of Programs

"SEC. 203. The Secretary shall encourage and assist qualified community action boards (as defined in section 328) in the development, through contracts, of in-school programs and out-of-school programs which will qualify for assistance under this title. In the absence of a qualified local community action board, the Secretary shall, where appropriate, develop such programs through direct contracts with qualified applicants.

"Selection of Enrollees

"SEC. 204. (a) Selection for enrollment in programs assisted under this title shall be made by qualified community action boards or other qualified applicants, in accordance with agreements with the Secretary.

"(b) No person may participate as an enrollee in programs under this title unless—

"(1) he has attained age sixteen but has not attained age twenty-two;

"(2) his income and his family's income does not exceed the standard of poverty established by the Secretary that takes due account of the number of children, dependents, and other special circumstances substantially affecting the ability of individuals and families to be self-sustaining;

"(3) in the case of in-school programs he is in need of remunerative employment to resume or continue his education;

"(4) in the case of out-of-school programs, he is unemployed and in need of interim remunerative employment;

"(5) in the case of out-of-school programs, he has not regularly attended school for a period of at least six months, and the local authorities after pursuing all appropriate procedures, including guidance and counseling; and have concluded that further school attendance by him in any regular academic or vocational program is no longer practicable under the circumstances.

"(c) Enrollees shall be deemed not to be Federal employees and shall not be subject to the provisions of laws relating to Federal employment, including those relating to hours of work, rates of compensation, leave, unemployment compensation, and Federal employee benefits.

"(d) Where appropriate to carry out the purposes of this Act, the Secretary may provide for testing, counseling, job development, and referral services to youths through public agencies or private nonprofit organizations.

"Payments

"SEC. 205. The Secretary shall establish criteria designed to achieve an equitable distribution of assistance under this title among the States. In developing such criteria, he shall consider among other relevant factors the ratios of population, unemployment, and family income levels. Not more than 12½ per centum of the sums appropriated or allocated for any fiscal year to carry out purposes of this title shall be used within any one State.

"Oath of Allegiance

"SEC. 206. The provisions of section 149 shall apply with respect to enrollees in programs assisted under this title and to all officers and employees any part of whose salaries are paid from sums made available under this title.

"Part B—In-school programs

"SEC. 211. (a) Any qualified community action board, or in any community in which there is no such board, any public or private nonprofit agency which the Director determines to be qualified, desiring assistance for an in-school program shall submit an application to the Secretary which shall contain such information as the Secretary may require.

"(b) The Secretary shall approve an application under this section only if he finds that—

"(1) Enrollees in the program will be employed under a contract or agreement between either a qualified community action board or the Secretary and a public agency or a private nonprofit organization (other than a political party) either (A) on publicly owned and operated facilities or projects, or (B) on local projects sponsored by private nonprofit organizations (other than political parties), other than projects involving the construction, operation, or maintenance of so much of any facility used or to be used for sectarian instruction or as a place for religious worship;

"(2) The program will enable student enrollees to resume or to maintain school attendance;

"(3) The program will permit or contribute to an undertaking or service in the public interest that would not otherwise be provided, or will contribute to the conservation, development, or management of the natural resources of the State or community or to the development, management, or protection of State or community recreational areas;

"(4) The program will not result in the displacement of employed workers, jeopardize the potential employment of workers not aided under this title, or impair existing contracts for services;

"(5) The rates of pay and other conditions of employment will be appropriate and reasonable in the light of such factors as the type of work performed, geographical area, and proficiency of the employee, and in no event shall exceed the rate of pay for regular employees performing similar services;

"(6) The program will be coordinated to the maximum extent feasible, with vocational training and educational services adapted to the special needs of enrollees in such program and sponsored by State or local public educational agencies: *Provided, however*, That where such services are inadequate or unavailable, the program may make provision for the enlargement, improvement, development, and coordination of such services with the cooperation of, or, where appropriate, pursuant to agreement with, the Secretary of Health, Education, and Welfare; and

"(7) The employer shall pay at least 10 per centum of the enrollee's wage during the fiscal year ending June 30, 1967, and shall pay at least 25 per centum of his wage during each succeeding fiscal year.

"(c) In approving applications under this section, the Secretary shall give priority to applications for projects with high training potential.

"Part C—Out-of-school programs

"Applications

"SEC. 221. Any qualified community action board, or in any community in which there is no such board, any public or private nonprofit agency which the Director determines to be qualified, desiring assistance for an out-of-school training program shall submit an application to the Secretary which shall contain such information as the Secretary may require.

"Industry Youth Corps

"SEC. 222. (a) There is hereby established under the Neighborhood Youth Corps a program to provide employment of youths between the ages of sixteen and twenty-two in private, profitmaking enterprises. The Secretary is empowered to make such regulations as he shall deem necessary to insure that private employment of such youths shall be under such conditions and terms as to meet all requirements of public and private non-profit programs, and to insure that participating youths benefit from their employment without exploitation or unreasonable profits by the employer.

"(b) Programs to provide employment for youths under this section shall only be approved if they are implemented through con-

tracts between a qualified community action board and employers under conditions of supervision and regulation by such said qualified community action board.

"Approval of Applications

"SEC. 223. The Secretary shall approve an application under this part only if he finds that—

"(a) Enrollees in the program will be employed under a contract or agreement between either a qualified community action board or the Secretary and a public agency or a private nonprofit organization (other than a political party) either—

"(1) on publicly owned and operated facilities or projects, or

"(2) on local projects sponsored by private nonprofit organizations (other than political parties), other than projects involving the construction, operation, or maintenance of so much of any facility used or to be used for sectarian instruction or as a place for religious worship, or

"(3) on local projects provided under section 222 of this part by contract between the qualified community action board and the employer.

"(b) Enrollees in the program will be employed under a contract or agreement between either the qualified community action board or the Secretary and an employer under which the enrollees will be provided on-the-job training that meets the following requirements:

"(1) The training content of the program is adequate, involve reasonable progression, and holds promise that it will result in the qualification of trainees for suitable employment.

"(2) The training period is reasonable and consistent with periods customarily required for comparable training.

"(3) Adequate and safe facilities and adequate personnel and records of attendance and progress will be provided.

"(4) The enrollee will be compensated at such rates, including periodic increases, as may be deemed reasonable under regulations of the Secretary, considering such factors as the type of work performed, geographical region, proficiency of the employee, and in no event shall exceed the rate of pay for regular employees performing similar services.

"(5) No enrollee will be permitted to participate in the program for more than a year, except that an enrollee may be permitted to participate for one additional year if it is ascertained that (A) he will benefit from an additional year under the program, (B) his employer is making adequate provision for his possible long-term employment, (C) he is unable to qualify for suitable employment without part of his wages being paid from sources other than his employer or for other training suitable to his needs, and (D) consideration has been given to the feasibility of the employer paying a larger portion of his wages in view of his experience and training.

"(6) Adequate provision is made for supplementary classroom instruction where appropriate.

"(7) The training will increase the employability of the enrollee in occupational skills or pursuits in which the Secretary finds there is a reasonable expectation of his permanent employment.

"(8) The employment of the enrollee must not displace employed workers or impair existing contracts for services.

"(9) In the event the employer is a private, profitmaking concern, the employer shall pay at least 66⅔ per centum of the enrollee's wage.

"(10) In the event the employer is a public or nonprofit agency, the employer shall pay at least 10 per centum of the enrollee's wage during the fiscal year ending June 30, 1967, and at least 25 per centum of his wages during each succeeding fiscal year.

"Part D—Authorization of appropriations

"SEC. 231. The Secretary shall carry out the programs provided for in this title during the fiscal year ending June 30, 1967, and the two succeeding fiscal years. For the purposes of carrying out this title, there is hereby authorized to be appropriated the sum of $225,000,000 for the fiscal year ending June 30, 1967, of which $50,000,000 shall be reserved to administer and conduct the program provided under section 222, and for the fiscal year ending June 30, 1968, and the fiscal year ending June 30, 1969, such sums may be appropriated as the Congress may hereafter authorize by law.

"TITLE III—URBAN AND RURAL COMMUNITY ACTION PROGRAMS

"Part A—Urban community action programs

"Statement of Purpose

"SEC. 301. The purpose of this part is to provide stimulation and incentive for new and imaginative programs for urban communities to mobilize and coordinate their resources to combat poverty through total involvement of individuals and groups concerned and meaningful communication, planning, and implementation at the local community level.

"Qualified Urban Community Action Boards

"SEC. 302. A community action board shall be qualified to conduct, administer, or coordinate programs under this Act, or any other provision of law, only if—

"(a) the membership of the board contains representatives of local government, social welfare and public service agencies, local school systems, the general public, and representatives of the poor comprising at least one-third of the membership of the board;

"(b) the representatives of the poor are selected by the residents in areas of concentration of poverty, with special emphasis on participation by the residents of the area who are poor; and

"(c) in communities where substantial numbers of the poor reside outside of areas of concentration of poverty, provision is made for selection of representatives of such poor through a process, such as neighborhood meetings, in which the poor participate to the greatest possible degree.

"Approval of Community Action Programs

"SEC. 303. (a) Subject to the provisions of subsection (b), the Director may approve a community action program for support under this part if he determines such program—

"(1) includes component programs all of which are focused upon the needs of low-income individuals and familites and which provide expanded and improved services, assistance, and other activites, and facilites necessary in connection therewith;

"(2) has, if policy is determined by smaller constituent groups of the community action board, such as an executive committee, true representation of the poor proportionate to that attained on the community action board itself;

"(3) provides that any component board which exercises jurisdiction only in a single impoverished area or neighborhood of the community, is representative primarily of and selected by the residents of such area, and is given power to initiate and disapprove programs for that area;

"(4) includes provisions for reasonable access of the public to information including, but not limited to, reasonable opportunity for public hearings at the request of appropriate local community groups, and reasonable public access to books and records of the board engaged in the development, conduct, and administration of the program, in accordance with regulations of the Director;

"(5) is organized and designed to coordinate, to the extent feasible, all programs at the community level primarily affecting the poor, and to eliminate duplication, conflict, and waste in such programs as well as to assist in altering or eliminating ineffectual programs;

"(6) includes arrangements with a reputable private, and independent auditing firm to preaudit all grants and programs under this title to insure that adequate records are kept and fiscal controls enforced; and

"(7) includes provision for a complete audit of the books six months after the initiation of a program and annually thereafter.

"(b) The Director shall not approve a community action program to be carried out without the approval of a qualified community action board already serving an area unless he determines that—

"(1) the proposed program is of a demonstration or experimental nature and does not conflict with any component program being carried on by the community action board;

"(2) the program is of such a nature as to be unsuitable for inclusion in the overall community action program, or

"(3) the program is required to meet an urgent and temporary emergency need of the poor.

"(c) The Director may approve a community action program to be carried out by a public or private nonprofit agency which is not a qualified community action board in any area which is not served by a qualified community action board (or, if served by such a board, the program meets the requirements of subsection (b)) and the proposed program would qualify as a component of a community action program.

"Definition

"SEC. 304. For the purposes of this part, the term "urban community" means an area determined by the Director, on the basis of the latest information available from the Bureau of the Census, to have a population of more than seventy-five thousands, except where the Director, under authority of section 314, designates an area having a population of more than seventy-five thousand and less than one hundred and fifty thousand as a rural area.

"Part B—Rural community action programs

"Statement of Purpose

"SEC. 311. The purpose of this part is to provide stimulation and incentive for new and imaginative separate programs to meet the unique and distinctive problems of the rural areas in mobilizing and coordinating their resources to combat poverty through total involvement of individuals and groups concerned and meaningful communication, planning, and implementation at the community level.

"Qualified Rural Community Action Boards

"SEC. 312. A community action board shall be qualified to conduct, administer, or coordinate programs under this Act, or any other provision of law, only if—

"(a) the membership of the board contains representatives of local government, social welfare and public service agencies, local school systems, the general public, cooperative extension service, technical action panels under rural community development, and representatives of the poor comprising at least one-third of the membership of the board;

"(b) the representatives of the poor are selected by a process such as neighborhood meetings in areas of concentration of poverty in which the poor participate to the greatest degree possible in light of the special problem of separation, isolation, and communication which prevail in rural areas.

"Approval of Community Action Programs

"SEC. 313. Subject to the provisions of subsection (b), the Director may approve a community action program for support under this part if he determines such program—

"(a) meets the requirements set forth in paragraphs (1), (2), (4), (5), (6), and (7) of section 303(a), and 303(b).

"(b) provides that any community action board operating within established county or municipal borders under a qualified overall board with broader geographical jurisdiction shall meet the requirements of section 312 and is given power to initiate and disapprove programs for that area.

"Definition

"SEC. 314. For purposes of this part, the term 'rural areas' means any area determined by the Director, on the basis of the latest information available from the Bureau of the Census, to have a population of seventy-five thousand or less, except that in exceptional circumstances he may designate as a rural area any area having a population of less than one hundred and fifty thousand.

"Part C—Administration

"Allotments to States

"SEC. 321. (a) From the sums appropriated to carry out this title for a fiscal year, the Director shall reserve the amount needed for carrying out sections 322 and 323. Not to exceed 2 per centum of the amount so reserved shall be allotted by the Director among Puerto Rico, Guam, American Samoa, the Trust Territory of the Pacific Islands, and the Virgin Islands according to their respective needs for assistance under this title. Twenty per centum of the amount so reserved shall be allotted among the States as the Director shall determine. The remainder of the sums so reserved shall be allotted among the States as provided in subsection (b).

"(b) Of the sums being allotted under this subsection—

"(1) one-third shall be allotted by the Director among the States so that the allotment to each State under this clause will be an amount which bears the same ratio to such one-third as the number of public assistance recipients in such States bears to the total number of public assistance recipients in all the States;

"(2) one-third shall be allotted by him among the States so that the allotment to each State under this clause will be an amount which bears the same ratio to such one-third as the annual average number of persons unemployed in such State bears to the annual average number of persons unemployed in all the States; and

"(3) the remaining one-third shall be allotted by him among the States so that the allotment to each State under this clause will be an amount which bears the same ratio to such one-third as the number of related children under eighteen years of age living in families with incomes of less than $1,000 in such State bears to the number of related children under eighteen years of age living in families with incomes of less than $1,000 in all the States.

"(c) The Director shall divide each State's allotment under subsection (b) into two parts, one of which may be used only for urban community action programs, and one of which may be used only to rural community action programs. Each such part shall bear the same ratio to the amount allotted as the urban population or rural population, as the case may be, of the State bears to the population of the State, as determined on the basis of the best data available from the Bureau of the Census.

"(d) The portion of any State's allotment under subsection (a) for a fiscal year which the Director determines will not be required for such fiscal year for carrying out this title shall be available for reallotment from time to time, on such dates during such year as the Director may fix, to other States in proportion to their original allotments for such year, but with such proportionate amount for any of such other States being reduced to the extent it exceeds the sum which the Director estimates such State needs and will be able to use for such year for carrying out this title; and the total of such reductions shall be similarly reallotted among the States whose proportionate amounts are not so reduced: *Provided,* That any amount originally included in that part of the State's allotment reserved for use for urban community action programs may be used only for such programs when realloted, and any amount originally included in that part of the State's allotment originally reserved for rural community action programs may be used only for such programs when reallotted. Any amount reallotted to a State under subsection during a year shall be deemed part of its allotment under subsection (a) for such year.

"(e) For the purposes of this section, the term "State does not include Puerto Rico, Guam, American Samoa, the Trust Territory of the Pacific Islands, and the Virgin Islands.

"Financial Assistance for Development of Community Action Programs

"SEC. 322. The Director is authorized to make grants to, or to contract with, appropriate public or private nonprofit agencies, or combinations thereof, to pay part of all of the cost of development of community action programs.

"Financial Assistance for Conduct and Administration of Community Action Programs

"SEC. 323. (a) The Director is authorized to make grants to, or to contract with qualified community action boards to pay part or all of the costs of community action programs which have been approved by him pursuant to this title, including the cost of carrying out programs which are components of a community action program and which are designed to achieve the purposes of this title except that where the Director approves a program under section 303(c) he may make grants to, or contact with, public or private nonprofit agencies to pay part or all of such programs.

"(b) No grant or contract authorized under this title may provide for general aid to elementary or secondary education in any school or school system, or provide for any preschool or early-school program, whether or not designed to prepare educationally deprived children.

"(c) In determining whether to extend assistance under this section the Director shall consider among other relevant factors the incidence of poverty within the community and within the areas or groups to be affected by the specific program or programs, and the extent to which the applicant is in a position to utilize efficiently and expeditiously the assistance for which application is made. In determining the incidence of poverty the Director shall consider information available with respect to such factors as: the concentration of low-income families, particularly those with children; the extent of persistent unemployment and underemployment; the number and proportion of persons receiving cash or other assistance on a needs basis from public agencies or private organizations; the number of migrant or transient low-income families; school dropout rates, military service rejection rates, and other evidences of low educational attainment; the incidence of disease, disability, and infant mortality; housing conditions; adequacy of community facilities and services; and the incidence of crime and juvenile delinquency.

"Technical Assistance

"SEC. 324. The Director is authorized to provide, (1) technical assistance to communities in developing, conducting, and administering community action programs, and (2) training for specialized personnel needed to develop, conduct, or administer such programs or to provide services or other assistance thereunder through grants to, or contracts with qualified community action boards, or, in communities not served by such a board, through grants to or contracts with public or private nonprofit agencies.

"Research, Training, and Demonstrations

"SEC. 325. The Director is authorized to conduct, or to make grants to or enter into contracts with institutions of higher education or other appropriate public agencies or private organizations for the conduct of research, training, and demonstrations pertaining to the purposes of this title: *Provided,* That no such program shall conflict in any way, in any area, with any existing community action program. Expenditures under this section in any fiscal year shall not exceed $30,000,000.

"Limitations on Federal Assistance

"SEC. 326. (a) Assistance pursuant to sections 322 and 323 for the fiscal year ending June 30, 1967, shall not exceed 90 per centum of the costs referred to in those sections, respectively, and for each fiscal year thereafter shall not exceed 80 per centum of such costs, unless the Director determines, pursuant to regulations adopted and promulgated by him establishing objective criteria for such determinations, that assistance in excess of such percentages is required in furtherance of the purposes of this title. Non-Federal contributions may be in cash or in kind, fairly evaluated, including but not limited to plant, equipment, and services.

"(b) The expenditures or contributions made from non-Federal sources for a community action program or component thereof shall be in addition to the aggregate expenditures or contributions from non-Federal sources which were being made for similar purposes prior to the extension of Federal assistance. The requirement imposed by the preceding sentence shall be subject to such regulations as the Director may adopt and promulgate establishing objective criteria for determinations covering situations where a literal application of such requirement would result in unnecessary hardship or otherwise be inconsistent with the purposes sought to be achieved.

"Participation of State Agencies

"SEC. 327. (a) The Director shall establish procedures which will facilitate effective participation of the States in community action programs including, but not limited to, consultation with appropriate State agencies on the development, conduct, and administration of such programs.

"(b) The Director is authorized to make grants to, or to contract with, appropriate State agencies for the payment of the expenses of such agencies in providing technical assistance to communities in developing, conducting, and administering community action programs.

"(c) In carrying out the provisions of this title, no contract, agreement, grant, loan, or other assistance shall be made with, or provided to, any State or local public agency or any private institution or organization for the purpose of carrying out any program, project, or other activity within a State unless a plan setting forth such proposed contract, agreement, grant, loan, or other assistance has been submitted to the Governor of the State, and such plan has not been disapproved by the Governor within thirty days of such submission, or, if so disapproved, has been reconsidered by the Director and found

by him to be fully consistent with the provisions and in furtherance of the purposes of this title.

"Qualified Community Action Boards

"SEC. 328. The Director shall certify the name, and area served, by each board which is a community action board as defined in section 302 and which he finds to be competent to carry out the functions assigned qualified community action boards by any provision of this Act.

"Part D—Volunteers in Service to America

"SEC. 331. (a) The Director is authorized to recruit, select, train and—

"(1) upon request of State or local agencies or private nonprofit organizations, refer volunteers to perform duties in furtherance of programs combating poverty at a State or local level; and

"(2) in cooperation with other Federal, State, or local agencies involved, assign volunteers to work (A) in meeting the health, education, welfare, or related needs of Indians living on reservations, of migratory workers and their families, or of residents of the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, or the Trust Territory of the Pacific Islands; (B) in the care and rehabilitation of the mentally ill or mentally retarded under treatment at nonprofit mental health or mental retardation facilities assisted in their construction or operation by Federal funds; and (C) in connection with programs or activities authorized, supported, or of a character eligible for assistance under this Act.

"(b) The referral or assignment of volunteers shall be on such terms and conditions as the Director may determine, but volunteers shall not be referred or assigned to duties or work in any State without the consent of the Governor.

"(c) The Director is authorized to provide to all volunteers during training and to volunteers assigned pursuant to subsection (a)(2) such stipend, not to exceed $50 per month, such living, travel, and leave allowances, and such housing, transportation (including travel to and from the place of training), supplies, equipment, subsistence, clothing, and health and dental care as the Director may deem necessary or appropriate for their needs.

"(d)(1) Each volunteer shall take and subscribe to an oath or affirmation in the form prescribed by section 149 of this Act, and the provisions of section 1001 of title 18, United States Code, shall be applicable with respect to such oath or affirmation; but, except as provided in paragraph (2) of this subsection, volunteers shall not be deemed to be Federal employees and shall not be subject to the provisions of laws relating to Federal employment, including those relating to hours of work, rates of compensation, and Federal employee benefits.

"(2) All volunteers during training and such volunteers as are assigned pursuant to paragraph (2) of subsection (a) shall be deemed Federal employees to the same extent as enrollees of the Job Corps under section 105 (b), (c), and (d) of this Act, except that for purposes of the computation described in paragraph (2)(B) of section 105 (c) the monthly pay of a volunteer shall be deemed to be received under the entrance salary for GS-7 under the Classification Act of 1949.

"Part E—Voluntary assistance program for needy children

"Statement of Purpose

"SEC. 341. The purpose of this part is to allow individual Americans to participate in a personal way in the war on poverty, by voluntarily assisting in the support of one or more needy children, in a program coordinated with city or county social welfare agencies.

"Authority To Establish Information Center

"SEC. 342. (a) In order to carry out the purposes of this part, the Director is authorized to establish a section within the Office of Economic Opportunity to act as an information and coordination center to encourage voluntary assistance for deserving and needy children.

"(b) The Director shall appoint an administrator whose full-time duty shall be to give effect to this program.

"(c) It is the intent of the Congress that the section established pursuant to this part shall act solely as an information and coordination center and that nothing in this part shall be construed as interfering with the jurisdiction of State and local welfare agencies with respect to programs for needy children.

"Part F—Office of Economic Opportunity

"Establishment of Office

"SEC. 351. (a) The Office of Economic Opportunity established by section 601 of the Economic Opportunity Act of 1964 is hereby continued as an agency of the United States. The Office shall be headed by a Director who shall be appointed by the President, by and with the advice and consent of the Senate. There shall also be in the Office one Deputy Director and two Assistant Directors who shall be appointed by the President, by and with the advice and consent of the Senate. The Deputy Director and the Assistant Directors shall perform such functions as the Director may from time to time prescribe.

"(b) The compensation of the Director of the Office of Economic Opportunity shall be fixed by the President at a rate not in excess of the annual rate of compensation payable to the Director of the Bureau of the Budget.

"(c) The compensation of the Deputy Director of the Office of Economic Opportunity shall be fixed by the President at a rate not in excess of the annual rate of compensation payable to the Deputy Director of the Bureau of the Budget.

"(d) The compensation of the Assistant Directors of the Office of Economic Opportunity shall be fixed by the President at a rate not in excess of the annual rate of compensation payable to the Assistant Secretaries of the Executive Departments.

"Authority of Director

"SEC. 362. In addition to the authority conferred upon him by other sections of this Act, the Director is authorized, in carrying out his functions under this title to—

"(a) appoint in accordance with the civil service laws such personnel as may be necessary to enable the Office to carry out its functions and, except as otherwise provided herein, fix their compensation in accordance with the Classification Act of 1949 (5 U.S.C. 1071 et seq.), except that of the personnel so appointed, not more than one in every one hundred and fifty shall be in grade 16, 17, or 18 of the General Schedule of the Classification Act of 1949;

"(b) employ experts and consultants or organizations thereof as authorized by section 15 of the Administrative Expenses Act of 1946 (5 U.S.C. 55a), compensate individuals so employed at rates not in excess of $100 per diem, including travel time, and allow them, while away from their homes or regular places of business, travel expenses (including per diem in lieu of subsistence) as authorized by section 5 of such Act (5 U.S.C. 73b-2) for persons in the Government service employed intermittently, while so employed: *Provided, however,* That contracts for such employment may be renewed annually;

"(c) appoint, without regard to the civil service laws, one or more advisory committees composed of such private citizens and officials of the Federal, State, and local governments as he deems desirable to advise him with respect to his functions under this Act; and members of such committees, other than those regularly employed by the Federal Government, while attending meetings of such committees or otherwise serving at the request of the Director, shall be entitled to receive compensation and travel expenses as provided in subsection (b) with respect to experts and consultants;

"(d) with the approval of the President, arrange with and reimburse the heads of other Federal agencies for the performance of any of his functions under this title and, as necessary or appropriate, delegate any of his powers under this title and authorize the redelegation thereof;

"(e) utilize, with their consent, the services and facilities of Federal agencies without reimbursement, and, with the consent of any State or a political subdivision of a State, accept and utilize the services and facilities of the agencies of such State or subdivision without reimbursement;

"(f) accept in the name of the Office, and employ or dispose of in furtherance of the purposes of this title, any money, or property, real personal or mixed tangible or intangible, received by gift, devise, bequest, or otherwise;

"(g) accept voluntary and uncompensated services, notwithstanding the provisions of section 3679(b) of the Revised Statutes (31 U.S.C. 665(b));

"(h) disseminate, without regard to the provisions of section 4154 of title 39, United States Code, data and information, in such form as he shall deem appropriate, to public agencies, private organizations, and the general public;

"(i) adopt an official seal, which shall be judicially noticed;

"(j) collect or compromise all obligations to or held by him and all legal or equitable rights accruing to him in connection with the payment of obligations until such time as such obligations may be referred to the Attorney General for suit or collection;

"(k) expend, without regard to the provisions of any other law or regulation, funds made available for purposes of this title (1) for printing and binding, and (2) for rent of buildings and space in buildings and for repair, alteration, and improvement of buildings and space in buildings rented by him; but the Director shall not utilize the authority contained in this clause (A) except when necessary in order to obtain an item, service, or facility, which is required in the proper administration of this title, and which otherwise could not be obtained, or could not be obtained in the quantity or quality needed, or at the time, in the form, or under the conditions in which, it is needed, and (B) prior to having given written notification to the Administrator of General Services (if the exercise of such authority would affect an activity which otherwise would be under the jurisdiction of the General Services Administration) or the Chairman of the Joint Committee on Printing (if the exercise of such authority would affect an activity which otherwise would be under the jurisdiction of such Committee) of his intention to exercise such authority, the item, service, or facility with respect to which such authority is proposed to be exercised, and the reasons and justifications for the exercise of such authority; and

"(l) establish such policies, standards, criteria, and procedures, prescribe such rules and regulations, enter into such contracts and agreements with public agencies and private organizations and persons, make such payments (in lump sum or installments, and in advance or by way of reimbursement, and in the case of grants, with necessary adjustments on account of overpayments or

underpayments), and generally perform such functions and take such steps as he may deem to be necessary or appropriate to carry out the provisions of this title.

"Information Center

"SEC. 363. In order to insure that all Federal programs related to the purposes of this title are utilized to the maximum extent possible, and to insure that information concerning such programs and other relevant information is readily available in one place to public officials and other interested persons, the Director is authorized as he deems appropriate to collect, prepare, analyze, correlate, and distribute such information, either free of charge or by sale at cost (any funds so received to be deposited to the Director's account as an offset to such cost), and make arrangements and pay for any printing and binding without regard to the provisions of any other law or regulation.

"Part G—State bonus community action program

"Statement of Purpose

"SEC. 371. It is the purpose of this part to provide assistance to the States to enable them to join as partners with the Federal Government in programs carried out under this title.

"Allotments to States

"SEC. 372. (a) From the sums available to carry out this part for a fiscal year, the Director shall allot to each State an amount which bears the same ratio to the amount being allotted as the amount allotted such State under section 321 (other than subsection (d) thereof) bears to the amount allotted all the States under such section for such fiscal year.

"(b) The portion of any State's allotment under subsection (a) for a fiscal year which the Director determines will not be required for such fiscal year for carrying out this part shall be available for reallotment from time to time, on such dates during such year as the Director may fix, to other States in proportion to their original allotments for such year, but with such proportionate amount for any of such other States being reduced to the extent it exceeds the sum which the Director estimates such State needs and will be able to use for such year for carrying out this part; and the total of such reductions shall be similarly reallotted among the States whose proportionate amounts are not so reduced.

"State Plans

"SEC. 373. (a) Any State which desires to receive a grant under this part shall submit to the Director a State plan which—

"(1) provides for the creation of a State office of economic opportunity (hereinafter referred to as the 'State agency') which shall be the sole State agency responsible for carrying out the State plan;

"(2) provides that in formulating its program to be carried out under this part, priority shall be given programs to meet the special needs of the State;

"(3) provides for carrying out, or supplementing the financing of, community action programs which are eligible for assistance under other parts of this title, but are not being, or are being inadequately, assisted thereunder;

"(4) provides for the establishment of a commission in the State to make a study to determine means by which programs carried on under this title may be effectively coordinated with other local, State, and Federal programs, and to report its recommendations to the State agency within one year;

"(5) provides that the State agency will make such reports to the Director, in such form and containing such information, as may reasonably be necessary to enable the Director to perform his duties under this part and will keep such records and afford such access thereto as the Director finds necessary to assure the correctness and verification of such reports;

"(6) provides such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of and accounting for Federal funds paid to the State under this part;

"(7) provides for the establishment of a program to insure that salaries of professional staff personnel shall be reasonable with due consideration of salary incomes of said individuals in previous employment.

"(b) The Director may approve any State plan which meets the requirements of subsection (a), but he shall not finally disapprove any State plan submitted under this part, or any modification thereof, without first affording the State agency reasonable notice and opportunity for a hearing.

"Payments

"SEC. 374. (a) The Director shall pay to each State which has a plan approved under this part, from its allotment under section 372, an amount equal to the expenditures of the State in carrying out such plan. Such payments shall be made in advance on the basis of estimates by the Director; and may be made in such installments as the Director may determine, after making appropriate adjustments to take account of previously made overpayments or underpayments.

"(b) The Federal share for each State shall be 50 per centum, except that with respect to expenditures on account of the State commission provided for in section 373(a)(4), the Federal share shall be 90 per centum.

"Operation of State Plans; Hearings and Judicial Review

"SEC. 375. (a) Whenever the Director, after reasonable notice and opportunity for hearing to the State agency administering a State plan approved under this part, finds that—

"(1) the State plan has been so changed that it no longer complies with the provisions of section 373, or

"(2) in the administration of the plan there is a failure to comply substantially with any such provision, the Director shall notify such State agency that no further payments will be made to the State under this part (or in his discretion, that further payments to the State will be limited to programs under or portions of the State plan not affected by such failure), until he is satisfied that there will no longer be any failure to comply. Until he is so satisfied, no further payments may be made to such State under this part (or payments shall be limited to programs under or portions of the State plan not affected by such failure).

"(b) A State agency dissatisfied with a final action of the Director under section 373 or subsection (a) of this section may appeal to the United States court of appeals for the circuit in which the State is located, by filing a petition with such court within sixty days after such final action. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Director, or any officer designated by him for that purpose. The Director thereupon shall file in the court the record of the proceedings on which he based his action, as provided in section 2112 of title 28, United States Code. Upon the filing of such petition, the court shall have jurisdiction to affirm the action of the Director or to set it aside, in whole or in part, temporarily or permanently, but until the filing of the record, the Director may modify or set aside his order. The findings of the Director as to the facts, if supported by substantial evidence, shall be conclusive, but the court, for good cause shown, may remand the case to the Director to take further evidence, and the Director may thereupon make new or modified findings of fact and may modify his previous action, and shall file in the court the record of the further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence. The judgment of the court affirming or setting aside, in whole or in part, any action of the Director shall be final, subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code. The commencement of proceedings under this subsection shall not, unless so specifically ordered by the court, operate as a stay of the Director's action.

"Part E—Authorizations of appropriations

"SEC. 381. The Director shall carry out the programs provided for in this title during the fiscal year ending June 30, 1967, and the two succeeding fiscal years. For the purpose of carrying out this title (other than parts D and G thereof) there is hereby authorized to be appropriated the sum of $600,000,000 for the fiscal year ending June 30, 1967. For the purpose of carrying out part D of this title there is hereby authorized to be appropriated the sum of $25,000,000 for such fiscal year; and for the purpose of carrying out part G of this title there is hereby authorized to be appropriated the sum of $100,000,000 for such fiscal year. For the fiscal year ending June 30, 1968, and for the fiscal year ending June 30, 1969, such sums may be appropriated as the Congress may hereafter authorize by law.

"TITLE IV—PRESCHOOL, EARLY SCHOOL AND OTHER EDUCATIONAL PROGRAMS FOR CHILDREN OF LOW-INCOME FAMILIES

"Amendment to Title II of Public Law 874

"SEC. 401. Title II of the Act of September 30, 1950, is amended by adding at the end thereof the following:

"'Special Bonus Grants; Preference for Preschool and Early-School Programs

"'SEC. 213. (a) The Commissioner shall, in carrying out his duties under this title, require that preference over grants for all other programs shall be given to grants for carrying out preschool and early-school programs designed to prepare educationally deprived children, aged three through seven, in areas having high concentrations of children from low-income families to undertake successfully the regular elementary school program.

"'(b) Each local educational agency shall be eligible to receive a special bonus grant under this section in any fiscal year if (1) it received a basic grant for the preceding fiscal year, and (2) more than 65 per centum of the funds expended in carrying out the programs provided for in the application submitted under section 205 were expended for carrying our preschool and early-school programs designed to prepare educationally deprived children, aged three through seven, in areas having high concentrations of children from low-income families to successfully undertake the regular elementary school program.

"'(b) The amount of a grant under this section shall be equal to the amount by which the expenditures for such preschool and early-school programs exceeded 65 per centum of the amount expended in carrying out the proposals provided for in such application.

"'(c) If the sums appropriated or made available to carry out this section for a fiscal year are not sufficient to pay in full the total amount which all local educational agencies are eligible to receive under this title for such fiscal year, such amounts shall be reduced ratably: *Provided*, That in no event shall the aggregate grants under this section for a fiscal year exceed $100,000,000.'

"TITLE V—ADULT BASIC EDUCATION

"Statement of Purpose

"SEC. 501. It is the purpose of this title to assist the States to develop programs of functional instruction in the English language and mathematics for individuals

who have reached the age of eighteen, but whose deficiencies in these subjects are such that they are prevented from obtaining permanent employment, commensurate with their real ability, or entrance into other education or training programs; and to promote new approaches to the special needs of those who have poor employment possibilities because of such factors as inadequate education, lack of motivation, poor attitude or appearance, and other significant disabilities related to their derivation in poverty; and to, wherever appropriate, provide a new type of specialized, functionally oriented basic education through the use of nonprofessional, noncertified personnel teaching limited curriculums as prescribed by the State.

"Establishment of Adult Basic Education Program

"SEC. 502. In order to carry out the purposes of this title there is hereby established an Adult Basic Education Program in the Department of Health, Education, and Welfare to be carried out in coordination with other programs under the direction of the Commissioner of Education (hereinafter in this title referred to as the 'Commissioner').

"Grants to States

"SEC. 503. (a) From the sums appropriated or allocated to carry out this title, the Commissioner shall make grants to States which have State plans approved by him under this section.

"(b) Grants under subsection (a) may be used, in accordance with regulations of the Commissioner, to—

"(1) make grants to qualified community action boards, or where a community is not served by such a board, to a local educational agency, to assist in establishment of pilot projects by local educational agencies, and private school agencies, relating to instruction in public schools, or other facilities used for the purpose by such agencies, of individuals described in section 501, to (A) demonstrate, test, or develop modifications, or adaptations in light of local needs, of special materials or methods for instruction of such individuals, (B) stimulate the development of local educational agency programs, and private school agency programs, for instruction of such individuals in such schools or other facilities, and (C) acquire additional information concerning the materials or methods needed for an effective program for raising adult basic educational skills;

"(2) assist in meeting the cost of local educational agency programs, and private school agency programs, for instruction of such individuals in such schools or other facilities; and

"(3) assist in development or improvement of technical or supervisory services by the State educational agency relating to adult basic education programs.

"State Plans

"SEC. 504. (a) The Commissioner shall approve for purposes of this title the plan of a State which—

"(1) provides for administration thereof by the State educational agency;

"(2) provides that such agency will make such reports to the Commissioner, in such form and containing such information, as may reasonably be necessary to enable the Commissioner to perform his duties under this title and will keep such records and afford such access thereto as the Commissioner finds necessary to assure the correctness and verification of such reports;

"(3) provides such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of and accounting for Federal funds paid to the State under this title (including such funds paid by the State to qualified community action boards, private, nonprofit agencies, and local educational agencies);

"(4) provides for cooperative arrangements between the State educational agency and the State health authority looking toward provision of such health information and services for individuals described in section 501 as may be available from such agencies and as may reasonably be necessary to enable them to benefit from the instruction provided under programs conducted pursuant to grants under this title; and

"(5) sets forth a program for use, in accordance with section 503(b), of grants under this title which affords assurance of substantial progress, within a reasonable period and with respect to all segments of the population and all areas of the State, toward elimination of the inability of adults to read and write English and conduct elementary arithmetic computations, and toward substantially raising the level of education of individuals described in section 501; and

"(6) provides for maximum utilization of nonprofessional, noncertified teachers of limited curriculums, as prescribed by the State of a functional, as distinguished from academic, nature.

"(b) The Commissioner shall not finally disapprove any State plan submitted under this title, or any modification thereof, without first affording the State educational agency reasonable notice and opportunity for a hearing.

"Allotments

"SEC. 505. (a) From the sums allocated for grants to States under section 503 for any fiscal year, the Commissioner shall reserve such amount, but not in excess of 2 per centum thereof, as he may determine, and shall allot such amount among Puerto Rico, Guam, American Samoa, and the Virgin Islands according to their respective needs for assistance under this title. The remainder of the sums so allocated for a fiscal year shall be allotted by the Commissioner on the basis of the relative number of individuals in each State who have attained age eighteen and who have completed not more than five grades of school or have not achieved an equivalent level of education, as determined by the Commissioner on the basis of the best and most recent information available to him, including any relevant data furnished to him by the Department of Commerce. The amount allotted to any State under the preceding sentence for any fiscal year which is less than $50,000 shall be increased to that amount, the total thereby required being derived by proportionately reducing the amount allotted to each of the remaining States under the preceding sentence, but with such adjustments as may be necessary to prevent the allotment of any of such remaining States from being thereby reduced to less than $50,000. For the purposes of this subsection, the term "State" shall not include Puerto Rico, Guam, American Samoa, and the Virgin Islands.

"(b) The portion of any State's allotment under subsection (a) for a fiscal year which the Commissioner determines will not be required, for the period such allotment is available, for carrying out the State plan (if any) approved under this title shall be available for reallotment from time to time, on such dates during such period as the Commissioner may fix, to other States in proportion to the original allotments to such States under subsection (a) for such year, but with such proportionate amount for any of such other States being reduced to the extent it exceeds the sum which the Commissioner estimates such State needs and will be able to use for such period for carrying out its State plan approved under this title; and the total of such reductions shall be similarly reallocated among the States whose proportionate amounts are not so reduced. Any amount reallotted to a State under this subsection during a year shall be deemed part of its allotment under subsection (a) for such year.

"Payments

"SEC. 506. (a) From a State's allotment available for the purpose, the Federal share of expenditures, under its State plan, for the purpose set forth in section 503(b) shall be paid to such State. Such payments shall be made in advance on the basis of estimates by the Commissioner; and may be made in such installments as the Commissioner may determine, after making appropriate adjustments to take account of previously made overpayments or underpayments; except that no such payments shall be made for any fiscal year unless the Commissioner finds that the amount available for expenditures for adult basic educational programs and services from State sources for such year will be not less than the amount expended for such purposes from such sources during the preceding fiscal year.

"(b) In any State which has a State plan approved under section 504(a) and in which the State educational agency is not authorized by law to make grants to a community action board or a private nonprofit agency as provided for in section 503(b), the Commissioner shall arrange for making grants to such board or agency on an equitable basis from the State's allotment under section 505.

"(c) For the fiscal year ending June 30, 1967, the Federal share for each State shall be 90 per centum, and for each succeeding fiscal year shall be 80 per centum.

"Operation of State Plans; Hearings and Judicial Review

"SEC. 507. (a) Whenever the Commissioner, after reasonable notice and opportunity for hearing to the State educational agency administering a State plan approved under this title, finds that—

"(1) the State plan has been so changed that it no longer complies with the provisions of section 504, or

"(2) in the administration of the plan there is a failure to comply substantially with any such provision,

the Commissioner shall notify such State agency that no further payments will be made to the State under this part (or in his discretion, that further payments to the State will be limited to programs under or portions of the State plan not affected by such failure), until he is satisfied that there will no longer be any failure to comply. Until he is so satisfied, no further payments may be made to such State under this part (or payments shall be limited to programs under or portions of the State plan not affected by such failure).

"(b) A State educational agency dissatisfied with a final action of the Commissioner under section 504 or subsection (a) of this section may appeal to the United States court of appeals for the circuit in which the State is located, by filing a petition with such court within sixty days after such final action. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Commissioner, or any officer designated by him for that purpose. The Commissioner thereupon shall file in the court the record of the proceedings on which he based his action, as provided in section 2112 of title 28, United States Code. Upon the filing of such petition, the court shall have jurisdiction to affirm the action of the Commissioner or to set it aside, in whole or in part, temporarily or permanently, but until the filing of the record, the Commissioner may modify or set aside his order. The findings of the Commissioner as to the facts, if supported by substantial evidence, shall be conclusive, but the court, for good cause shown, may remand the case to the Commissioner to take further evidence, and the Commissioner may thereupon make new or modified findings of fact and may modify his

previous action, and shall file in the court the record of the further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence. The judgment of the court affirming or setting aside, in whole or in part, any action of the Commissioner shall be final, subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code. The commencement of proceedings under this subsection shall not, unless so specifically ordered by the court, operate as a stay of the Commissioner's action.

"Teacher Training Projects

"SEC. 508. The Commissioner shall allocate funds from graduate and teacher training programs assisted by the Federal Government under the National Defense Education Act and other applicable provisions of law to make grants to colleges and universities, State or local educational agencies, or other appropriate public or private nonprofit agencies or organizations to provide training to persons engaged or preparing to engage as instructors for individuals described in section 501, with such stipends and allowances, if any (including traveling and subsistence expenses), for persons undergoing such training and their dependents as the Commissioner may by or pursuant to regulation determine.

"Small Neighborhood Programs

"SEC. 509. In carrying out this title, special consideration shall be given to the support of small neighborhood programs adapted to the customs and practices of the residents that normally produce resistance to participation in more formal programs of adult basic education.

"Miscellaneous

"SEC. 510. For purposes of this title—

"(1) The term 'State educational agency' means the State board of education or other agency or officer primarily responsible for the State supervision of public elementary and secondary schols, or, if different, the agency or officer primarily responsible for supervision of adult basic education in public schools whichever may be designated by the Governor or by State law, or, if there is no such agency or officer, an agency or officer designated by the Governor or by State law;

"(2) The term 'local education agency' means a board of education or other legally constituted local school authority having administrative control and direction of public elementary or secondary schools in a city, county, township, school district, or political subdivision in a State, except that if there is a separate board or other legally constituted local authority having administrative control and direction of adult basic education in public schools therein, it means such other board or authority;

"(3) The term 'private school agency' means an association or corporation operating or conducting programs of adult basic education, no part of the net earnings of which inures or may lawfully incur to the benefit of any private shareholder or individual.

"Authorization of Appropriations

"SEC. 511. The Commission shall carry out the programs provided for in this title during the fiscal year ending June 30, 1967, and the two succeeding fiscal years. For the purpose of carrying out this title, there is hereby authorized to be appropriated the sum of $40,000,000 for the fiscal year ending June 30, 1967, and for the fiscal year ending June 30, 1968, and the fiscal year ending June 30, 1969, such sums may be appropriated as the Congress may hereafter authorized by law.

"TITLE VI—RURAL LOANS AND MIGRANT PROGRAMS

"Statement of Purpose

"SEC. 601. It is the purpose of this title to provide a separate program of specialized assistance to residents of rural areas relying substantially on agricultural pursuits for income, who show promise of maintaining their livelihood in agriculture, or, with the liberalized benefits provided herein, show promise of ability to supplement their income or maintain or support themselves in nonagricultural enterprises.

"Part A

"SEC. 602. (a) The Secretary of Agriculture (hereinafter in this title referred to as the 'Secretary') is authorized, acting through the Farmers' Home Administration, to make loans having a maximum maturity of 15 years and in amounts not exceeding $3,500 outstanding at any one time to any low-income rural family where, in the judgment of the Secretary, such loans have a reasonable possibility of effecting a permanent increase in the income of such families by assisting or permitting them to—

"(1) acquire or improve real estate or reduce encumbrances or erect improvements thereon,

"(2) operate or improve the operation of farms not larger than family sized, including but not limited to the purchase of feed, seed, fertilizer, livestock, poultry, and equipment, or

"(3) participate in cooperative associations; and/or to finance nonagricultural enterprises which will enable such families to supplement their income.

"(b) Loans under this section shall be made only if the family is not qualified to obtain such funds by loan under other Federal programs.

"(c) In carrying out this part in areas served by qualified community action boards, the Secretary shall utilize the services of such boards in developing programs under this part.

"Cooperative Associations

"SEC. 603. The Secretary is authorized to make loans to local cooperative associations furnishing essential processing, purchasing, or marketing services, supplies, or facilities predominantly to low-income rural families.

"Limitations of Assistance

"SEC. 604. No financial or other assistance shall be provided under this part unless the Secretary determines that—

"(a) the providing of such assistance will materially further the purposes of this part, and

"(b) in the case of assistance provided pursuant to section 603, the applicant is fulfilling or will fulfill a need for services, facilities, or activities which is not otherwise being met.

"Loan Terms and Conditions

"SEC. 605. Loans pursuant to sections 602 and 603 shall have such terms and conditions as the Secretary shall determine, subject to the following limitations:

"(a) There is reasonable assurance of repayment of the loan;

"(b) The credit is not otherwise available on reasonable terms from private sources or other Federal, State, or local programs;

"(c) The amount of the loan, together with other funds available, is adequate to assure completion of the project or achievement of the purpose for which is loan is made;

"(d) The loan bears interest at a rate not less than (1) a rate determined by the Secretary of the Treasury, taking into consideration the average market yield on outstanding Treasury obligations of comparable maturity, plus (2) such additional charge, if any, toward covering other costs of the program as the Treasury may determine to be consistent with its purposes;

"(e) With respect to loans made pursuant to section 603, the loan is repayable within not more than thirty years; and

"(f) No financial or other assistance shall be provided under this part to, or in connection with, any corporation or cooperative organization for the production of agricultural cmmodities or for manufacturing purposes: *Provided,* That packing, canning, cooking, freezing, or other processing used in preparing or marketing edible farm products, including dairy products, shall not be regarded as manufacturing merely by reason of the fact that it results in the creation of a new or different substance.

"Part B

"Assistance for Migrant, and Other Seasonally Employed, Agricultural Employees and Their Families

"SEC. 611. (a) The Secretary is authorized to develop and implement programs of loans, loan grantees, and grants to assist State and local agencies, private nonprofit institutions, and cooperatives in establishing, administering, and operating programs which aid migratory workers and seasonal farm laborers and their families, by bettering or helping them to better their present living conditions and providing programs which develop individual skills for permanent employment as well as developing permanent employment possibilities.

"(b) The Secretary is authorized to make grants under this part to States to encourage them to develop a program, coordinated through regional arrangements or State compacts, to provide minimum standards of housing, sanitation, education, transportation, and other environmental conditions.

"(c) The Secretary is authorized to make grants under this part for special programs (1) that will operate on mobile basis, following a migrant community through its entire seasonal flow, or (2) that provide return transportation and other appropriate assistance for migrants employed in seasonal operations who remain in an area after termination of their seasonal employment with the expectations of permanent employment, but are thereafter terminated from such employment.

"(d) From the sums appropriated or allocated to carry out this part, the Secretary may reserve up to $1,000,000 to be used to conduct a study of methods of decasualizing the labor market, including, but not limited to, studies of the migrant labor streams and alternate occupations for migrants which will effect considerable reductives in the distance traveled by the worker, of training programs to adapt the worker to mechanized agricultural processes, and of training programs to prepare workers for complete removal from the migrant stream.

"Part C

"Authorization of Appropriations

"SEC. 621. The Secretary shall carry out the program provided for in this title during the fiscal year ending June 30, 1967, and the two succeeding fiscal years. For the purpose of carrying out this title, there is hereby authorized to be appropriated the sum of $55,000,000 for the fiscal year ending June 30, 1967, and for the fiscal year ending June 30, 1968, and the fiscal year ending June 30, 1969, such sums may be appropriated as the Congress may hereafter authorize by law.

"TITLE VII—SPECIAL SMALL BUSINESS LOANS AND INCENTIVES

"Statement of Purpose

"SEC. 701. It is the purpose of this title to supplement the Human Investment Act of 1966 by assisting in the establishment, continuation, expansion, and strengthening of small business concerns owned by individu-

als who qualify under poverty standards set by the Director, and to assist in the establishment, or expansion of small business concerns which, by the nature of their business, hold substantial and continuing promise of employing substantial numbers of individuals with inadequate backgrounds of educational experience or skills.

"Loans, Participations, and Guaranties

"SEC. 702. The Administrator of the Small Business Administration (hereinafter in this title referred to as the 'Administrator') is authorized to make, participate (on an immediate basis) in, or guarantee loans, repayable in not more than fifteen years, to any small business concern (as defined in section 3 of the Small Business Act (15 U.S.C. 632) and regulations issued thereunder), or to any qualified person seeking to establish such a concern, when he determines that such loans will assist in carrying out the purposes of this title, with particular emphasis on employment of the long-term unemployed: *Provided, however,* That no such loans shall be made, participated in, or guaranteed if the total of such Federal assistance to a single borrower outstanding at any one time would exceed $25,000. The Administrator may defer payments on the principal of such loans for a grace period and use such other methods as he deems necessary and appropriate to assure the successful establishment and operation of such concern. The Administrator shall encourage, as far as possible, the participation of the private business community in the program of assistance to such concerns.

"Coordination With Community Action Programs

"SEC. 703. No finanical assistance shall be provided under section 702 in any community for which the Director has approved a community action program pursuant to title III of this Act unless such financial assistance is determined by him to be consistent with such program.

"Loan Terms and Conditions

"SEC. 704. Loans made pursuant to section 702 (including immediate participation in and guaranties of such loans) shall have such terms and conditions as the Administrator shall determine, subject to the following limitations:

"(a) There is reasonable assurance of repayment of the loan;

"(b) The financial assistance is not otherwise available on reasonable terms from private sources or other Federal, State, or local programs;

"(c) The amount of the loan, together with other funds available, is adequate to assure completion of the project or achievement of the purposes for which the loan is made;

"(d) The loan bears interest at a rate not less than (1) a rate determined by the Secretary of the Treasury, taking into consideration the average market yield on outstanding Treasury obligations of comparable maturity, plus (2) such additional charge, if any, toward covering other costs of the program as the Administrator may determine to be consistent with its purposes: *Provided, however,* That the rate of interest charged on loans made in redevelopment areas designated under the Area Redevelopment Act (42 U.S.C. 2501 et seq.) shall not exceed the rate currently applicable to new loans made under section 6 of that Act (42 U.S.C. 2505); and

"(e) Fees not in excess of amounts necessary to cover administrative expenses and probable losses may be required on loan guarantees.

"Limitation on Financial Assistance

"SEC. 705. No financial assistance shall be extended pursuant to this title where the Administrator determines that the assistance will be used in relocating establishments from one area to another or in financing subcontractors to enable them to undertake work theretofore performed in another area by other subcontractors or contractors.

"Authorization of Appropriations

"SEC. 706. The Administrator of the Small Business Administration shall carry out the programs provided for in this title during the fiscal year ending June 30, 1967, and the two succeeding fiscal years. For the purpose of carrying out this title, there is hereby authorized to be appropriated the sum of $12,000,000 for the fiscal year ending June 30, 1967; and for the fiscal year ending June 30, 1968, and the fiscal year ending June 30, 1969, such sums may be appropriated as the Congress may hereafter authorize by law.

"TITLE VIII—WORK EXPERIENCE

"Statement of Purpose

"SEC. 801. It is the purpose of this title to train and equip individuals inured to the perpetual cycle of public assistance and welfare to become self-supporting and capable of sustaining their families. In carrying out this purpose the Secretary of Health, Education, and Welfare shall have exclusive Federal authority and shall utilize and coordinate the facilities and programs available at State and local levels, including, to the extent possible, those in the private and voluntary sector. The Secretary shall give special emphasis to equipping individuals with the motivation, discipline, and training necessary to hold permanent jobs in private, profitmaking enterprises.

"SEC. 802. The Secretary of Health, Education, and Welfare (hereinafter referred to as the 'Secretary') shall determine eligibility for programs under this title with due consideration to meeting the following criteria:

"(a) Training offered to participants shall be constructive from the standpoint of upgrading the employability of individuals;

"(b) Eligibility for public assistance of individuals and families shall continue without diminution during periods of participation;

"(c) Participants may engage in gainful employment without pay from their employers for limited periods up to a maximum of two years: *Provided,* That the Secretary shall determine that they are not being exploited as a source of free labor;

"(d) Participants employed under this title shall not displace or adversely affect regular employees (including substitute workers) or additional workers who would otherwise be hired by employers participating in the program;

"(e) Employment by private, profitmaking enterprises, or public or private nonprofit agencies, shall be approved by the Secretary only if the Secretary determines that there is a reasonable chance that the employer will hire the individual participant upon successful completion of the agreed upon training;

"(f) All participants in the program shall be provided basic education as an integral part of their training if they have need for such education;

"(g) To the extent possible, the Secretary shall utilize all existing Federal, State, local, and private programs to provide training and education to participants;

"(h) In the event there is no existing program of education or training available to participants, the Secretary is authorized to make grants or contracts to provide such programs of assistance;

"(i) In determining, eligibility under this title, special emphasis shall be given to individuals with less than eight years of formal schooling who lack the background for effective performance as employees and citizens.

"Payments for Experimental, Pilot, and Demonstration Projects

"SEC. 803. In order to stimulate the adoption of programs designed to help unemployed fathers and other needy persons to secure and retain employment or to attain or retain capability for self-support or personal independence, the Secretary of Health, Education, and Welfare is authorized to use funds appropriated or allocated to carry out this title to make payments for experimental, pilot, or demonstration projects under section 1115 of the Social Security Act (42 U.S.C. 1315), subject to the limitations contained in section 409(a) (1)–(6), inclusive, of such Act (42 U.S.C. 609(a) (1)–(6)), in addition to the sums otherwise available pursuant thereto. Workers in farm families with less than $1,200 net family income shall be considered unemployed for the purposes of this title. The costs of such projects to the United States shall, notwithstanding the provisions of such Act, be met entirely from funds appropriated or allocated to carry out the purposes of this title.

"Authorization of Applications

"SEC. 804. The Secretary of Health, Education, and Welfare shall carry out the programs provided for in this title during the fiscal year ending June 30, 1967, and the two succeeding fiscal years. For the purpose of carrying out this title, there is hereby authorized to be appropriated the sum of $200,000,000 for the fiscal year ending June 30, 1967, and for the fiscal year ending June 30, 1968, and the fiscal year ending June 30, 1969, such sums may be appropriated as the Congress may hereafter authorize by law.

"TITLE IX—AUTOMATING THE EMPLOYMENT SERVICE

"SEC. 901. Section 103 of the Manpower Development and Training Act of 1962 (Public Law 87–415), as amended is amended to read as follows:

"'SEC. 103. (a) The Secretary of Labor is directed, using every appropriate facility, to develop, compile, and make available information regarding skill requirements, occupational outlook, job opportunities, labor supply in various skills, and employment trends on a National, State, area, or other appropriate basis which shall be used in the educational, training, counseling, and placement activities performed under this Act. In the administration of this Act, the Secretary shall give the highest priority to performing the duties prescribed by subsections (a) and (b) of this section with particular emphasis on identifying and publishing those occupations, skills, industries and geographic areas in which the supply of qualified workers is insufficient to meet existing and foreseeable future needs. The sum of $50,000,000 is hereby authorized to be appropriated for the purpose of carrying out the provisions of this subsection.

"'(b) The Secretary of Labor is further directed to develop and establish in the United States Employment Service a program for matching the qualifications of job applicants with employer requirements on a local, interarea, and nationwide basis. Such program shall be designed to provide a quick and direct means of communication among local offices of the Service in the interarea and nationwide referral, recruiting, and placement of unemployed and underemployed workers, and the referral of workers to industries which need them wherever located throughout the Nation. In the development of such program, the Service shall establish a network utilizing electronic data processing and telecommunication systems for the storage, retrieval, and communication of job and worker information. The sum of

$20,000,000 is hereby authorized to be appropriated for the purpose of carrying out the provisions of this subsection.'

"SEC. 902. Section 104 of said Act, as amended, is amended to read as follows:

"'SEC. 104. The Secretary of Labor shall make such reports and recommendations to the President as are appropriate pertaining to manpower requirements, resources, use, and training; and the President shall transmit to the Congress within sixty days after the beginning of each regular session (commencing with the year 1967) a report pertaining to manpower requirements, resources, utilization, and training. Such reports shall contain a specific and detailed account of the administration, utilization, and operation of the functions and activities prescribed by section 103 of this Act.'

"TITLE X—ADMINISTRATION AND COORDINATION

"Repealers: Effective Dates

"SEC. 1001. (a) The Economic Opportunity Act of 1964 is hereby repealed, effective June 30, 1966.

"(b) This Act shall become effective June 30, 1966.

"(c) Notwithstanding subsection (a), during the period between June 30, 1966, and January 1, 1967, the authority granted under the Economic Opportunity Act of 1964 may continue to be utilized to the extent necessary to permit the orderly transformation of programs being carried on under that Act into programs to be carried on under this Act. The authority to carry on a program under the Economic Opportunity Act of 1964 until January 1, 1967, shall be exercised by the officer charged with carrying out a similar program under this Act.

"Economic Opportunity Council

"SEC. 1002. (a) There is hereby established an Economic Opportunity Council, which shall meet at least quarterly to consult and devise methods to insure that antipoverty efforts conducted by all segments of the Federal Government are coordinated.

"(b) The Council shall include the Director, who shall be Chairman, the Secretary of Defense, the Attorney General, the Secretary of the Interior, Agriculture, Commerce, Labor, Health, Education, and Welfare, Housing and Urban Development, the Administrator of the Small Business Administration, the Chairman of the Council of Economic Advisers, the Director of Selective Service, and each other agency who has primary responsibility for a program being carried out under this Act.

"Labor Standards

"SEC. 1003. All laborers and mechanics employed by contractors or subcontractors in the construction, alteration or repair, including painting and decorating of projects, buildings and works which are federally assisted under this Act shall be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act, as amended (40 U.S.C. 276a—276a-5). The Secretary of Labor shall have, with respect to such labor standards, the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176; 64 Stat. 1267; 5 U.S.C. 133—133z-15), and section 2 of the Act of June 13, 1934, as amended (48 Stat. 948, as amended; 40 U.S.C. 276 (c)).

"Reports

"SEC. 1004. Not later than one hundred and twenty days after the close of each fiscal year, each officer charged with carrying out a program under this Act shall prepare and submit to the President for transmission to the Congress a full and complete report on the program he carries out for such fiscal year.

"Definitions

"SEC. 1005. As used in this Act:

"(a) The term 'State' means a State, the Commonwealth of Puerto Rico, the District of Columbia, Guam, American Samoa, or the Virgin Islands, and for purposes of title I and part A of title III such term includes the Trust Territory of the Pacific Islands; and the term 'United States', when used in a geographical sense, includes the foregoing and all other places, continental or insular, including the Trust Territory of the Pacific Islands, subject to the jurisdiction of the United States.

"(b) The term 'agency', unless the context requires otherwise, means department, agency, or other component of a Federal, State, or local governmental entity.

"(c) The term 'family,' in the case of a Job Corps enrollee, means—

"(1) the spouse or child of an enrollee, and

"(2) any other relative who draws substantial support from the enrollee.

"'Preference to Community Action Programs

"SEC. 1006. To the extent feasible and consistent with the provisions of law governing any Federal program and with the purposes of this Act, the head of each Federal agency administering any Federal program is directed to give preference for any application for assistance or benefits which is made pursuant to or in connection with a community action program approved pursuant to title III of this Act.

"Political Discrimination; Political Activity

"SEC. 1007. (a) No officer or employee in the executive branch of the Federal Government shall make any inquiry concerning the political affiliation or belief of any person whose compensation is paid, in whole or in part, from sums appropriated to carry out this Act. All disclosures concerning such matters shall be ignored, except as to such membership in political parties or organizations as constitutes by law a disqualification for Government employment. No discrimination shall be exercised, threatened, or promised by any person in the executive branch of the Federal Government against or in favor of any person whose compensation is paid, in whole or in part, from sums appropriated to carry out this Act because of his political affiliations or beliefs, except as may be specifically authorized or required by law.

"(b) No person whose compensation is paid, in whole or in part, from sums appropriated to carry out this Act shall take an active part in political management or in political campaigns, and no such officer or employee shall use his official authority or influence for the purpose of interfering with an election or affecting the result thereof. All such persons shall retain the right to vote as they may choose and to express, in their private capacities, their opinions on all political subjects and candidates. This section shall not apply to officers or employees of the United States.

"(c) Whenever the United States Civil Service Commission finds that any person has violated subsection (b), it shall, after giving due notice and opportunity for explanation to the person concerned, certify the facts to the Director with specific instructions as to discipline or dismissal or other corrective action.

"Limitation of Staff Salaries

"SEC. 1008. No person whose compensation exceeds $6,000 per annum and is paid, in whole or in part, from sums appropriated to carry out this Act shall be employed at a rate of compensation which exceeds by more than 20 per centum the salary which he was receiving in his immediately preceding employment, but the head of the agency who is charged by this Act with the administration of the program in which he is employed may grant exceptions for specific cases.

"Prohibition of Federal Control

"SEC. 1009. Nothing contained in this Act shall be construed to authorize any department, agency, officer, or employee of the United States to exercise any direction, supervision, or control over the curriculum, program of instruction, administration, or personnel of any educational institution or school system.

"SEC. 1010. No funds appropriated under the authority of this Act shall be used to provide bail or bail bond to secure the appearance of any person in court.

"TITLE XI—TREATMENT OF INCOME FOR CERTAIN PUBLIC ASSISTANCE PURPOSES

"Public Assistance

"SEC. 1101. (a) Notwithstanding the provisions of titles I, IV, X, XIV, and XVI of the Social Security Act, a State plan approved under any title shall provide that—

"(1) the first $85 plus one-half of the excess over $85 of payments made to or on behalf of any person for or with respect to any month under title I, II, or III of this Act or any program assisted under such title shall not be regarded (A) as income or resources of such person in determining his need under such approved State plan, or (B) as income or resources of any other individual in determining the need of such other individual under such approved State plan;

"(2) no payments made to or on behalf of any person for or with respect to any month under such title or any such program shall be regarded as income or resources of any other individual in determining the need of such other individual under such approved State plan except to the extent made available to or for the benefit of such other individual; and

"(3) no grant made to any family under title VI of this Act shall be regarded as income or resources of such family in determining the need of any member thereof under such approved State plan."

The previous question was ordered.

The SPEAKER. The question is on the motion to recommit.

Mr. GERALD R. FORD. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 162, nays 203, answered "present" 1, not voting 66, as follows:

[Roll No. 319]

YEAS—162

Abbitt	Callaway	Fino
Abernethy	Cederberg	Flynt
Adair	Chamberlain	Ford, Gerald R.
Anderson, Ill.	Clancy	Frelinghuysen
Andrews, Glenn	Clausen, Don H.	Fulton, Pa.
Andrews, N. Dak.	Clawson, Del	Fuqua
Arends	Cleveland	Gathings
Ashbrook	Collier	Giaimo
Ashmore	Colmer	Goodell
Ayres	Conable	Gross
Baring	Conte	Grover
Bates	Corbett	Gurney
Battin	Cramer	Haley
Belcher	Cunningham	Hall
Bell	Curtin	Halleck
Bennett	Curtis	Hansen, Idaho
Berry	Dague	Hardy
Betts	Davis, Ga.	Harsha
Bray	Davis, Wis.	Harvey, Mich.
Brock	Devine	Herlong
Broomfield	Dole	Hosmer
Brown, Clarence J., Jr.	Dorn	Hull
Broyhill, N.C.	Dowdy	Hungate
Broyhill, Va.	Downing	Hutchinson
Buchanan	Duncan, Tenn.	Jarman
Burleson	Dwyer	Johnson, Pa.
Burton, Utah	Edwards, Ala.	Jonas
Byrnes, Wis.	Ellsworth	Keith
Cahill	Erlenborn	Kunkel
	Everett	Laird
	Findley	Langen
		Latta

Lipscomb
Long, La.
McCulloch
McMillan
MacGregor
Mailliard
Marsh
Martin, Nebr.
Mathias
May
Michel
Mills
Mize
Moore
Morton
Mosher
Natcher
Nelsen
O'Neal, Ga.
Passman
Pelly
Pike
Poff
Quie
Quillen
Randall
Reid, Ill.
Reifel
Reinecke
Rhodes, Ariz.
Rivers, S.C.
Rogers, Fla.
Roudebush
Rumsfeld
Satterfield
Saylor
Schneebeli
Schweiker
Secrest
Shipley
Shriver
Sikes
Skubitz
Smith, Calif.
Smith, N.Y.
Smith, Va.
Springer
Stafford
Stanton
Stratton
Stubblefield
Talcott
Teague, Calif.
Teague, Tex.
Thomson, Wis.
Tuck
Tuten
Waggonner
Walker, Miss.
Watkins
Watson
Watts
Whalley
Whitten
Widnall
Williams
Wilson, Bob
Wyatt
Wydler
Younger

NAYS—203

Adams
Addabbo
Anderson, Tenn.
Annunzio
Ashley
Bandstra
Barrett
Beckworth
Bingham
Blatnik
Boggs
Boland
Bolling
Brademas
Brooks
Burke
Burton, Calif.
Byrne, Pa.
Callan
Cameron
Carey
Casey
Celler
Clark
Clevenger
Cohelan
Conyers
Cooley
Corman
Craley
Culver
Daniels
Dawson
de la Garza
Delaney
Dent
Diggs
Dingell
Donohue
Dulski
Duncan, Oreg.
Edmondson
Edwards, Calif.
Evins, Tenn.
Fallon
Farbstein
Farnsley
Farnum
Fascell
Feighan
Flood
Fogarty
Foley
Ford, William D.
Fountain
Fraser
Friedel
Fulton, Tenn.
Gallagher
Garmatz
Gibbons
Gilbert
Gilligan
Gonzalez
Grabowski
Green, Oreg.
Green, Pa.
Grider
Griffiths
Hagen, Calif.
Halpern
Hamilton
Hanley
Hanna
Hansen, Iowa
Hansen, Wash.
Hathaway
Hawkins
Hays
Hechler
Helstoski
Henderson
Hicks
Holifield
Holland
Horton
Huot
Ichord
Irwin
Jacobs
Joelson
Johnson, Calif.
Jones, Ala.
Jones, N.C.
Karsten
Karth
Kastenmeier
Kelly
Keogh
King, Calif.
King, Utah
Kirwan
Kornegay
Krebs
Kupferman
Leggett
Lennon
Long, Md.
Love
McCarthy
McDowell
McFall
McGrath
Macdonald
Machen
Mackay
Mackie
Madden
Mahon
Matsunaga
Matthews
Meeds
Miller
Minish
Mink
Moeller
Moorhead
Morgan
Morris
Multer
Murphy, Ill.
Murphy, N.Y.
Nix
O'Brien
O'Hara, Ill.
O'Hara, Mich.
Olson, Minn.
Ottinger
Patman
Patten
Pepper
Perkins
Philbin
Pickle
Powell
Price
Pucinski
Race
Redlin
Rees
Reid, N.Y.
Resnick
Reuss
Rhodes, Pa.
Rivers, Alaska
Roberts
Rodino
Rogers, Colo.
Ronan
Rooney, N.Y.
Rooney, Pa.
Rosenthal
Rostenkowski
Roush
Roybal
Ryan
St Germain
St. Onge
Scheuer
Schisler
Schmidhauser
Senner
Sickles
Sisk
Slack
Smith, Iowa
Staggers
Stalbaum
Sullivan
Sweeney
Taylor
Tenzer
Thompson, N.J.
Todd
Trimble
Tunney
Tupper
Udall
Ullman
Van Deerlin
Vanik
Vigorito
Vivian
Waldie
Weltner
White, Idaho
White, Tex.
Whitener
Wilson, Charles H.
Wolff
Yates
Young

ANSWERED "PRESENT"—1

Zablocki

NOT VOTING—66

Albert
Andrews, George W.
Aspinall
Bolton
Bow
Brown, Calif.
Cabell
Carter
Chelf
Daddario
Denton
Derwinski
Dickinson
Dow
Dyal
Edwards, La.
Evans, Colo.
Fisher
Gettys
Gray
Greigg
Gubser
Hagan, Ga.
Harvey, Ind.
Hébert
Howard
Jennings
Johnson, Okla.
Jones, Mo.
Kee
King, N.Y.
Kluczynski
Landrum
McClory
McDade
McEwen
McVicker
Martin, Ala.
Martin, Mass.
Minshall
Monagan
Morrison
Morse
Moss
Murray
Nedzi
O'Konski
Olsen, Mont.
O'Neill, Mass.
Pirnie
Poage
Pool
Purcell
Robison
Rogers, Tex.
Roncalio
Scott
Selden
Stephens
Thomas
Thompson, Tex.
Toll
Utt
Walker, N. Mex.
Willis
Wright

So the motion to recommit was rejected.

The Clerk announced the following pairs:

On this vote:

Mrs. Bolton for, with Mr. Zablocki against.

Mr. Hébert for, with Mr. O'Neill of Massachussetts against.

Mr. Pool for, with Mr. Kluczynski against.

Mr. Fisher for, with Mrs. Thomas against.

Mr. Chelf for, with Mr. Albert against.

Mr. George W. Andrews for, with Mr. Evans of Colorado against.

Mr. Selden for, with Mr. Aspinall against.

Mr. Stephens for, with Mr. Howard against.

Mr. Scott for, with Mr. Jennings against.

Mr. Rogers of Texas for, with Mr. Moss against.

Mr. Murray for, with Mr. Brown of California against.

Mr. Hagan of Georgia for, with Mr. McVicker against.

Mr. Gettys for, with Mr. Kee against.

Mr. Derwinski for, with Mr. Daddario against.

Mr. Bow for, with Mr. Denton against.

Mr. McClory for, with Mr. Nedzi against.

Mr. Gubser for, with Mr. Monagan against.

Mr. Carter for, with Mr. Cabell against.

Mr. Robison for, with Mr. Dyal against.

Mr. Minshall for, with Mr. Utt against.

Mr. Martin of Alabama for, with Mr. Gray against.

Mr. McEwen for, with Mr. Olsen of Montana against.

Mr. King of New York for, with Mr. Wright against.

Mr. Dickinson for, with Mr. Walker of New Mexico against.

Mr. Harvey of Indiana for, with Mr. Johnson of Oklahoma against.

Until further notice:

Mr. Landrum with Mr. Pirnie.

Mr. Roncalio with Mr. O'Konski.

Mr. Willis with Mr. Martin of Massachusetts.

Mr. Greigg with Mr. Morse.

Mr. Purcell with Mr. McDade.

Mr. Morrison with Mr. Dow.

Mr. Thompson of Texas with Mr. Edwards of Louisiana.

Mr. ZABLOCKI. Mr. Speaker, I have a live pair with the gentlewoman from Ohio [Mrs. BOLTON]. If she were present, she would have voted "yea." I voted "nay." I withdraw my vote and vote "present."

The result of the vote was announced as above recorded.

The SPEAKER. The question is on the passage of the bill.

Mr. GERALD R. FORD. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 210, nays 156, answered "present" 1, not voting 65, as follows:

[Roll No. 320]

YEAS—210

Adams
Addabbo
Anderson, Tenn.
Annunzio
Ashley
Bandstra
Barrett
Beckworth
Bingham
Blatnik
Boggs
Boland
Bolling
Brademas
Brooks
Burke
Burton, Calif.
Burton, Utah
Byrne, Pa.
Cahill
Callan
Cameron
Carey
Casey
Celler
Clark
Clevenger
Cohelan
Conte
Conyers
Corman
Craley
Culver
Daniels
Dawson
de la Garza
Delaney
Dent
Diggs
Dingell
Donohue
Dulski
Duncan, Oreg.
Dwyer
Edmondson
Edwards, Calif.
Evins, Tenn.
Fallon
Farbstein
Farnsley
Farnum
Fascell
Feighan
Flood
Fogarty
Foley
Ford, William D.
Fraser
Friedel
Fulton, Pa.
Fulton, Tenn.
Gallagher
Garmatz
Giaimo
Gibbons
Gilbert
Gilligan
Gonzalez
Grabowski
Green, Oreg.
Green, Pa.
Grider
Griffiths
Hagen, Calif.
Halpern
Hamilton
Hanley
Hanna
Hansen, Iowa
Hansen, Wash.
Hathaway
Hawkins
Hays
Hechler
Helstoski
Hicks
Holifield
Holland
Horton
Huot
Irwin
Jacobs
Joelson
Johnson, Calif.
Karsten
Karth
Kastenmeier
Kee
Keith
Kelly
Keogh
King, Calif.
King, Utah
Kirwan
Krebs
Kupferman
Leggett
Long, Md.
Love
McCarthy
McDowell
McFall
McGrath
Macdonald
Machen
Mackay
Mackie
Madden
Matsunaga
Matthews
Meeds
Miller
Minish
Mink
Moeller
Moore
Moorhead
Morgan
Morris
Multer
Murphy, Ill.
Murphy, N.Y.
Natcher
Nix
O'Brien
O'Hara, Ill.
O'Hara, Mich.
Olson, Minn.
Ottinger
Patman
Patten
Pepper
Perkins
Philbin
Pickle
Pike
Powell
Price
Pucinski
Race
Redlin
Rees
Reid, N.Y.
Resnick
Reuss
Rhodes, Pa.
Rivers, Alaska
Roberts
Rodino
Rogers, Colo.
Ronan
Rooney, N.Y.
Rooney, Pa.
Rosenthal
Rostenkowski
Roush
Roybal
Ryan
St Germain
St. Onge
Saylor
Scheuer
Schisler
Schmidhauser
Secrest
Senner
Shipley
Sickles
Sisk
Slack
Smith, Iowa
Stafford
Staggers
Stalbaum
Steed
Stratton
Stubblefield
Sullivan
Sweeney
Tenzer
Thompson, N.J.
Todd
Trimble
Tunney
Tupper
Udall
Ullman
Van Deerlin
Vanik
Vigorito
Vivian
Waldie
Weltner
White, Idaho
White, Tex.
Widnall
Wilson, Charles H.
Wolff
Yates
Young

NAYS—156

Abbitt
Abernethy
Adair
Anderson, Ill.
Andrews, Glenn
Andrews, N. Dak.
Arends
Ashbrook
Ashmore
Ayres
Baring
Bates
Battin
Belcher
Bell
Bennett
Berry
Betts
Bray
Brock
Broomfield
Brown, Clarence J., Jr.
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burleson
Byrnes, Wis.
Callaway
Cederberg
Chamberlain
Clancy
Clausen, Don H.
Clawson, Del
Cleveland
Collier
Colmer
Conable
Cooley
Corbett
Cramer
Cunningham
Curtin
Curtis
Dague
Davis, Ga.
Davis, Wis.
Devine
Dole
Dorn
Dowdy
Downing
Duncan, Tenn.
Edwards, Ala.
Ellsworth
Erlenborn
Everett
Findley
Fino
Flynt
Ford, Gerald R.
Fountain
Frelinghuysen
Fuqua
Gathings
Goodell

Gross	McMillan	Schweiker
Grover	MacGregor	Shriver
Gurney	Mahon	Sikes
Haley	Mailliard	Skubitz
Hall	Marsh	Smith, Calif.
Halleck	Martin, Nebr.	Smith, N.Y.
Hansen, Idaho	Mathias	Smith, Va.
Hardy	May	Springer
Harsha	Michel	Stanton
Harvey, Mich.	Mills	Talcott
Henderson	Mize	Taylor
Herlong	Morton	Teague, Calif.
Hosmer	Mosher	Teague, Tex.
Hull	Nelsen	Thomson, Wis.
Hungate	O'Neal, Ga.	Tuck
Hutchinson	Passman	Tuten
Ichord	Pelly	Waggonner
Jarman	Poff	Walker, Miss.
Johnson, Pa.	Quie	Watkins
Jonas	Quillen	Watson
Jones, Ala.	Randall	Watts
Jones, N.C.	Reid, Ill.	Whalley
Kornegay	Reifel	Whitener
Kunkel	Reinecke	Whitten
Laird	Rhodes, Ariz.	Williams
Langen	Rivers, S.C.	Wilson, Bob
Latta	Rogers, Fla.	Wyatt
Lennon	Roudebush	Wydler
Lipscomb	Rumsfeld	Younger
Long, La.	Satterfield	
McCulloch	Schneebeli	

ANSWERED "PRESENT"—1

Zablocki

NOT VOTING—65

Albert	Gubser	Murray
Andrews, George W.	Hagan, Ga.	Nedzi
Aspinall	Harvey, Ind.	O'Konski
Bolton	Hébert	Olsen, Mont.
Bow	Howard	O'Neill, Mass.
Brown, Calif.	Jennings	Pirnie
Cabell	Johnson, Okla.	Poage
Carter	Jones, Mo.	Pool
Chelf	King, N.Y.	Purcell
Daddario	Kluczynski	Robison
Denton	Landrum	Rogers, Tex.
Derwinski	McClory	Roncalio
Dickinson	McDade	Scott
Dow	McEwen	Selden
Dyal	McVicker	Stephens
Edwards, La.	Martin, Ala.	Thomas
Evans, Colo.	Martin, Mass.	Thompson, Tex.
Fisher	Minshall	Toll
Gettys	Monagan	Utt
Gray	Morrison	Walker, N. Mex.
Greigg	Morse	Willis
	Moss	Wright

So the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Zablocki for, with Mrs. Bolton against.

Mr. Albert for, with Mr. Hébert against.

Mr. O'Neill of Massachusetts for, with Mr. Pool against.

Mrs. Thomas for, with Mr. Fisher against.

Mr. Evans of Colorado for, with Mr. George W. Andrews against.

Mr. Kluczynski for, with Mr. Selden against.

Mr. Aspinall for, with Mr. Stephens against.

Mr. Howard for, with Mr. Scott against.

Mr. Jennings for, with Mr. Rogers of Texas against.

Mr. Moss for, with Mr. Murray against.

Mr. Brown of California for, with Mr. Hagan of Georgia against.

Mr. Cabell for, with Mr. Gettys against.

Mr. Daddario for, with Mr. Derwinski against.

Mr. Denton for, with Mr. Utt against.

Mr. Nedzi for, with Mr. McClory against.

Mr. Monagan for, with Mr. Gubser against.

Mr. Dyal for, with Mr. Robison against.

Mr. Gray for, with Mr. Martin of Alabama against.

Mr. Olsen of Montana for, with Mr. McEwen against.

Mr. Wright for, with Mr. Dickinson against.

Mr. Johnson of Oklahoma for, with Mr. Harvey of Indiana against.

Mr. Carter for, with Mr. Minshall against.

Mr. McDade for, with Mr. Bow against.

Mr. Morse for, with Mr. King of New York against.

Until further notice:

Mr. McVicker with Mr. Martin of Massachusetts.

Mr. Walker of New Mexico with Mr. O'Konski.

Mr. Willis with Mr. Pirnie.

Mr. Landrum with Mr. Chelf.

Mr. Thompson of Texas with Mr. Greigg.

Mr. Purcell with Mr. Edwards of Louisiana.

Mr. Roncalio with Mr. Morrison.

Mr. ZABLOCKI. Mr. Speaker, I have a live pair with the gentlewoman from Ohio [Mr. BOLTON]. If she were present, she would have voted "nay." I voted "yea." I withdraw my vote and vote "present."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

HOUR OF MEETING, SEPTEMBER 30

Mr. BOGGS. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 10 o'clock tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

LEGISLATIVE PROGRAM FOR FRIDAY, SEPTEMBER 30

Mr. GERALD R. FORD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. GERALD R. FORD. Mr. Speaker, I take this time for the purpose of asking the distinguished acting majority leader the program for tomorrow.

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

Mr. GERALD R. FORD. I yield to the gentleman.

Mr. BOGGS. Mr. Speaker, in response to the distinguished minority leader, it is the intention of the leadership to call up immediately upon the convening of the House tomorrow, after the adoption of the rule, H.R. 17607, to temporarily suspend the investment credit and the application of accelerated depreciation. Following that we hope to dispose of two other bills listed on the whip notice. The amendments to the Atomic Energy Act of 1954, H.R. 17685, and the Water Pollution Control Act, H.R. 16076. We will not call up House Joint Resolution 1163, the Washington Metropolitan Area Transit Authority bill, on tomorrow.

Mr. Speaker, also we may call up the rule on the judiciary bill tomorrow but not the bill.

COMMITTEE ON MERCHANT MARINE AND FISHERIES

Mr. BOGGS. Mr. Speaker, I ask unanimous consent that the Committee on Merchant Marine and Fisheries may have until midnight tonight to file a conference report on the bill H.R. 16559.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

RESOLUTIONS TABLED

The SPEAKER. Without objection, House Resolution 913, House Resolution 1012, and House Resolution 1014 will be laid upon the table.

There was no objection.

TO TERMINATE EXISTENCE OF INDIAN CLAIMS COMMISSION

Mr. HALEY. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 5392) to terminate the existence of the Indian Claims Commission, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and ask for a conference with the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Florida? The Chair hears none and appoints the following conferees: Messrs. HALEY, O'BRIEN of New York, EDMONDSON, SAYLOR, and BERRY.

GENERAL LEAVE TO EXTEND

Mr. GIBBONS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous matter during the debate on the bill H.R. 15111.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

PERMISSION TO CORRECT SECTION NUMBERS AND PUNCTUATION

Mr. GIBBONS. Mr. Speaker, I ask unanimous consent that in the engrossment of the bill H.R. 15111 the Clerk be authorized to correct section numbers and punctuation to conform the bill to the action taken in the Committee of the Whole and by the House.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

LET'S WIN THE ECONOMIC WAR FRANCE HAS DECLARED AGAINST US

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

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

There was no objection.

Mr. STRATTON. Mr. Speaker, I do not know how other Members may feel, or how the American people as a whole may feel, but as far as I am concerned I have just about had enough. This Nation is under attack, not militarily but economically. And not by our enemies

but by those who presumably are our friends. And I for one, think it is time we did something about it.

The French, whose nation we saved with our treasure and with the lives of countless tens of thousands of our young men in two successive wars, have launched an all-out assault on the fiscal stability of our Nation. In fact the latest volley in that assault has just been fired by the French spokesman here in our own Capital City during the current session of the International Monetary Fund at the Sheraton Park Hotel. Under orders from General de Gaulle the French, having done their best to upset our common defense posture in NATO, having sided wholeheartedly with the enemy who is shooting at our soldiers in Vietnam, is now engaged in a bold and impudent assault on the American dollar.

It is time we took some effective action against that assault, Mr. Speaker, and I have a program to propose to this House and to the American people to meet that assault. We can no longer afford to ignore the hatchet job which General de Gaulle is trying to do not merely to our international position but on our economy both at home and abroad.

For some years the United States has been faced with a serious economic problem, known variously as the gold flow, the deficit in our international payments, or, perhaps more simply, a severe shortage of dollars. The source of our problem is not far to seek. It stems from our massive efforts ever since the end of World War II to prevent the aggressive expansion of communism and to help shaky and distressed countries, including France, get on their own economic feet. This gold flow or shortage of dollars aggravates the present inflation we are experiencing and the accompanying rise in our prices.

What is hard to take is that one of the nations which has benefited most by these international efforts of ours which have created our dollar shortage problem, France, whose cemeteries are filled with the bodies of American soldiers who died to keep France free, is now doing its level best to aggravate the problem we are already struggling to handle, is attempting to undermine the American dollar, the basis of our economy. And, we might as well admit, she is beginning to make us hurt.

The problem of the dollar gap or the gold outflow may seem like a complicated matter, but its general principles are not really difficult to understand. There are two types of currency used for world trade today. One is the British pound. The other is the American dollar. That means that businesses settle their accounts internationally in either of these two currencies. Because of our political stability and our great industrial might, the dollar is what everyone wants. Nevertheless, in the British Commonwealth of Nations, the English use their pound sterling. The confidence of stock markets all over the world is based on the stability of the pound and dollar.

But our dollar has been under severe pressure for some time—not from our enemies, but from our supposed friend, France. Our dollar is backed by gold, and we guarantee any nation turning in dollars that we will buy them, and in turn, sell them gold at $35 an ounce.

For the last few years, France has been converting every single dollar she can get her hands on into gold. In the second quarter of 1966, for example, France more than doubled her purchase of U.S. gold. She bought $220.7 million, up from $102.8 million in the first quarter of the year, and up $148 million from the second quarter last year. What this all means is that all the dollars we Americans spend in France, in any way, France then turn around and turns into gold. Thus, when you buy a bottle of French wine, France takes that dollar or two and converts it into gold. The damage from all of this may be psychological, but it's still very important. Our dollar is so strong, and has been able to pay for two world wars and to bail France out after World War II with help, because people around the world have confidence in the dollar. It is backed by gold. France cannot use the gold she buys. She can only store it. Therefore, she really does not transfer our dollars into gold except for the purely political and, indeed, mischievous purpose of trying to undermine the dollar, thus causing us embarrassment and economic trouble.

This continuing outflow of gold to France must stop if we are to maintain world confidence in the U.S. dollar. If De Gaulle is going to try to undermine our dollar by converting all his dollars into gold, then we will have to see that he does not get the dollars to convert. I therefore propose the following courses of action to deal with this damaging economic threat:

First. France still owes the United States $374 million for money she borrowed from us during World War II. We should insist that she repay it. If France is now so rich that she can afford to convert all her dollars into gold, let her first repay her remaining outstanding World War II debt before we let her continue her unrelenting assault on our gold supply and on the stability of the dollar.

Second. But that $374 million is only a drop in the bucket. American tourists spent about $125 million last year in France. That spending must stop. Americans should voluntarily stop visiting France, and stop spending their dollars there. Perhaps we in Congress might even put limitations on such travel.

Third. My most important proposal relates to French wine. The United States is the largest consumer of French wines in the world. Last year we imported over $44 million worth. We do not need French wines. New York State produces some of the finest wines and champagnes in the world. This area produces about $100 million worth. Other areas in America also produce wines. If we stopped buying French wines, and bought New York State wines, De Gaulle would be on his knees in a short time. He would not have anything like the dollars he now has to convert to gold. An important sector of the French economy would be affected, and he would have to stop trying to undermine our dollar. Let us therefore show where we stand by undertaking a nationwide mass boycott of all French wines and champagne. Once we do that De Gaulle will get the message.

We have no quarrel with the French people. But we do have a quarrel with General de Gaulle. He unilaterally ended NATO last year, and ordered American troops out of the France we helped him regain and reorganize. We are in Europe today only because France in the last 50 years, only a stone's throw from Germany, was unable to meet her own commitments with her own resources alone. We helped France after World War II and stopped communism by our Marshall plan. Now, after all this help and blood, the thanks we get is for De Gaulle to try and wreck our economy by earning all the dollars she can, and converting them to gold, thereby depleting our supply—all presumably in the name of the grandeur of France, all to humiliate and undermine the stability and prosperity of the United States.

New York State wine is as good as French wine, probably better in fact. An embargo on French wine, not by legislation but by request, and the substitution of the use of New York and California wines would not only make these wines more readily available to the American public, but it would go far toward solving our balance of payments.

Just the other day the French representative at the IMF conference here in Washington called for an end to the use of the dollar as a basic standard of international exchange, substituting for it gold, of which France is trying desperately to amass quite a hoard.

French gold reserves ran to $4.5 billion last year, making France the second largest holder of gold in the non-Communist world. This gold hoard, used by De Gaulle to put pressure on the American dollar, as a reserve currency, is described by some French Communists as France's war chest.

Mr. Speaker, we have it in our hands today as a Nation and as a people to put an end to this war, to win it clearly and unmistakably for our side. Let us put an end now to any further appeasement of these French efforts to undermine our economy. Let us begin our counter offensive, and let us begin today.

IT IS POPULAR TO CRITICIZE ANTIPOVERTY PROGRAM

Mr. MATTHEWS. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include an editorial.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. MATTHEWS. Mr. Speaker, in connection with our discussion of the antipoverty program, I am pleased to

submit an excellent editorial by Mrs. Lora S. Britt, editor of the Palatka, Fla., Daily News, dated September 26, 1966.

I certainly commend it to all interested in this vital subject.

FROM MY NOTEBOOK: IT'S POPULAR TO CRITICIZE ANTIPOVERTY PROGRAM

(By Lora Sinks Britt)

It is popular to criticize the federal antipoverty program. There are people who talk about the futility of "give aways." There are those who are convinced that a segment of the populace is going to be poor no matter what is done for it; that we are headed for a socialized state if there are to be rent subsidies and aid to the poor; that money is being wasted.

All of these criticisms are well founded but, when lumped together to oppose the anti-poverty program without any regard for its basic purpose and some of the conditions that necessitate it, they become out of focus.

Fundamentally the anti-poverty program is not a "give-away". The program seeks to find ways to train and educate people so that they can become self sustaining citizens. It does not hand out funds to the poor even though there are those who try to create this image before the public.

The idea that there have always been poor among us and there always will be is undoubtedly true. Human being are human beings and there forever will be these who through circumstance, lack of ability, intelligence or initiative remain in abject poverty. But there are others, millions of them in this land of plenty, who are poor not by their own choice or because they lack the will to improve their lot. Inadequate education, their environment and fear of stepping out of the old ruts in which they live, and even poor health, can keep some people in poverty.

While there is a general complaint against the federal government spending so much money on the anti-poverty program, not enough people in their criticisms are asking what their own states or cities had done to alleviate the conditions that perpetuate poverty, crime and disease, before the federal government began its program. If every city and county, large or small, had moved long ago to better educate and train the poor there would not have been the occasion for the federal government to do the work which naturally costs far more when directed from Washington than it would have from a state capital or the county courthouse.

Operation Head Start generally has shattered the idea that the poor did not care enough about their children. Where the program has been conducted properly parents cooperated wholeheartedly with the Head Start staff and attended meetings in far greater ratio than do parents at Parent-Teacher meetings. This program seeks to give school children a better start in life and seemingly it does so, although only time will reveal the results.

The Job Corps, much maligned because of some incidents has helped many young people who would not have had an opportunity if they had remained in the cities or the rural areas where there were no job possibilities for them even if they graduated from high school.

The Volunteers for Service to America, VISTA, through their work among the poor in the remote areas have brought to national attention almost unbelievable poverty and need in the Appalachian Mountains and among the American Indians.

Of course the poor have always been with us, but until the federal anti-poverty program turned the country's conscience to them, they were overlooked, ignored or forgotten . . . with the number swelling every year.

Unfortunately, the anti-poverty program has taken on some aspects that furnish the complainants with fuel for their arguments. For one thing, the program in the minds of many is designed only for Negroes. This is false but because of it, anti-poverty becomes synonymous with civil rights controversies for many objectors. Another thing is that in far too many places money has been squandered on fantastically high salaries for people in the program with little or nothing left over to do the work among the poor. The Administration's rent subsidy bill, which would pay part or all of the rent of those people who could not afford to pay for the kind of housing they need, was a bad feature of the anti-poverty program.

The racial issue, waste in the program and the rent subsidy plan have put the anti-poverty program out of focus. The real issue to be considered is: What will happen if the government does not carry on a program to help the poor? Will the anti-poverty program be run really for the benefit of the poor or will it be run for the politicians seeking to advance the future of the Administration?

If the Federal government should not carry on the anti-poverty program, then who will step in to do the same work? Of course each community could, if it would, but old concepts of what the poor can or cannot do and what they do or do not want go deep and it is unlikely that much would be accomplished very soon—although communities may have to try if Congress sometime becomes entirely disenchanted with the anti-poverty program and fails to appropriate sufficient funds.

As the House and the Senate this week discuss the amount of money to appropriate for the anti-poverty program, it would be well if congressmen begin asking also how the money can be spent more effectively and where the "fat" can be cut out of the funds by the anti-poverty officials at the top so that there is money left to fight the "war" at the bottom.

But for those people who think they oppose unalterably the anti-poverty program emanating from Washington, there should be the question: If Washington should discontinue the program, (although this is unlikely for the present) what plans have been made for adopting a similar one in their own communities?

The conscience of many Americans has been awakened to the poverty and misery around them and they are not willing to turn their backs any longer. They want to help the poor, but not bureaucracy.

A NEW 4-YEAR COLLEGE IN THE 11TH CONGRESSIONAL DISTRICT OF MICHIGAN

Mr. CLEVENGER. 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. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. CLEVENGER. Mr. Speaker, I would like to call the attention of my colleagues to a new 4-year college in the 11th Congressional District of Michigan. Mackinac College, located on beautiful Mackinac Island, opened on September 14 with 150 charter freshmen and some 20 faculty members. This Saturday, October 1, the college will be dedicated and its first president, Dr. S. Douglas Cornell, installed.

Mr. Speaker, I will be honored to participate in the dedication of Mackinac College this Saturday, and will do so with the hope and confidence that this institution will be dedicated to the highest ideals of our heritage of academic freedom. At a time in history when we are in competition with totalitarianism for the minds of men, I think it is more important than ever that we encourage and applaud the establishment of educational institutions which encourage freedom of inquiry, thought, and discovery.

I think the objectives of Mackinac College are well reflected in the following article which appeared in the Bay City Times on September 13, 1966:

(By Margaret Allison)

MACKINAC ISLAND.—Mackinac College sees itself headed toward a unique educational breakthrough suited to the times.

Its island campus is permeated with the spirit of high adventure as administrators and faculty talk about how they believe Mackinac will become a new force in education.

The new school opens Wednesday with 150 charter freshmen and some 20 faculty members.

Dr. Morris Martin, dean of faculty, wants to keep this new liberal arts college relevant.

"This is the factor for which today's colleges are looking; but too many are high and dry in the backwaters of history."

"I am enthusiastic about learning, but I want to see knowledge used to redirect today's world. Mackinac College will gear its courses to answering the problems of the world in which we live.

David Blair, English department co-ordinator, believes problems of today's world are compounded because much modern literature presents society as meaningless. "A generation which is hungry for relevance is being given a diet of husks," he contends.

In teaching literature at Mackinac, Blair explains, "books will be evaluated in terms of human values, not just structure and form.

He fully expects a new crop of young writers to emerge at Mackinac, who will point man to triumph, not to defeat."

"What happens in a nation's classrooms will have as great a bearing on the future as what happens in its research laboratories," is the conviction of Martin Dounda, member of the English faculty and former speechwriter for the Air Force Systems Command in Washington, D.C.

"The thing that attracted me to Mackinac," he says, "is its avowed aim to educate students for responsible leadership in a technological age."

Prof. E. Harold Tull, physics and introductory science teacher, believes "Anyone who wants to take responsibility for the world needs some knowledge of science." He has been conducting investigations of the ionosphere by means of radio transmitters sent aloft in sounding rockets from Fort Churchill in northern Canada.

Dr. Franklin S. Chance, until recently in charge of research and production at Pfizer International Pharmaceutical Co., wants "to stress math as a way of thinking, rather than just a technique for problem-solving. This is not unique," he added. "Educators have felt this was the main reason for teaching. But at Mackinac I will try to bring it out from under cover so the students themselves realize its importance and achieve mental discipline."

W. Timothy Gallwey, director of admissions, from San Francisco, said "This is the first college to start from scratch with the idea in mind to teach leadership in perspective to world opportunity."

Gallwey, a 1960 graduate of Harvard University, explained before Mackinac was formed teams visited 125 universities and colleges in 20 states, interviewing countless

students, teachers and parents. Conferences also were held to explore the concerns and needs of youth for a type of education most suited to the demands of today's world.

"This combination of visits, interviews and conferences revealed the widespread demand for the kind of education that Mackinac College will provide." he said.

Gallwey said the 150-member charter student body has a wide range of academic ability. "Thirty per cent are in the top 10 per cent of their class and could get into any college in the country; 55 per cent in upper one-half and could get into most colleges; the other 15 per cent have leadership potential although their scores are lower. We'll offer a remedial program for them, and if they need more extra help we'll start a special program."

More than 50 per cent of the students "receive some sort of financial assistance," Gallwey said "We made it possible for all students accepted to meet college expenses."

OUR INVOLVEMENT IN VIETNAM

Mr. FARNUM. 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. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. FARNUM. Mr. Speaker, during my frequent returns to my district in Michigan, it has become apparent, from discussions with constituents about our involvement in Vietnam, that the basic position of the United States is not clearly understood. I have attended every possible briefing, I have studied every possible source of informed opinion, and I have talked to many persons who have seen firsthand the situation in Vietnam—my objective being to understand why we are there, what we are doing, and how do we intend to ultimately find peaceful solution to this conflict. I have brought together what I consider the essentials of our commitment in Vietnam in the form of a careful review of our basic position, our efforts for negotiations, the political situation in light of the recent elections, the history of our economic aid, and an honest hard-facts statement on the military situation there. Yet my emphasis is on our desire for peace, for I believe that, more than anything else, the people of my district and of the country as a whole, earnestly desire world peace consistent with our national honor. I have tried to make this review as up to date as possible, realizing that the history of events in that troubled country has been that of constant change, and that we ourselves have had to look again and again for wise alternatives amidst a sea of changing circumstances.

To summarize our position in the world on the question of peace, and how we propose to bring about a just peace, we have no finer projection of our objectives than that enunciated by Ambassador Arthur J. Goldberg, the U.S. representative to the United Nations, in the plenary session in general debate, on September 22, 1966. Rather than paraphrase or excerpt, I am asking unanimous consent that Ambassador Goldberg's address be printed in the RECORD following my review of our basic position, as his statement marks a significant initiative for peace which must be considered as an integral part of our basic U.S. policy in Vietnam.

The United States is ready to order a cessation of all bombing of North Vietnam, when assured—privately or otherwise—that this step will be answered promptly by a corresponding and appropriate de-escalation of aggression against the South.

The United States is also ready to withdraw its forces as others withdraw theirs so that peace can be restored in South Vietnam, and favors international machinery to insure effective supervision of the withdrawal.

In stating these U.S. proposals to the United Nations General Assembly, American Ambassador Arthur Goldberg made clear September 22 that the United States desires a political, not a military, solution to the conflict in Vietnam. And he stressed that Vietcong representation in unconditional discussions or negotiations of a political solution would be no insurmountable problem.

In his address Ambassador Goldberg posed these questions:

First. Would the government in Hanoi, in the interest of peace, and in response to a prior cessation by the United States of the bombing in North Vietnam, take corresponding and timely steps to reduce or bring to an end its military activities against South Vietnam?

Second. Would North Vietnam be willing to agree to a time schedule for supervised, phased withdrawal from South Vietnam of all external forces—those of North Vietnam as well as those of the United States and other countries aiding South Vietnam?

All who are devoted to peace will welcome the U.S. initiatives which Mr. Goldberg outlined. As I speak to you today, we are waiting. We are waiting for a positive response from North Vietnam.

As a result of my exhaustive and endless search for the course of reason in this most important national question, I can only conclude that we must support the patience and perseverance of our President.

THE BASIC UNITED STATES POSITION

A commitment against aggression

The people of the United States are assisting the people of South Viet-Nam for the same reason that we assisted the people of Greece and of South Korea—to support a free people in the face of Communist aggression. Our goal is to preserve the freedom of the South Vietnamese people to determine their future as they see fit. Tens of thousands of armed, trained men including tons of armaments and North Vietnamese regular army units have been infiltrated into South Viet-Nam to impress Hanoi's will by force.

Three American presidents—Dwight Eisenhower, John F. Kennedy, and Lyndon Johnson—have pledged us to assist South Viet Nam. Many nations whose future may hinge on American support are anxiously watching our actions in South-Vietnam to determine the value of solemn American commitments. Their future conduct, as well as that of hostile nations, will be influenced by the conclusions that are drawn from our support of South Viet-Nam. They are watching to see if America will persevere. Our example will sustain their desire for freedom, independence, and peace.

Countering "wars of national liberation"

To the Chinese Communists, South Viet-Nam is the model of so-called wars of national liberation. If South Viet-Nam is conquered, *we can* expect future conflicts in Asian nations—Thailand has already been designated as the next target—in Africa and in Latin America. If South Viet-Nam successfully resists, it will show the Communist powers that cheap victories are no longer possible and that the price of aggression is too costly. In time, the Communist powers will hopefully choose to focus their energies on their own vast internal problems.

The goal of self-determination

Our goals in South Viet-Nam are neither military bases, economic domination, nor political alliances. We support the right of the people of South Viet-Nam to elect their government freely and to decide for themselves without outside force and coercion such questions as reunification and neutrality. The United States does not seek the destruction of North Viet-Nam or its regime.

President Johnson stated the American preference for using our resources for the economic reconstruction of Southeast Asia. We are prepared to contribute our share to help these people help themselves. But despite our desire for peace we are determined to honor our commitments and to take all necessary measures until we and the 34 other nations aiding in the struggle successfully assist the people of South Viet-Nam in preserving their right to determine their own destiny. We must not forget that despite our assistance it is the South Vietnamese people who are still suffering the bulk of the casualties in what remains their struggle for self-determination.

Show me the timetable for the withdrawal of North Vietnamese forces and I will show you the timetable for American withdrawal, the President said on Labor Day.

Unconditional discussions

The President's actions and statements over the past year have clearly shown that we are fully prepared to transfer the struggle for South Viet-Nam's freedom from the battlefield to the conference table. We continue to be ready to discuss a peaceful solution without preconditions. When, either as a result of the gradual lessening of hostilities or of a formal settlement, the people of South Viet-Nam are relieved from outside coercion, our forces will be withdrawn.

U.S. EFFORTS FOR NEGOTIATIONS

Here are some examples of the continuing search for a peaceful settlement by the U.S. Government during 1965 and 1966:

In February, April, June, July, and December, 1965, the Administration warmly endorsed the repeated efforts by the United Kingdom to find such a solution through its individual efforts and through the collective efforts of the Commonwealth.

In April, 1965, the Administration welcomed the appeal by seventeen non-aligned nations for a settlement through negotiations without preconditions.

In May, 1965, the Administration suspended our bombing of North Viet-Nam and sought some indication of a North Vietnamese willingness to respond.

In June, 1965, the Administration encouraged the attempt by the Canadian representative on the International Control Commission for Viet-Nam to discuss the possibilities of peace with representatives of the North Vietnamese Government in Hanoi.

In July, 1965, the Administration sent a message to the Security Council expressing the hope that UN members would use their influence to bring all governments to the negotiating table to halt aggression and evolve a peaceful solution.

From December 24, 1965 to January 30, 1966, a period of 37 days, the President halted

our bombing of military and communications targets in North Viet-Nam. He pursued this course as part of a continuing effort to uncover any signs of North Vietnamese willingness to respond in some constructive way which might signify an interest in a peaceful solution. The purpose and sincerity of our action was conveyed on behalf of the President across the globe by Vice President Hubert H. Humphrey, Governor Averell Harriman, former Under Secretary Thomas Mann, Governor G. Mennen Williams and Ambassador Arthur Goldberg. In addition, U.S. Ambassadors abroad brought the intent of our actions directly to the attention of the leaders of over 100 countries. Our message was conveyed both directly and indirectly to Hanoi.

In June, 1966, the Administration followed closely the peace-seeking mission of Canadian Ambassador Chester Ronning to Hanoi.

The Administration welcomes Prime Minister Gandhi's proposal of July 7, 1966 for a peace conference on Viet-Nam.

In August, 1966, we expressed our great interest in the constructive suggestion of the Government of Thailand for the convening of an Asian Conference to deal with the problem of achieving peace in Viet-Nam.

The Administration encouraged initiatives from world leaders such as President Radhakrishnan of India, former President Nkrumah of Ghana, President Tito of Yugoslavia, President Nasser of the United Arab Republic, Foreign Minister Fanfani of Italy, and the Pope, among others, in seeking means of working toward a peaceful settlement.

No meaningful response

What has been the response from Hanoi? There has been no favorable response from Hanoi to any United States or other peace initiative. The North Vietnamese continue to insist that their agents, the Viet Cong, be accepted in advance of any discussions as "the sole genuine representative" of the South Vietnamese people. In other words, North Viet-Nam still insists that it be allowed to contol the South before it will even discuss peace.

THE POLITICAL SITUATION

General situation

The present Government of South Viet-Nam, composed of a Directorate as the ruling authority over a combined military-civilian cabinet, has served more than one year without major alteration. However, the Government was subjected to internal pressures following the dismissal of one of the Directorate members, General Thi, in mid-March, 1966. On June 6, as a result of these pressures, the Directorate of ten generals was enlarged to include ten civilians. The Government also announced on June 1 its intentions to establish an armed forces-civilian council to serve in an advisory capacity to the Government. This council met for the first time on July 5.

Development of political institutions

On April 12, 1966 the Government convened a National Political Congress, members of which were broadly representative of all non-communist civilian political and religious groupings, to discuss steps to be taken for a return to constitutional government. Prior to the Congress, the Government had announced on January 15 its intentions to establish a National Advisory Council to draft a constitution which would have been submitted to a national referendum in October and followed by elections in late 1967. However, acception the consensus of the Congress, Chief of State General Thieu issued a decree April 14 providing for elections for a constituent assembly within three to five months.

After additional consultations with representative groups, the Government on May 5 convoked a 32-man Election Law Drafting Committee, consisting again of Representatives of Viet-Nam's major non-communist groups, to draw up draft laws pertaining to the conduct of constituent assembly elections, the composition and functions of the constituent assembly, and the rejuvenation of political activity. In early June the Committee forwarded its recommended draft laws to the Government.

Constituent assembly elections

Procedures

On June 19, 1966, the Government of Viet-Nam issued two decree laws pertaining to the organization and functions of a Constituent Assembly and on election procedures for the creation of such an Assembly. The decree laws were the translation into law of a consensus arrived at by the Vietnamese Government and the Election Law Drafting Committee.

They provided for a Constituent Assembly to be convened with the sole purpose of drawing up a constitution. The Vietnamese Election Law allowed for one seat in the Constituent Assembly for each 50,000 voters who were registered for the May, 1965 provincial and municipal elections. Using this formula, there were 108 seats open for elections, including four seat which were reserved for the ethnic Cambodian minority. Nine additional seats were reserved for the Montagnard (hill tribe) minority.

Election would be by the direct method and by a system of proportional representation. In constituencies where there was one seat up for election, individual candidates would run, and the candidate with the most votes would win. In constituencies where more than one seat was at stake, lists of candidates would be submitted for election. A certain percentage of votes would have to be won in order for a list to win a seat for one, or more, of its members. Special provisions were applied to the elections for the Montagnard seats.

Voters in the elections had to be 18 years old as of December 31, 1965, be inscribed on an electoral list, have a valid voter registration card, and have not been deprived of his rights as a citizen. There were no political restrictions placed on voter eligibility. There were aproximately 5.600 polling places or one polling place for about every 1,000 registered voters.

Candidates for elections could be male or female, had to be at least 25 years of age, and have held Vietnamese citizenship for at least five years. Some 540 candidates competed for the 108 directly elected assembly seats. Persons who directly or indirectly worked for the Communists, and pro-Communist neutralists as well as neutralists whose actions were advantageous to the Communists were disqualified as candidates.

Within fifteen days after the election, the elected deputies convened the first meeting of the National Constituent Assembly. Under the Constituent Assembly Law the Assembly is allotted six months to draft a constitution. The draft constitution is then to be passed to the Chief of State for consideration by the Directorate and promulgation or return to the Constituent Assembly in revised form. The latter may override the Directorate's revisions by a two-thirds majority vote of all members.

Results

On September 11, 1966 approximately 4,200,000 voters, or 80 percent of the country's 5,288,000 registered voters, went to the polls and elected the Constituent Assembly. They braved a determined effort by the Viet Cong to prevent their voting, which by terror, assassination, threats and violence directed against candidates and ordinary citizens resulted in more than 500 casualties in the period immediately preceding the election.

The Viet Cong did prevent those under their control from reaching the polls, but 80 percent of those eligible in the total population were registered, and, as noted, 80 percent of these actually voted. By comparison, the average voter turnout in an American presidential election approximates 55 percent of eligible voters; in non-presidential elections, the average is closer to 39 percent.

This was a vitally important step in Viet-Nam's evolution toward representative and constitutional government, to be followed in 1967 by the election of a president and national assembly. Successful candidates includes some of Viet-Nam's most prominent nationalists and political figures as well as a representative cross-section of religious, regional, ethnic minority and political faction leaders. Impartial observers confirmed that the election was free of irregularities, and that no public support for the Viet Cong was apparent.

U.S. ECONOMIC AID

Since its formation in 1954 the Republic of Viet-Nam has received substantial United States economic assistance including Food for Peace. During fiscal 1966, the economic aid imports totaled about $505 million and U.S. assistance for economic and social programs about $160 million. AID plans to continue at about this same level in FY 1967.

This economic assistance has made it possible to greatly expand programs that meet new and enlarged needs for refugee relief, health education and hospital construction. For example, more than one million South Vietnamese refugees have fled to government-controlled territory since January 1965, and about half have been resettled while the others are in temporary shelters. The United States has provided food, construction materials, blankets and other supplies in refugee relief. Major efforts are underway and expanding in the field of health. We are assisting the Vietnamese to enlarge teaching facilities in medical and dental education. A surgical or medical team is planned for each of the provinces by the end of FY 1967. An accelerated program of hospital renovation, begun in FY 1965, will continue.

Revolutionary development programs

Economic and social welfare programs supported by the United States play a crucial role in the over-all effort to improve the welfare of the rural population and develop their loyalty to the Government of Viet-Nam. As was clearly stated in the Honolulu Declaration, these programs must be closely tied to military and police actions to protect the villagers and political programs to develop local governmental institutions. They cover a broad range from the training of administrators, teachers, doctors, agriculturalists and other technical personnel to the provision of classrooms and textbooks, wells, medicines, seeds and fertilizers. A number of activities are aimed specifically at increasing the participation of rural Vietnamese in local development projects which will give added incentives to village self-defense. These self-help projects include road building, well-digging and school construction, and combine local labor and materials with AID-financed imports of construction commodities. These are the kinds of programs which I strongly support because they help people help themselves.

To foster the revolutionary development program, members of the U.S. AID Mission are working with Vietnamese in every one of the country's 43 provinces. American advisors are also assisting the Vietnamese in measures to deny economic resources to the Viet Cong, the "Open Arms" defector program, and the vital task of training cadres to carry out the entire rural construction program.

Since the success of the entire revolutionary development effort also depends upon the ability of the government to supply and transport personnel and materials to the areas concerned, the U.S. is vigorously sup-

porting programs to improve transport and logistics, electrification, telecommunications, water and urban development. This serves both to identify the government with the people and to build the structure necessary for long-term development under peaceful conditions.

The problem of inflation

To cope with the inflationary threat, the U.S. and the Government of Viet-Nam have expanded financing of commercial imports and are developing other financial and fiscal measures; this process has been assisted by the work of an IMF mission which visited Viet-Nam in April and May 1966. On June 18 the Government of Viet-Nam announced a major program to achieve economic stabilization. At the same time wage and salary increases for civil and military employees were granted as partial compensation for the erosion of purchasing power which had already occurred and which was anticipated after devaluation. After an initial post-devaluation rise in prices, recent indicators show an encouraging leveling off. Vietnamese and American officials are consulting on additional anti-inflationary measures, including the improvement of port facilities to increase the flow of goods into Viet-Nam.

Free world shipping to North Vietnam

The U.S. Government has been making a serious effort during the past year to eliminate Free World shipping to North Viet-Nam. This effort is underway through a series of high level diplomatic approaches to all the nations involved. In these approaches I point out the recent amendments to the Foreign Assistance Act which would end aid to countries whose ships remain in the North Viet-Nam trade.

As a result we have met with considerable success. During the first seven months of 1966 the average number of calls dropped to 5 a month from 21 a month in 1965 and 34 per month in 1964. In July 1966 only one Free World ship called in North Viet-Nam.

Nearly all of the remaining shipping involves small, coastal vessels under charter to Communist countries, most of which are registered in Hong Kong. Their cargoes are nonstrategic. We know of no shipments of arms on Free World vessels. Nevertheless, U.S. efforts to achieve a complete cessation of this trade will continue.

THE MILITARY SITUATION

Chronological review

In late 1961, in response to an appeal by President Diem and following a high-level U.S. study mission which cofirmed the serious effects of the Hanoi-directed campaign of terror and subversion, President Kennedy agreed to increase significantly the U.S. advisory and logistic effort in South Viet-Nam. The Hanoi regime had begun in 1959 to infiltrate into South Viet-Nam former Viet Minh cadres who had regrouped in the North after the 1954 Geneva Agreements and and who had received special training in subversion and sabotage.

By the end of 1962 there was evidence that the South Vietnamese had made some military progress against the Viet Cong. The Viet Cong, however, achieved a strength increase and a noticeable increase in use of mortars and recoilless rifles.

By the end of 1963 the Viet Cong appeared optimistic. They improved their military and political situation throughout the country from the Ap Bac battle in January 1963 to increased terrorism following the overthrow of the Diem regime.

Into 1964, the Viet Cong objectives appeared to be to destroy or prevent the establishment of New Life Hamlets, to consolidate "liberated" areas, to destroy South Viet-Nam forces and to counter efforts to obtain Hoa Hao and Cao Dai support. The Viet Cong carried out large-scale operations with relative impunity and achieved some success in their terrorism and propaganda efforts. The continuing infiltration of former Southern guerrillas was augmented by the infiltration of native Northerners and, late in the year, of regular troop units of the North Vietnamese Army.

During the first half of 1965 the Viet Cong continued to maintain initiative and momentum. South Vietnamese lines of communication were completely disrupted and the Central Highlands isolated for extended periods. In response to the request of Prime Minister Quat, U.S. ground combat units were sent to Viet-Nam, beginning in March, to augment the Republic of Viet-Nam's Armed Forces and thus correct the military imbalance created by the previous introduction of North Vietnamese Army units.

They were later joined by units from Korea, Australia, the Philippines, and New Zealand. Combined South Vietnamese, United States and Free World forces blunted this "monsoon offensive." The number of Communist successes declined and there were some important victories over the Viet Cong. The tempo of Viet Cong activity declined in July but, in October the number of Viet Cong incidents began to increase rapidly through the remainder of the year. In October there were over 3,300 incidents, in November it surpassed 3,600, and in December it reached over 4,000. Each of these was the highest encountered to date in the war. Despite over 40,000 killed or captured and over 9,000 defections, the Viet Cong continued to maintain an offensive capability. Their year-end order of battle more than doubled that at the beginning of 1965.

Combined Viet Cong and North Vietnamese military activity continues in 1966 to follow the familiar pattern of terrorism, harassment, sabotage and small-scale attacks with occasional large-scale operations against isolated Government positions. Recent South Vietnamese, United States and Free World forces operations and air strikes in critical areas are believed to have generally discouraged large-scale enemy activity and disrupted their plans. The Viet Cong and North Vietnamese Army will probably continue their pattern of terrorism, harassment and sabotage and possibly increase the number of small "hit-and-run" attacks. Whenever they can achieve terms of their own choosing and when and where it suits their purpose, as against the Ashau Special Forces Camp in March, they are likely to attack in force.

Enemy tactics

Enemy tactics have not changed since the war began, despite the intensity of their attacks and an increase in terrorism, propaganda and sabotage. Their operations are still essentially "hit-and-run," emphasizing ambushing and destroying friendly reaction forces.

Order of battle—Current strengths

Government of South Viet-Nam: Despite combat and other losses, the South Vietnamese Armed Forces achieved a modest increase. Their present strengths are: Approximately 316,000; 280,000 Regional and Popular Forces.

United States: Approximately 300,000.

Third National Forces (major contributions):

Korea, 24,500 (soon to be increased to approximately 43,000).

Australia, 4,700.

New Zealand, Philippines and Thailand (see Section on Free World Assistance to South Viet-Nam).

Viet Cong: Approximately 64,000 Main Force, 120,000 irregulars or guerrillas, 40,000 political cadre, 19,000 support.

North Vietnamese Army: Approximately 47,000. There are now 19 North Vietnamese Army regiments in South Viet-Nam opposed to 9 in 1965.

Infiltration

Men and supplies continue to enter South Viet-Nam over established infiltration routes. Current estimates give the Communists the capability of infiltrating approximately five thousand men per month with enough supplies to sustain them until the Viet Cong system can provide for them or until integrated into Viet Cong units. For 1958 to 1964 over 40,000 were infiltrated from North to South Viet-Nam. During 1965, the estimate exceeded 26,000. It is estimated that the 1966 infiltration exceeded 35,000 by the end of July.

Casualties

Combat deaths since 1961, as of August 20, 1966, (with U.S. military deaths until 1965 sustained by advisors only) were: Enemy troops, over 141,000; GVN Military, over 39,000; US Military, 4,832.

B–52 operations

Since they started in June 1965, over 350 B–52 strikes have been conducted against enemy bases in South Viet-Nam. These strikes have provided continual disruption and harassment in hitherto impregnable areas. Prisoners-of-war report that the B–52 operations have been a significant factor in lowering Viet Cong and North Vietnamese Army morale.

Air strikes against North Vietnam

Bombing of the North began in February 1965, with a strike on the Dong Hoi Barracks and gradually expanded to military targets along the infiltration route. A pause in the bombing occurred during the period May 13–17, and a second pause of 37 days, began December 24. Our air strikes have these objectives: to make it as difficult and as costly as possible for North Viet-Nam to continue effective direction and support of the Viet Cong; to convince the North Vietnamese Government that its control, direction and support of the Communist insurgency in South Viet-Nam is not worthwhile; to bolster morale in South Viet-Nam.

Our recent bombings of oil facilities in North Viet-Nam are in line with this general policy.

FREE WORLD ASSISTANCE TO SOUTH VIETNAM

In the foreseeable future, the main burden of outside support for the Government of South Viet-Nam has been and will continue to be borne by the United States. But substantial contributions of military and civilian assistance are provided by a large number of other countries.

At the present time, thirty-four free world countries are providing—and several more have agreed to provide—assistance to South Viet-Nam. Negotiations are underway between the Government of Viet-Nam and many of these nations for additional aid.

The countries now contributing help to South Viet-Nam are:

Argentina, Australia, Belgium, Brazil, Canada, China, Denmark, Ecuador, France, Germany, Greece, Guatemala, India, Iran, Ireland, Israel, Italy.

Japan, Korea, Laos, Luxembourg, Malaysia, Netherlands, New Zealand, Pakistan, Philippines, Spain, Switzerland, Thailand, Turkey, United Kingdom, United States, Uruguay, Venezuela.

Significant contributions of armed forces have been made in the past year. A Korean combat division has been in Viet-Nam since October, 1965 and a second division is now being deployed. The Australian Government has increased its military forces in Viet-Nam from 3,900 men to 4,500, and New Zealand has raised its artillery battery from four to six howitzers. The Philippine Congress has approved President Marcos' request for a 2,000-man engineering force with supporting security personnel to be sent to Viet-Nam; the advance party of this contingent recently arrived in Viet-Nam.

The Thai Government has announced that it will furnish a landing ship, patrol vessel and two transport aircraft with crews, thereby adding to a previous small military contribution.

Free world personnel, other than American, in Viet-Nam under governmental arrangements now number over 30,000, the large majority of which are military personnel. However, some of these military personnel are engaged in civic action programs, such as revolutionary development and medical care. Among these are personnel from Korea, the Philippines, New Zealand and Australia.

Significant economic contributions have been made by the United Kingdom, Japan, West Germany, France, Australia, Canada, and New Zealand in the form of loans, grants, and commercial credits. For example, Germany has made available in loans and grants about $27 million. Australia has provided technical and economic assistance totalling nearly $8 million. Assistance since 1955 from France has totalled more than $111 million, while Japan has provided about $55 million chiefly in the form of reparations.

Many nations are giving social and humanitarian assistance to South Viet-Nam. More than ten nations are sending medical teams which provide for the medical needs of entire provinces. Others have contributed medicines and supplies for the half million refugees in South Viet-Nam. Educators and engineers from friendly nations are assisting Viet-Nam to rebuild.

U.S. INITIATIVES FOR PEACE—THE FOURTEEN POINTS

The following statements are on the public record about elements which the U.S. believes can go into peace in Southeast Asia:

1. The Geneva Agreement of 1954 and 1962 are an adequate basis for peace in Southeast Asia;

2. We would welcome a conference on Southeast Asia or on any part thereof;

3. We would welcome "negotiations without preconditions" as the 17 nations put it;

4. We would welcome unconditional discussions as President Johnson put it;

5. A cessation of hostilities could be the first order of business at a conference or could be the subject of preliminary discussions;

6. Hanoi's four points could be discussed along with other points which others might wish to propose;

7. We want no U.S. bases in Southeast Asia;

8. We do not desire to retain U.S. troops in South Viet-Nam after peace is assured;

9. We support free elections in South Viet-Nam to give the South Vietnamese a government of their own choice;

10. The question of reunification of Viet-Nam should be determined by the Vietnamese through their own free decision;

11. The countries of Southeast Asia can be non-aligned or neutral if that be their option;

12. We would much prefer to use our resources for the economic reconstruction of Southeast Asia than in war. If there is peace, North Viet-Nam could participate in a regional effort to which we would be prepared to contribute a substantial share.

13. The President has said "The Viet Cong would not have difficulty being represented and having their views represented if for a moment Hanoi decided she wanted to cease aggression. I don't think that would be an insurmountable problem."

14. We have said publicly and privately that we could stop the bombing of North Viet-Nam as a step toward peace although there has not been the slighest hint or suggestion from the other side as to what they would do if the bombing stopped.

HANOI'S REJECTION OF PEACE—THE FOUR POINTS

We are not aware of any initiative which has been taken by Hanoi during the past five years to seek peace in Southeast Asia. In fact, Hanoi has denied that it has ever made any "peace feelers." During 1965 Hanoi has consistently insisted that its four points must be accepted as the sole basis for peace in Viet-Nam.

Hanoi's four points are:

1. Recognition of the basic national rights of the Vietnamese people—peace, independence, sovereignty, unity, and territorial integrity. According to the Geneva agreements, the U.S. Government must withdraw from South Viet-Nam U.S. troops, military personnel, and weapons of all kinds, dismantle all U.S. military bases there, and cancel its "military alliance" with South Viet-Nam. It must end its policy of intervention and aggression in South Viet-Nam. According to the Geneva agreements, the U.S. Government must stop its acts of war against North Viet-Nam, completely cease all encroachments on the territory and sovereignty of the DRV.

2. Pending the peaceful reunification of Viet-Nam, while Viet-Nam is still temporarily divided into two zones, the military provisions of the 1954 Geneva agreements on Viet-Nam must be strictly respected—the two zones must refrain from joining any military alliance with foreign countries, there must be no foreign military bases, or military personnel in their respective territory.

3. The internal affairs of South Viet-Nam must be settled by the South Vietnamese people themselves in accordance with the program of the National Liberation Front without foreign interference.

(This point as interpreted by Hanoi would require that the Viet Cong be accepted as "the sole genuine representative" of the people of South Viet-Nam, whether the South Vietnamese want it or not).

4. The peaceful reunification of Viet-Nam is to be settled by the Vietnamese people in both zones, without any foreign interference.

STATEMENT BY AMBASSADOR ARTHUR J. GOLDBERG, U.S. REPRESENTATIVE TO THE UNITED NATIONS, IN THE PLENARY SESSION IN GENERAL DEBATE, SEPTEMBER 22, 1966

As the General Assembly convenes in this twenty-first year of the United Nations, we of the United States are aware, as indeed every delegation must be, of the great responsibilities which all of us share who work in this world organization for peace.

No one, I am sure, feels these responsibilities more keenly than our Secretary General, U Thant. In the past five years he has filled with distinction and effectiveness what is perhaps the most difficult office in the world. We know how much selfless dedication and energy have been exacted from him on behalf of the world community. We can well understand how the burdens of his office led him to his decision not to offer himself for a second term as Secretary General.

The United Nations needs him. It needs him as a person. It needs him as a Secretary General who conceives his office in the full spirit of the Charter as an important organ of the United Nations, endowed with the authority to act with initiative and effectiveness. The members, in all their diversity and even discord, are united in their confidence in him. His departure at this crucial time in world affairs, and in the life of the United Nations, would be a serious loss both to the Organization itself and to the cause of peace among nations. We reiterate our earnest hope that he will heed the unanimous wishes of the membership and permit his tenure of office to be extended. His affirmative decision on this question would give us all new courage to deal with the many great problems on our agenda.

The peoples of the world, Mr. President, expect the United Nations to resolve these problems. With all their troubles and aspirations they put great faith in this Organization. They look to us not for pious words but for solid results—agreements reached, wars ended or prevented, treaties written, cooperative programs launched—results that will bring humanity a few steps—but giant steps—closer to the purposes of the Charter which are our common commitment.

Realizing this, the United States has considered what it could say in this general debate which would improve the prospects for such fruitful results in the present session. We concluded that, rather than attempt to review the many questions to which we attach importance, we could make a more useful contribution by concentrating on the serious dangers to peace now existing in Asia—particularly the war in Vietnam; and by treating this subject in a constructive and positive way.

The conflict in Viet-Nam is first of all an Asian issue, whose tragedy and suffering fall most heavily on the peoples directly involved. But its repercussions are world-wide. It diverts much of the energies of many nations, my own included, from urgent and constructive endeavors. It is, as the Secretary General said in his statement on September 1, "a source of grave concern and is bound to be a source of even greater anxiety, not only to the parties directly involved and to the major powers but also to other members of the Organization." My Government remains determined to exercise every restraint to limit the war and to exert every effort to bring the conflict to the earliest possible end.

The essential facts of the Viet-Nam conflict can be stated briefly—Viet-Nam today remains divided along the demarcation line agreed upon in Geneva in 1954. To the north and south of that line are North Viet-Nam and South Viet-Nam. Provisional though they may be, pending a decision on the peaceful reunification of Viet-Nam by the process of self-determination, they are nonetheless political realities in the international community.

The Geneva Accord which established the demarcation line is so thorough in its prohibition of the use of force that it forbids military interference of any sort by one side in the affairs of the other; it even forbids civilians to cross the demilitarized zone. In 1962 military infiltration through Laos was also forbidden. Yet, despite these provisions, South Viet-Nam is under an attack, already several years old, by forces directed and supplied from the north, and reinforced by regular units—currently some 17 identified regiments—of the North Vietnamese Army. The manifest purpose of this attack is to force upon the people of South Viet-Nam a system which they have not chosen by any peaceful process.

Let it be noted that this action by North Viet Nam Contravenes not only the United Nations Charter, but also the terms of General Assembly resolution 2131(XX), adopted unanimously only last December and entitled "Declaration on the Inadmissibility in the Domestic Affairs of States and the Protection of their Independence and Sovereignty." That resolution declares, among other things, that "no State has the right to intervene, directly, or indirectly, for any reason whatever, in the internal or external affairs of any other State." It further declares that "no State shall organize, assist, foment, finance, incite or tolerate subversive, terrorist or armed activities directed toward the violent overthrow of another State, or interfere in civil strife in another State." It would be hard to write a more

concise description of what North Viet-Nam is doing, and has been doing for years, in South Viet-Nam.

Certainly the prohibition of the use of force and subversion—both by this resolution and by the Charter itself—must apply with full vigor to international demarcation lines that have been established by solemn international agreements. This is true not only in Viet-Nam but in all the divided States, where the recourse to force between the divided parts can have far-reaching consequences. Furthermore, solemn international agreements, specifically the Geneva Accords, explicity prohibit recourse to force as a means of reunifying that country.

Mr. President, it is because of the attempt to upset by violence the situation in Viet-Nam, and its far-reaching implications elsewhere, that the United States and other countries have responded to appeals from South Viet-Nam for military assistance.

Our aims in giving this assistance are strictly limited. We are not engaged in a "holy war" against communism. We do not seek to establish an American empire or a "sphere of influence" in Asia. We seek no permanent military bases, no permanent establishment of troops, no permanent alliances, no permanent American "presence" of any kind in South Viet-Nam. We do not seek to impose a policy of alignment on South Viet-Nam. We do not seek the overthrow of the Government of North Viet-Nam. We do not seek to do any injury to mainland China nor to threaten any of its legitimate interests. We do not ask of North Viet-Nam an unconditional surrender or indeed the surrender of anything that belongs to it; nor do we seek to exclude any segment of the South Vietnamese people from peaceful participation in their country's future.

Let me say affirmatively and succinctly what our aims are.

We want a political solution, not a military solution, to this conflict. By the same token, we reject the idea that North Viet-Nam has a right to impose a military solution.

We seek to assure for the people of South Viet-Nam the same right of self-determination—to decide their own political destiny, free of force—that the United Nations Charter affirms for all.

And we believe that reunification of Viet-Nam should be decided upon through a free choice by the peoples of both the North and South without outside interference, the results of which choice we are fully prepared to support.

These, then, are our affirmative aims. We are well aware of the stated position of Hanoi on these issues. But no differences can be resolved without contact, discussions or negotiations. For our part, we have long been and remain today ready to negotiate without any prior conditions. We are prepared to discuss Hanoi's four points together with any points which other parties may wish to raise. We are ready to negotiate a settlement based on a strict observance of the 1954 and 1962 Geneva Agreements, which observance was called for in the communique of the recent meeting of the Warsaw Pact countries in Bucharest. And we will support a reconvening of the Geneva Conference, or an Asian conference, or any other generally acceptable forum.

At the same time we have also considered whether the lack of agreement on peace aims has been the sole barrier to the beginning of negotiations. We are aware that some perceive other obstacles, and I wish to make three proposals with respect to them:

First, it is said that one obstacle is the United States bombing of North Viet-Nam. Let it be recalled that there was no bombing of North Viet-Nam for five years during which there was steadily increasing infiltration from North Viet-Nam; during which there were no United States combat forces in Viet-Nam; and during which strenuous efforts were being made to achieve a peaceful settlement. And let it further be recalled that twice before we have suspended our bombing, once for thirty-seven days, without any reciprocal act of de-escalation from the other side, and without any sign from them of a willingness to negotiate.

Nevertheless, let me say that, in this matter, the United States is willing once again to take the first step. We are prepared to order a cessation of all bombing of North Viet-Nam—the moment we are assured, privately or otherwise, that this step will be answered promptly by a corresponding and appropriate de-escalation on the other side. We therefore urge that the Government in Hanoi be asked the following question, to which we would be prepared to receive either a private or a public response:

Would it, in the interest of peace, and in response to a prior cessation by the United States of the bombing in North Viet-Nam, take corresponding and timely steps to reduce or bring to an end its own military activities against South Viet-Nam?

Another obstacle is said to be North Viet-Nam's conviction or fear that the United States intends to establish a permanent military presence in Viet-Nam. There is no basis for such a fear. The United States stands ready to withdraw its forces as others withdraw theirs so that peace can be restored in South Viet-Nam, and favors international machinery—either of the United Nations or other machinery— to ensure effective supervision of the withdrawal. We therefore urge that Hanoi be asked the following question also:

Would North Viet-Nam be willing to agree to a time schedule for supervised phased withdrawal from South Viet-Nam of all external forces—those of North Viet-Nam as well as those from the United States and other countries aiding South Viet-Nam?

A further obstacle is said to be disagreement over the place of the Viet Cong in the negotiations. Some argue that, regardless of different views on who controls the Viet Cong, it is a combatant force and, as such, should take part in the negotiations.

Our view on this matter was stated by President Johnson, who made clear that, as far as we are concerned, this question would not be "an insurmountable problem". We invite the authorities in Hanoi to consider whether this obstacle to negotiation may not be more imaginary than real.

Mr. President, we offer these proposals in the interest of peace in Southeast Asia. There may be other proposals. We have not been and are not now inflexible in our position. But we do believe that, whatever approach finally succeeds, it will not be one which simply decries what is happening in Viet-Nam and appeals to one side to stop while encouraging the other. Such a position can only further delay the peace we all desire. The only workable formula for a settlement will be one which is just to the basic interests of all those involved.

In this spirit we welcome discussion of this question either in the Security Council where the United States itself has raised the matter, or here in the General Assembly, and we are fully prepared to take part in any such discussion. We earnestly solicit the further initiative of any organ or any Member of the United Nations whose influence can help in this cause. Every Member has a responsibility to exert its power and influence for peace; and the greater its power and influence, the greater is this responsibility.

Now I turn to another problem, related in part to the first: the problem of how to foster a constructive relationship between the mainland of China, with its 700 million people, and the outside world. The misdirection of so much of the energies of this vast, industrious and gifted people into xenophobic displays, such as the extraordinary and alarming activities of the Red Guards; and the official policy and doctrine of promoting revolution and subversion throughout the world—these are among the most disturbing phoenomena of our age. Surely, among the essentials of peace in Asia are "reconciliation between nations that now call themselves enemies" and, specifically, "a peaceful mainland China."

Let me say categorically that it is not the policy of the United States to isolate Communist China from the world. On the contrary, we have sought to limit the areas of hostility and to pave the way for the restoration of our historically friendly relations with the great people of China.

Our efforts to this end have taken many forms. Since 1955, United States representatives have held 131 bilateral diplomatic meetings in Geneva, and later in Warsaw, with emissaries from Peking.

We have sought without success to open numerous unofficial channels of communication with mainland China.

We have made it clear that we do not intend to attack, invade, or attempt to overthrow the existing regime in Peking.

And we have expressed our hope to see representatives of Peking join us and others in meaningful negotiations on disarmament, a nuclear test ban, and a ban on the further spread of nuclear weapons.

But the international community cannot countenance Peking's doctrine and policy of intervening by violence and subversion in other nations, whether under the guise of so-called wars of national liberation against independent countries or under any other guise. Such intervention finds no place in the United Nations Charter, nor in the resolutions of the General Assembly. Yet dozens of nations represented in this hall have had direct experience of these illegal activities.

It is in the light of these facts, and of our desire for a better atmosphere, that the United States has carefully considered the issues arising from the absence of representatives of Peking from the United Nations.

Two facts bear on this issue and on the attitude of my country toward any attempted solution.

First, the Republic of China on Taiwan is a founding member of the United Nations and its rights are clear. The United States will vigorously oppose any effort to exclude the representative of the Republic of China from the United Nations in order to put representatives of Communist China in their place.

The second fact is that Communist China, unlike anyone else in the history of this Organization, has put forward special and extraordinary terms for consenting to enter the United Nations. In addition to the expulsion of the Republic of China, there are also demands to transform and pervert this Organization from its Charter purposes—some of them put forward as recently as yesterday.

What can be the cause of this attitude? We cannot be sure, but we do know that it comes from a leadership whose stated program is to transform the world by violence. It comes from a leadership which is opposed to any discussion of a peaceful settlement in Viet-Nam. It would almost seem that these leaders wish to isolate their country from a world—and from a United Nations—that they cannot transform and control. Indeed, they have already brought their country to a degree of isolation that is unique in the world today—an isolation not only from the United States and its allies, but from most of the non-aligned world and even from most of the Communist nations. Many, not only

the United States, have sought improved relations and have been rebuffed.

At this moment in history, therefore, Mr. President, the basic question about the relation between Communist China and the United Nations is a question to which only the leaders in Peking can give the answer. Will they refrain from putting forward clearly unacceptable terms; and are they prepared to assume the obligations of the United Nations Charter, in particular the basic Charter obligation to refrain from the threat or use of force against the territorial integrity or political independence of any state?

The world—and my Government—will listen most attentively for a helpful response to these questions. We hope it will come soon—the sooner the better. Like many other members here, the United States has the friendliest historic feelings toward the great Chinese people, and looks forward to the occasion when they will once again enrich, rather than endanger, the fabric of the world community, and, in the spirit of the Charter, "practice tolerance and live together in peace with one another as good neighbors."

Mr. President, I have dwelt on these great and thorny issues of Asia because they are of far more than regional importance. Progress toward their solution would visibly brighten the atmosphere of international relations all over the world. It would enable the United Nations to turn a new corner—to apply itself with new energy to the great tasks of reconciliation and peaceful construction which lie before us in every part of the globe.

Such peaceful construction is needed above all in the less developed areas. It is needed in Southeast Asia, today a region of conflict but also a region of vast undeveloped resources—where my country is prepared to make a most substantial contribution to the development of the whole region including North Viet-Nam. It is needed in the Western Hemisphere, where, under the bold ideals of the Alliance for Progress, the states of Latin America are already carrying out a far-reaching, peaceful process of economic and social development.

In no area are the tasks of economic development more important than on the continent of Africa—represented in this hall by the delegates of thirty-seven nations. Last May, in commemorating the anniversary of the Organization of African Unity, the President suggested ways in which the United States, as a friend of Africa, might help with some of that continent's major economic problems. Our efforts in this entire field are now entering a new stage as we begin to carry out the recommendations of a special committee appointed to review United States participation in African development programs, both bilateral and multilateral.

But the economic side of peace cannot stand alone. The time is past when either peace or material progress could be founded on the domination of one people, or one race or one group, by another. Yet attempts to do just that still continue in southern Africa today. As a result, the danger to peace in that area is real.

My Government holds strong views on these problems. We are not, and never will be, content with a minority government in Southern Rhodesia. The objective we support for that country remains as it was stated last May: "to open the full power and responsibility of nationhood to all the people of Rhodesia—not just 6 percent of them."

Nor can we ever be content with a situation such as that in Southwest Africa, where one race holds another in intolerable subjection under the false name of apartheid.

The decision of the International Court, in refusing to touch the merits of the question of Southwest Africa, was most disappointing. But the application of law to this question does not hang on that decision alone. South Africa's conduct remains subject to obligations reaffirmed by earlier advisory opinions of the Court whose authority is undiminished. Under these opinions, South Africa cannot alter the international status of the territory without the consent of the United Nations; and South Africa remains bound to accept United Nations supervision, submit annual reports to the General Assembly, and "promote to the utmost the material and moral well-being and the social progress of the inhabitants."

This is no time for South Africa to take refuge in a technical finding of the International Court, which did not deal with the substantive merits of the case. The time is overdue for South Africa to accept its obligations to the international community in regard to Southwest Africa. Continued violation by South Africa of its plain obligations to the international community would necessarily require all members to take such an attitude into account in their relationships with South Africa.

Mr. President, many other questions of significance will engage our attention during this session of the General Assembly. Foremost among them are questions of disarmament and arms control, of which the most urgent are the completion of a treaty to prevent the further proliferation of nuclear weapons and the extension of the limited test ban treaty. Remaining differences on these issues can and must be resolved on a basis of mutual compromise.

Finally, I wish to speak of one further matter of great concern both to the United Nations and to my country: the draft treaty to govern activities in outer space including the moon and other celestial bodies.

Major progress has been made in the negotiation of this important treaty, but several issues remain. One of these concerns the question of reporting by space powers on their activities on celestial bodies. A second issue concerns access by space powers to one another's installations on celestial bodies. On both of these points the United States, at the most recent meeting of the Legal Subcommittee of the Committee on Outer Space, made significant compromise proposals in the interest of early agreement.

Unfortunately, the USSR has not responded constructively to these proposals. Instead, it has insisted on still another matter: a provision requiring states which grant tracking facilities to one country to make the same facilities available to all others—without reciprocity and without regard to the wishes of the granting state. The obligation proposed by the USSR was unacceptable to many countries participating in the outer-space discussions, and was supported only by a very small number of East European states.

Tracking facilities are a matter for bilateral negotiation and agreement. The United States has held such discussions and reached such agreements with a number of countries on a basis of mutual commitment and common advantage. France and the European Space Research Organization have also established widespread tracking networks on a similar basis. It is, of course, open to the USSR and any other space power to proceed in exactly the same way.

I should like to state today my Government's interest in bilateral cooperation in tracking of space vehicles on the basis of mutual benefits, and I should like to make an offer to help resolve this impasse: If the USSR desires to provide for tracking coverage from United States territory, we for our part, are prepared to discuss with Soviet representatives the technical and other requirements involved with a view to reaching some mutually beneficial agreement. Our scientists and technical representatives can meet without delay to explore the possibilities.

The outer space treaty is too important and too urgent to be delayed. This treaty offers us the opportunity to establish, in the unlimited realm of space beyond this planet, a rule of peace and law—before the arms race has been extended into that realm. It is all the more urgent because of man's rapid strides toward landing on the moon.

By far the greater part of the work on the treaty is now behind us. We have agreed on important provisions, including major obligations in the area of arms control. We should proceed to settle the remaining subsidiary issues in a spirit of understanding so that this General Assembly may give its approval to a completed treaty before the Assembly adjourns.

Mr. President, it is our earnest hope that the words of the United States today on all these issues may contribute to concrete steps toward peace and a better world.

We know the difficulties but we are not discouraged. In the twenty-one turbulent years since the Charter went into effect, we of the United Nations have faced conflicts at least as great and as difficult as any that confront us today. The failure of this Organization has been prophesied many times. But all these prophesies have been disproved. Even the most formidable issues have not killed our Organization—and none will. Indeed, it has grown great and respected by facing the hardest issues and dealing forthrightly with them.

There is no magic in the United Nations save what we its members, bring to it. And that magic is a simple thing; our irreducible awareness of our common humanity and our consequent will to peace. Without the awareness and that will, these buildings would be an empty shell. With them, we have here the greatest instrument ever devised by man for the reconciliation of conflicts and the building of the better future for which all mankind yearns.

A BILL TO ENCOURAGE THE INCLUSION OF LOSS RAIL CARRIERS IN RAILROAD MERGERS

Mr. CONABLE. Mr. Speaker, I ask unanimous consent that the gentleman from New Jersey [Mr. WIDNALL] may extend his remarks at this point in the RECORD and include extraneous matter.

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

There was no objection.

Mr. WIDNALL. Mr. Speaker, I am today introducing a bill which would provide an income tax incentive to the possible merger partners of small, debt-ridden rail carriers through the means of a full carryover of net operating losses of the smaller carrier to the new railroad corporation formed by a merger.

This bill, I believe, would assist such railroads as the debt-ridden Erie-Lackawanna Railroad in their efforts to be included as a part of a major rail system in the East through merger proceedings.

With a long-term debt of $345 million, and operating losses in 9 out of the last 10 years amounting to $117 million for tax purposes, it is no wonder that the Erie-Lackawanna is so unattractive as a merger candidate. In addition, any merger partner would have to be prepared to either take over the Erie-Lackawanna payroll of more than $9 million per month by employing that railroad's workers, or assume an obligation in line with the standard Washington condi-

tions imposed by the Interstate Commerce Commission of providing each worker laid off with 60 percent of his pay for the next 5 years.

Under the present law, loss carryovers can be used in a merger of railroads of not too unequal sze. This is not the case with a merger between the smaller debt-ridden carriers such as the Erie-Lackawanna with any of the three major Eastern giants, the C. & O.-B. & O., the Norfolk and Western, or the proposed Pennsylvania-New York Central. Nor is there any carryover of net operating losses where the assets of an insolvent railroad, such as the New Haven, are transferred to another railroad. My bill, if enacted, would eliminate these inequities.

The continuing losses from commuter service plaguing the Erie-Lackawanna and other small carriers has created resistence to merger on the part of the larger rail systems and even the ICC. The ICC could require the inclusion of the smaller systems, commuter service and all, as a condition to approval of any merger proposals involving the large rail networks. But the agency is undoubtedly aware of the fact that such a requirement could be challenged in court on the grounds that it would not conform to the best interests of promoting a sound rail transportation policy. My bill, if enacted, would both assist the larger carriers in meeting the impact of merger with loss rail lines, and would provide the ICC with sufficient reason for the agency to require the continuation of the necessary commuter service by the merged lines.

My bill would allow a 10-year period to be used, rather than the standard 7-year period, for calculating carryover losses. It would apply only in the case of regulated rail carriers, defined by law as a corporation with 80 percent or more of its gross income originating through the furnishing or sale of transportation. The merged corporations, as a new corporate entity, would have to continue as a regulated rail carrier to benefit from the tax carryover provisions. I would estimate that in the case of the Erie-Lackawanna, the Treasury might lose up to $42 million in taxes following a merger.

The potential loss of 16,000 jobs, and of rights-of-way that might later have to be repurchased for a mass transportation system, as well as the need for maintaining important freight and commuter service, clearly outweighs any temporary revenue loss.

The legislation I have introduced today is similar in nature to H.R. 10542, introduced by my colleagues from New York, Mr. KEOGH, whose experience in these matters as a member of the Committee on Ways and Means is highly valued. I would hope that early hearings could be held on this measure, given the fact that the question of the inclusion of the small rail carriers in mergers of the large eastern railroads and the continuation of commuter service is still being determined before the ICC and the courts. Action on the part of the Congress on this proposal would be of great benefit in the development of a national rail merger policy at the national level, particularly here in the Northeast.

NEW BATTLE CRY FOR FARMERS

Mr. CONABLE. Mr. Speaker, I ask unanimous consent that the gentleman from Illinois [Mr. FINDLEY] may extend his remarks at this point in the RECORD and include extraneous matter.

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

There was no objection.

Mr. FINDLEY. Mr. Speaker, after years of congressional effort aimed at strengthening farm income in the face of adverse market conditions, Congress must now give its attention to protecting the farmer from selective price fixing by the executive branch of the Federal Government.

The farmer is entitled to full parity income in the marketplace, but he is being denied it because the President and his aids arbitrarily use a variety of devices to drive down farm prices.

This is a reversal of the historic role of government in farm problems.

For the first time in American history the power of government is being used to beat farm prices down below parity.

The Congress has been slow to recognize this change, and action to curb arbitrary control over farm prices must be given top priority when the next session convenes in January.

Singling out farmers for punishment—through dumping grains, curbing hides exports, urging consumer boycotts and the like—is patently unfair in times of inflation. Farmers today are in a worsening cost-price squeeze.

The parity ratio—which measures the prices they get with what they must pay for goods and services—is 20 percent below the fair level. The new legislative battle cry of farmers must be: "Full parity in the marketplace."

Farm operating expenses are running about 4 percent higher than a year ago and still climbing. Across-the-board price controls are one thing. Selective punishment of farmers is quite another.

A logical first step toward protecting the farmer in his right to full parity in the marketplace is to insulate Government grain holdings from normal market channels. With that in mind I have proposed that Government wheat stocks cannot be sold for less than $2 a bushel. Similar limits should be placed on Government sales of other grains.

PROVIDING FOR COST-OF-LIVING INCREASES IN THE BENEFITS PAYABLE UNDER SOCIAL SECURITY

Mr. CONABLE. Mr. Speaker, I ask unanimous consent that the gentleman from Tennessee [Mr. BROCK] may extend his remarks at this point in the RECORD and include extraneous matter.

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

There was no objection.

Mr. BROCK. Mr. Speaker, today I am introducing a bill to amend title II of the Social Security Act to provide for cost-of-living increases in the benefits payable thereunder.

Inflation steals from everyone, young and old alike, but hurts especially those elderly Americans who live on pensions or other fixed incomes.

During the period from 1958 to 1965, the Consumer Price Index increased over 8 percentage points. The cost of services, which our older citizens are more likely to need than our younger citizens, increased over 16 percentage points. When services, exclusive of rent, are considered, the increase was 18 percentage points. Yet during this 7-year period, social security beneficiaries received no increase in social security benefits.

Inflation is now a fact of life. Prices continue to soar upward. There is an urgent need for such a change in the law as this bill proposes. Our older people and others who live on fixed incomes simply cannot stand the pace of this administration's inflation.

There is a precedent for such a provision as I am introducing. Congress, in the Federal Employees Salary Act of 1962, section 1102, provided for an automatic increase in civil service retirement pensions when there has been an increase of 3 percent or more in the Consumer Price Index.

Why should our elderly people and others continue to suffer while runaway inflation further destroys the purchasing power of their dollar? I urge immediate passage of the bill.

OPPOSITION TO WAR ON POVERTY

Mr. CONABLE. Mr. Speaker, I ask unanimous consent that the gentleman from Mississippi [Mr. WALKER] may extend his remarks at this point in the RECORD and include extraneous matter.

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

There was no objection.

Mr. WALKER of Mississippi. Mr. Speaker, I rise in strong opposition to the so-called war on poverty and any measure that would extend this program in any degree.

I have seen, in my own congressional district, many examples of how these funds are "misused" for strictly political purposes. I have seen examples on how "poverty" money has been used in my State to promote racial unrest. I have seen how the taxpayer's money has been taken by Great Society bureaucrats in high-salaried positions in the name of helping the poor. And, I have seen tax money used in my State to pay rent on toilets, drinking fountains, refrigerators, and so forth, when in fact the property was claimed to be rent free.

The questionable activities of the war on poverty by no means ends with the State of Mississippi. The entire nationwide program has proven ineffective, and a burden on the American taxpayer.

At the present time we have committed approximately 300,000 servicemen—and no telling how many dollars—to fight

the spread of communism in the Far East. There is no question in my mind that we should be there, but I do strongly question the wisdom of conducting a so-called war on poverty at home with funds we should be using to provide equipment and supplies to our military men.

We in the Congress over the past several months have heard much about various shortages in equipment and supplies in Vietnam, trucks, medical equipment, and ammunition. There has also been considerable talk on the subject of a possible tax increase to cover the added cost of the war in Vietnam. In my judgment, there is no excuse whatsoever for our country to experience either military shortages—or monetary shortages.

Our taxes are quite high enough if we would cut this political shackle from the taxpayer. In the President's budget message this year, he proposed sharp cutbacks in our school lunch program and the school milk program—these programs have proven effective for years now, yet Great Society officials say they are interested in helping the poor. I am afraid that the only help the Great Society wants to give to the poor is that which binds them to the Great Society's political machine. The administration claims that it is exercising prudence in its spending. Yet, it asks the Congress to provide this poverty bill calling for even greater expenditures than last year's program. This increase must be covered by the taxpayer when threat of a tax increase is at hand.

Mr. Speaker, I ask my colleagues to weigh carefully the many pitfalls of this bill, the enormous responsibility we in Congress have to our servicemen in Vietnam, as well as our responsibility to the American taxpayer during this time of inflation, to set the example toward curbing domestic spending.

FOREIGN AFFAIRS COMPLICATIONS

Mr. CONABLE. Mr. Speaker, I ask unanimous consent that the gentleman from Illinois [Mr. DERWINSKI] may extend his remarks at this point in the RECORD and include extraneous matter.

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

There was no objection.

Mr. DERWINSKI. Mr. Speaker, the complications in foreign affairs are a growing concern to the public, and I am very pleased to note the leadership struggle against communism that is developing at the grassroots level.

Typical of this leadership are speakers who are discussing this subject with their fellow Americans in a most effective fashion. I insert in the RECORD as a continuation of my remarks, a speech by Mr. Walter V. Chopyk, of Buffalo, N.Y., the public relations director of the Anti-Communist Committee of Western New York, who, in addition, is secretary of the Erie County Planning Department.

His remarks were delivered at a meeting of the Kiwanis Club in Wilkes-Barre, Pa., on July 21. His topic, "Berlin West; Berlin, East," was delivered in line with Captive Nations Week, July 17–23:

REMARKS OF MR. WALTER V. CHOPYK TO THE WILKES-BARRE KIWANIS CLUB IN WILKES-BARRE, PA., ON JULY 21, 1966, AFTER SLIDES AND BRIEF TALK ON "BERLIN, WEST; BERLIN, EAST," IN LINE WITH CAPTIVE NATIONS WEEK COMMEMORATION

Mr. Chairman, gentlemen, you have heard my comments on Berlin, West; Berlin, East. You have seen the pictures I secured while in West Germany and directly on the site of that infamous and ominous construction dividing illegally—a formerly free nation. I have expressed my opinions clearly after interviewing many there and seeing (with my own eyes) this terrible wall of the enslaved—for that is exactly the term we can also apply to East Germany in this critical hour in this ominous year of 1966.

No one likes to hear this, I know, and few care to discuss this dividing line—cutting in half the jewel-like city of Berlin, proper. For it really is this (in appearance, and especially at night when millions of varicolored lights illuminate the free side which we call West Berlin.

Before I speak on the Captive Nations Week, I ask you sincerely to remember that we can no longer go on making mistakes such as permitting (as we did and our other allies can be so indicted) words to be given—lines to be written in so-called agreements and then—weakly submit when these are broken suddenly and a nation or a city thus becomes enslaved overnight.

This is (as you and the world know) the important week of the year—(so proclaimed by our President and many Presidents before him)—Captive Nations Week.

Here—in every major city—we gather to commemorate and to honor the nations and their brave people—now absorbed into that—prison of nations erroneously called the Soviet Union. There are 28 (and I repeat sharply) 28 formerly free, autonomous East European nations (East Germany definitely included) all of which are enslaved, exploited, under dictation from the Muscovites daily and we so easily tend to forget this factual and appalling reality.

In passing, may I say, that ere long we will be sharply called upon to do something more than honor and commemorate these—the enslaved nations. Humans can endure just so much after having lived in freedom, masters of their own ventures, governments and destiny. The cracking point comes suddenly and then, regardless, slaves arise to throw off their shackles. East Europe could be called a tinder-box today—wating for a flare to ignite those feelings (inherent in those, all of whom love freedom) and then, who can predict the outcome.

West Berlin (living in freedom, yet literally rubbing shoulders with slavery) is a beacon to those in eastern slavery in Europe and may be a pivot, a key territory for Western diplomatic moves in Europe as time shows the way and hour for decisions.

We must never overlook such important key facts (nor forget the east Europeans fate—their faithful people living here, never forget and still wage battle for liberation of their old homelands as this Captive Nations Week is full evidence). We must remember East Europe's fate even though crafty, so-called friendly Muscovites try now to direct our minds towards such places as Vietnam, etc. The Soviet would like to consolidate their ill-gotten gains in Europe yet always—free, West Berlin emanates the promise that freedom can be held if once obtained again.

It is the fear and I repeat—the fear (the Soviet leaders live with hourly) that inner strength in many satellite nations in east Europe will suddenly gain in power and momentum—then—those in the western alliance would have to act also—and this—the Soviets fear and roundly so, as many of their recent moves will indicate. Such as, for instance (like a carrot to a donkey) relaxing tension—policies—permitting more western tourists to enter red-dominated satellites—encouraging mail to flow East-West more freely—sending Red athletes and artists out of dominated countries, etc.

Time does not permit further discourse regarding East Europe and the Soviet enslaved there. But I leave this comment—any failure by the western allies to honor their guarantees (now remaining) to West Germany will have serious repercussions and even the fate of the free world could hang in balance for our allies are becoming hard to locate—when the need arises—have you noticed?

Again, in passing and as a service to the Soviet-enslaved nations at this time of the spotlight on Captive Nations Week, I bring up again, the idea that the implementation of the United Nations Charter regarding "self determination of nations" and free elections be tabled again and openly discussed and considered at the U.N. (and this because the time is opportune when so many new nations are emerging and being openly recognized—especially by the Soviet Government. To direct western minds away from such East-European needed negotiations is today Soviet arch strategy—my friends. Remember—the Reds need the basic production (like the brown industrial coal from East Germany) the finished production from every now-industrialized satellite; the daily labor, the emerging trained minds in these enslaved lands—all these are needed by Soviet directors. First—in order to further their trade and to barter and secondly, in order to under-cut western traders on all the world market-fronts. Economic war can hurt, cause depressions, labor unrest in unemployment and if not, circumvented or halted, cause a nation like America or Canada (export nations) to go into bankruptcy. The Reds are past masters of the art of economic warfare.

Speaking of trade and why we must at any cost hang on to world markets outside of the Soviet Union and its satellite area, let's consider briefly some potent facts which we cannot brush aside as though they did not exist.

Though our current government policy seems to be to encourage more West-East trade, especially in European areas absorbed by Red Russia, I, for one, and there are many like me, do not agree. First, this is desired by the Reds to get better made products in their hands, often later used by them for barter-trade on world markets. They seldom "flood" their home areas with American-made products, for this would make their own people (or the dominated ones) dissatisfied with Soviet production. As well, when we trade more with our avowed enemies (for don't forget the line used by Khrushchev, "we will bury you") we are being fool-hardy and even stupid for we thus build up the inner strength of those who plan and plot to destroy us. We put good American money in their hands in huge amounts as we reciprocate by buying from them and they use this U.S.A. money (in our country and many others worldwide) to pay for subversion, to propagandize against us, to stir racial hate and eventually civil war, all this through getting good American green-backs and gold (in their jeans and banks) to draw on to pay the bills for acts of Red subversion. I say stoutly, to trade more with our avowed enemies is to trifle with the death of democracy.

On this week when we freely gather in large groups to remember the 28 East European nations and East Germany, all of whom exist in slavery and are exploited for Soviet gain—

do we want to go forward on the same road kidding ourselves that "we are too big and it could never happen to us, etc." Let's ask ourselves this question.

Let us here refresh your memories with some of Lenin's outlined strategy which the Soviets follow to the letter, though pretending otherwise when it suits their evil purposes.

Lenin wrote: "First we take Eastern Europe, then the masses of Asia, then we will encircle the United States, the last fortress of capitalism." "We will not have to attack," (Wrote Lenin) for as we have traded, have used our diplomacy well, we have subverted and the Americans will fall like over-ripe fruit, into our hand."

As we have watched the Communist Party here in convention recently and heard their bold statements enunciating their coming moves, remember in 1959, in a like congress of the Soviet main party, this was said. Quote: "Tone down militant action, get into the main stream of American life, form more youth on the march movements there, get into all Negro areas and life, stir integration troubles and get Communists into Parent-Teacher Associations. Question the myth of God and infiltrate all church movements if possible in the U.S.A. and Canada. Then divide Britain from the U.S. and from Germany—France from the U.S.A. and promote Western trade with Red Russia or her captive people. This—to the detriment of U.S. trade with free nations."

Trade is a major weapon now in the Communist world offensive and is designed to undermine the economic strength of the free world.

Molotov said in 1946: "We are not fighting America yet, but once we have deprived her of her global markets, she will be in confusion and then we will square accounts with America on her knees."

Friends—quoting from Human Events of May 21st, 1966, a paragraph of importance: "Without fanfare or publicity, East-West trade is expanding. The door is opening as wide as it can to further trade with the Communists. Last year this topped 143 million. And much that is being sent as non-strategic is of high military value to the Reds. Such as electronic equipment, industrial instruments, chemicals, metals, and much technical data. No noise was made of this exporting because it is an election year.

Friends—Time is my dictator, but I ask you, as fellow Americans, can we as active, free citizens permit such "cover-up" to go on and this, mind you, while our finest sons fight and die in Vietnam to hold back Communist hordes there? We need to speak up today, besiege our representative with questions and demand to know, "Why we trade with enemies while we send America's best to fight those our enemies support and whose ideology they follow?"

Wake up, I say, before it is too late. Stop businessmen here from trotting to Moscow for dollars, then expecting our fighting men to protect them from any kind of Communist invasion. Let's play fair—and—play safe.

THE BATTIN AMENDMENT

Mr. CONABLE. Mr. Speaker, I ask unanimous consent that the gentleman from Minnesota [Mr. LANGEN] may extend his remarks at this point in the RECORD and include extraneous matter.

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

There was no objection.

Mr. LANGEN. Mr. Speaker, farmers and small businessmen throughout the Nation will benefit significantly from the successful efforts of the Republican members of the House Ways and Means Committee to soften for the little man the impact of the President's proposed tax credit suspension.

A member of the House Republican task force on agriculture, Congressman JAMES F. BATTIN, also a member of the Ways and Means Committee, offered during that committee's consideration of the tax credit suspension bill, an amendment which obtained an important exception for U.S. farmers and small businessmen.

The Battin amendment adopted by the Ways and Means Committee will allow farmers and businessmen to continue using the tax credit provision for up to $15,000 of machinery and equipment purchased during the 16-month suspension period. Had BATTIN not pressed for his amendment in committee, any chance of altering the bill in the House would have been lost, since it is unlikely that it will be open to amendment on the House floor.

As the Republican agriculture task force recently pointed out, farmer exemption from this proposed tax credit suspension is in the national interest because of the need to increase food production. In order to expand their crops, farmers will need to purchase additional equipment, and suspension of the tax credit provision would reduce their incentive to make these necessary purchases.

U.S. farmers and small businessmen can be grateful for the work of Congressman BATTIN and the other Republican members of the Ways and Means Committee for achieving this important change in the President's tax credit suspension bill—a change which may save them millions of dollars.

ASSISTANCE TO TEACHERS THROUGH TAX DEDUCTIONS

Mr. CONABLE. Mr. Speaker, I ask unanimous consent that the gentleman from Illinois [Mr. RUMSFELD] may extend his remarks at this point in the RECORD and include extraneous matter.

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

There was no objection.

Mr. RUMSFELD. Mr. Speaker, I am introducing a bill today which would amend the Internal Revenue Code to allow teachers to deduct from gross income the expenses incurred in pursuing courses for academic credit and degrees at institutions of higher education and also certain educational travel expenses. My bill seeks to clarify the application of section 162 of the Internal Revenue Code of 1954—relating to trade or business expenses—to expenses incurred by teachers in improving their skills.

Under rulings proposed by the Internal Revenue Service, many teachers would be prohibited from deducting costs incurred in improving their abilities and in enriching their knowledge. These IRS rulings will not only work a hardship on teachers, but they would also tend to discourage the upgrading of skills and thus deprive our children of the best possible education.

Mr. Speaker, the Nation is faced with a shortage of qualified teachers. Every possible incentive must be offered to teachers to obtain advanced training and to develop the new techniques which are demanded today. Surely nothing is more important than the education of the youth of our country and nothing is as essential as good teachers. In this era of rapid advancement of knowledge and rapid changes in the education field, the teacher must keep pace—and many attempt to do this, sometimes at great personal sacrifice.

Our Government has placed a high premium on education. Congress has enacted Federal programs of assistance to schools and to students. I am hopeful that prompt action will be taken to give our teachers, who desire to improve their skills through continued education, some assistance through the tax deductions proposed in this proposal.

CONGRESSMAN MARK ANDREWS' AUGUST NEWSLETTER

Mr. CONABLE. Mr. Speaker, I ask unanimous consent that the gentleman from North Dakota [Mr. ANDREWS] may extend his remarks at this point in the RECORD and include extraneous matter.

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

There was no objection.

Mr. ANDREWS of North Dakota. Mr. Speaker, there has been a good deal of interest generated in my August newsletter. So that other Members of the House may know what its contents were, I include it at this point in the RECORD:

AUGUST 1966.

DEAR FRIEND: Tight money spells serious financial hardship for many Americans. As the Johnson Administration tries to cover up gaping holes in their unrealistic budget by putting the Federal government in ruthless competition with individual Americans who need and want to borrow money, all economic groups suffer. Borrowing money for a home or farm becomes more and more difficult and costly. In the meantime, home builders are laying off workers because there simply isn't enough work to keep them busy. Farmers and small businessmen are paying higher interest rates for needed operating funds. All of this comes about because the Administration refuses to come to grips with inflation and, instead of taking steps to relieve the pressure on funds available for borrowing, they have embarked on a tight money, high interest rate policy. Millions of average citizens are being made painfully aware of what this policy means to them every day. Fiscal responsibility on the part of the Administration in the form of a balanced budget and an embargo on non-essential spending for unproven programs is long overdue.

H.R. 15557—the Education Bill I introduced is being thoroughly studied by government analysts to determine how much money this proposal will mean for elementary and secondary school students in each state. My bill, as you may know, provides direct payments to the states on the basis of two factors (1) student numbers and (2) the effort

made by taxpayers to provide needed funds at the state level. A state spending a higher percentage of its individual income for education purposes (as North Dakota does) will get a higher Federal payment per pupil. Omitted is the maze of bureaucratic red tape, rules and regulations that make the present Elementary and Secondary Education Act practically unworkable in many of our school districts—as I am sure your local school officials will point out. Educators feel that the principles embodied in my bill would make for a much more effective use of tax funds in the field of education. M. F. Peterson, our own respected Superintendent of Public Instruction said: "The (Andrews) bill meets with my wholehearted approval. . . . I think the whole program of State-Federal relations and Federal support of education could be improved and the time of people could be better utilized than it is."

"Slip . . . Slide . . . and Duck" That was Secretary of Agriculture Freeman's advice to Democratic candidates for Congress who wanted to know how to answer questions about the rising costs of living. Now everyone—even the Secretary—knows that increased food costs are not the fault of the farmers (who now get only about 33.5¢ out of the retail food dollar). The Secretary's call for outright evasiveness in dealing with the public is certainly not a policy needed in American government.

U.S. Gold Supply has dropped to the lowest point in 28 years, according to a recent Federal Reserve report. The current supply is about $13.4 billion—the lowest since September 7, 1938, when it was about $13.2 billion.

Rumanian Pork in U.S. Stores???—Probably not! By calling attention to the House Floor to the New York investor who announced a loan from the U.S. tax-supported Export-Import Bank to finance a pork producing and processing plant in communist Rumania, it appears we may have been effective in stopping the whole deal. Export-Import Bank directors have told me that they have not given final approval to the loan. The storm of protests resulting from my focusing public attention on the transaction makes it very unlikely that it will be approved. The loan would not only have subsidized a communist business, but plans called for exporting the pork products to the U.S. to compete with pork products produced by taxpaying American farmers. No wonder farmers are worried about an Administration that promotes plans such as this! During my investigation of the pork deal, I learned that the Export-Import Bank loaned $20 million for an oil refinery in Rumania over a year ago. Assuming that this plant is now in operation, its products are probably the "tiger in the tank" of the Viet Cong war machine our boys are fighting in Viet Nam. How ridiculous can we get!

And Congress continues . . . I certainly wouldn't recommend that Congress hurry through any of the bills still waiting action. We all realize that thorough debate of legislation is necessary if the American people are to be protected. So, in spite of the fact this is a campaign year and I'm looking forward to spending as much time as possible in North Dakota, there can be no question about where my responsibility lies. I will be with you this fall only as my Congressional duties permit.

Best personal regards.

MARK ANDREWS.

FOUR OUT OF FIVE 17TH DISTRICT FARMERS ARE EXCLUDED BY AGRICULTURE DEPARTMENT POLICY

Mr. CONABLE. Mr. Speaker, I ask unanimous consent that the gentleman from Ohio [Mr. ASHBROOK] may extend his remarks at this point in the RECORD and include extraneous matter.

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

There was no objection.

Mr. ASHBROOK. Mr. Speaker, according to the No. 2 man in the Department of Agriculture, 80 percent of the farmers in the 17th District of Ohio are being excluded by the present Federal farm policy. Under Secretary of Agriculture John A. Schnittker's statements, on which this figure is based, show that not only are the small farmers being cut out by USDA policy but that they are also expected to get out of farming.

Schnittker recently said that USDA policy is aimed at "achieving parity income for adequate-size farms, but not necessarily small farms." When asked to define "adequate-size," Schnittker said that they were "those farms with more than $10,000 a year in sales."

Of the 13,752 farms in the 17th District of Ohio, 11,017 of them do not gross $10,000 or more a year.

Mr. Schnittker went on to say that today's farm programs have been designed "specifically to provide price and income protection primarily to farmers on adequate-size farms. It is not clearly understood and widely accepted that most small farmers in the United States cannot attain good incomes and living standards from farming alone. Many will expand to larger farms, but more will not."

What this means is that the small farmer will be forced out of business. And by the Agriculture Department's definition of small farmer it means that if the policy set forth is successful, only 1 out of 5 will be around to farm, and frequent the businesses in the farm towns, and support the schools, and do all the other things in the rural community that now has five times the number of people.

This statement shows that with the $10,000 dividing line, four out of five of the farmers in the area which I represent and in which I live, are on their way out of farming. This may be "clearly understood and widely accepted" by the USDA but it will be quite a shock to these 11,000 farmers.

Statements by Mr. Schnittker are part of the policy that not only expects these farmers to get off the farm but which is forcing them to. Here is what happens to the 17th District and its eight counties when this policy is applied. The percentages show the farmers who do not fall into the category of the Department's policy. Depending on the county, the percentage of farmers who are being excluded varies from a low of 64.3 percent in Wayne County to a high of 94.7 percent in Guernsey County.

These figures are not pulled out of the air. The basis for the percentages comes straight from Under Secretary Schnittker's remarks. The numbers of farmers who have gross sales of less than $10,000 a year are taken from the latest agricultural census reports, 1964, compiled by the Bureau of the Census. These reports also state the total number of farmers, so it is easy to figure the percentage of farmers who are being cut out by Federal farm policy.

Here are the figures for the counties in the 17th District: Ashland, 76.3 percent; Coshocton, 85.5 percent; Guernsey, 94.7 percent; Holmes, 77.3 percent; Knox, 79.3 percent; Licking, 80.6 percent; Muskingum, 91.1 percent; and Wayne, 64.3 percent.

Only one county out of eight has a percentage below 75 percent and three counties have more than 85 percent of the farms left out by the policy. It is also interesting to note that slightly more than 70 percent of this eight-county area is farmland, so these figures do not represent only a small part of the area, but a very significant part—significant to me and to the others who live there, but not, evidently, to the Department of Agriculture.

Mr. Schnittker's statements explaining what the Department plans to do should actually come as no surprise. After all, this is the same agency whose director, Orville Freeman, advised candidates to "slip, slide, and duck" all questions of inflation from the voters.

These statements make it even more clear that the Department of Agriculture is attempting to institute policies designed to "slip, slide, and duck" the small farmer right out of business. Secretary Freeman himself has stated how many farmers will, in effect, survive his Department's policies—1 million. This means that some 2.5 million American farmers will have to leave their farms and earn a living in some other area.

The same Mr. Freeman also told the candidates that if they were backed into a corner and had to take sides on the question of inflation, they would be better off if they chose the farmer instead of the housewife. He said this is because the farmer is better organized. When it comes to choosing sides, maybe Mr. Freeman, and now Mr. Schnittker, had better make sure the side they choose wants them. Some 80 percent of the farmers in the area where I am from might have different ideas.

These farmers, large or small, are going to remember that this same Department is the one which lifts cheese import restrictions, to the detriment of the American dairy farmer; and uses Defense Department cutbacks on pork buying to control the hog prices, and promotes beef imports in competition with American farmers; and whose Commodity Credit Corporation dumped millions of bushels of wheat and corn on markets which were then bringing the farmer only 80 percent of parity; and finally the Department which conveniently brushes aside the fact that the farmer is also faced with inflation.

WHAT YOUR VOTE CAN DO FOR CONGRESS

Mr. CONABLE. Mr. Speaker, I ask unanimous consent that the gentleman from Ohio [Mr. ASHBROOK] may extend his remarks at this point in the RECORD and include extraneous matter.

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

There was no objection.

Mr. ASHBROOK. Mr. Speaker, I do not believe that I have ever read a more timely article than the one written by Charles Stevenson in the October 1966 Reader's Digest. Entitled "What Your Vote Can Do for Congress," it surely hits the nail right on the head.

The late Senator Jim Reed, constitutional Democrat from Missouri, once said that about the most contemptuous person he knew was a "congressional White House cat who for a little cream would sell the interests of his constituents down the river." Modern day rubber-stamps are no better than that.

The great article should be read by every interested American:

WHAT YOUR VOTE CAN DO FOR CONGRESS—THE URGENT NEED THIS NOVEMBER IS THE ELECTION, NOT JUST OF REPUBLICANS OR DEMOCRATS, BUT OF COURAGEOUS MEN WHO WILL BE TRUE REPRESENTATIVES OF THE PEOPLE

(By Charles Stevenson)

This year's national elections on November 8 are as important as any in history. The future of constitutional government could depend upon how *you* vote; not Republican, Demacratic, liberal or conservative, but whether you elect Senators and Representatives who will fight to save Congress from the forces now destroying it.

If this statement seems incredible, consider, as one example, the role of Congress in the S.S. *Yarmouth Castle* tragedy.

Certain money-hungry operators have been putting ricketry old ships into the Caribbean-cruise business under foreign flags, a practice which enables them to evade U.S. safety regulations. Thousands of unsuspecting Americans assume the ships must be safe because they are permitted to operate out of American ports. Alarmed, legitimate American shipping men and concerned legislators of both parties joined to seek a law compelling the dilapidated vessels to meet U.S. standards.

"Floating firetraps . . . could result in unspeakable horror and death," exploded Hoyt Haddock of the AFL-CIO Maritime Committee. "Risking the lives of cur citizens . . .," warned Rear Adm. W. J. McNeil of the Committee of American Steamship Lines. The leaky, 38-year-old S.S. *Yarmouth Castle* was branded especially dangerous. "A shining example" of an unfit ship, summed up Rep. WILLIAM S. MAILLIARD of California.

But then the Executive Branch jumped in, claiming the urgently needed safety measures would represent "unreasonable discrimination against foreign-flag vessels." "After the word came down from on high," says MAILLIARD, "apparently Congress was afraid to act and it just let the proposals die." Two and a half months later the *Yarmouth Castle* caught fire as it wallowed through the sea. The general alarm wasn't rung. The sprinkler system was ineffective. Fire hoses lacked pressure. So flames raged through the tinderbox wooden walls. And, amid screams and terror, 90 men and women perished.

This incident is shockingly typical of the way Congress is surrendering its constitutional legislative role to the Executive Branch. Thus it is helping to bring about a perilous change in our form of government. Our founding fathers deeply feared concentration of governmental power, so they clearly divided authority: the Congress to make our laws, the Courts to interpret them, the Executive to administer them. And Congress was to be the national forum where the voices of all the people could be heard through elected representatives directly responsible to them.

PELL-MELL LEGISLATION

Now, however, as stressed by Prof. Samuel P. Huntington of Harvard, "Congress has conceded not only the initiative in originating legislation . . . it has also lost the dominant influence it once had in shaping the content of legislation." Scarcely ever does Congress attempt to refine complicated, often revolutionary legislation written by Administration bureaucrats unanswerable to the public, and merely dispatched to Congress to be rubber-stamped.

The result is a crumbling of traditional checks and balances that frightens liberal and conservative alike. "For heaven's sake," Rep. E. J. GURNEY of Florida cried out in disgust on the floor of the House, "let us retain a little self-respect and independence as a legislative body and have the courage to do some of the things on our own once in a while."

Last April, for instance, President Johnson called on Congress to compel the taxpayers to contribute at least $381 million in supplementary interest so that bankers would find it profitable to buy up low-interest loans made by the government under its various subsidy programs. The receipts from this inflated sale of government assets could then be represented as normal income that would reduce the Administration's spending deficit. Critics of all stripes denounced this gimmick.

"Just a government subsidy to the banking interests," declared the liberal Americans for Democratic Action, ". . . will increase interest rates for all borrowers. . . . accelerate the tightening of the money market." Here was a measure which cried out for Congress to solicit expert views, to deliberate, to take into account the interests of all Americans.

But what happened? House Banking and Currency Committee Democrats in caucus agreed that the measure "stank," to quote one of them. Yet when they began hearings, these men were summoned outside one by one to take orders phoned from the White House. The committee permitted only *two* witnesses to testify—both sent by the President. In three hours the committee obediently approved the bill, involving nearly $11 billion. The House obligingly followed suit. Since, interest rates have shot up to a 40-year high, making it hard for families to buy or sell homes and for industry to finance job-creating expansion.

"A good bill can stand debate, deliberation and full inquiry," warns Rep. BURT TALCOTT, a California Republican. "Suppression of debate and of the free expression of opinion will inexorably undermine the majority, Congress and the nation." But it goes on all the time.

The President's bill to subsidize the arts compels every taxpayer to finance whatever painter, musician, woodcarver, wire bender or dancer our federal administrators want to help support. Many artists themselves opposed the measure as restricting rather than nourishing art.

Yet up to the very moment the House Labor and Education Committee met to consider the final bill, Republician members were denied even a look at it. Rep. ROBERT P. GRIFFIN of Michigan, now a Senator, asked that it at least be read aloud. Instead, the committee hurriedly put through previously undiscussed amendments, then approved the revolutionary legislation—all in less than 15 minutes.

In this pell-mell fashion, Congress has been passing even more momentous laws without being aware of what the legislation would do. It voted Medicare with most of the membership thinking it was providing only for the elderly. But an unnoticed section of the measure *enables any state to furnish medical care for anyone regardless of age—with taxpayers all over the country required to pick up the bills.* Now the Administration quietly has admitted that Medicare may cost one billion dollars more a year than expected!

LEFT TO DISCRETION

Today the Executive Branch is making the law. It forces enactment of bills so vaguely written that it can make them mean just above anything it wants.

In the $2.3-billion poverty-program legislation, for example, 87 phrases such as "in his discretion" and "as he shall deem necessary or appropriate" give bureaucrats an incredibly free hand.

Thus $256,720 that was voted to help the poor in Appalachia is going instead to a branch library in well-off Pittsburgh. And thus the Department of Housing and Urban Development is enabled to make an outright gift of $81,351 for tennis courts and a 1.6-acre park in Somerset, a swank Washington suburb whose 400 families, most of them upper-crust government employes, boast a median income of $17,273, the highest in the entire Washington area. Meanwhile, as the outraged Washington *Post* pointed out, the adjacent District of Columbia is left without funds to light playgrounds "needed by tens of thousands" of poor children.

Further reaching for power inevitably lies in prospect. Even as the Executive Branch ignores the clearly written law by refusing to submit five-year estimates of what new federal programs will cost, Budget Director Charles L. Schultze tells Congress it no longer should bother about costs. Instead, he insists, Congress should merely approve "goals" dreamed up by the bureaucrats. "We're not sure that it is always wise to express the authorizations in dollar terms," Schultze testified.

The bureaucracy and the White House are as one in these seizures of power. Ever since New Deal days the bureaucracy has been evolving its own elite—career administrators, top technicians, specialists—who operate the programs and plan what they want to enact next. The President often buys their ideas; then departmental agents known as "legislative liaison" men fan out over Capitol Hill, cultivating Congress and, in the name of supplying information, actively lobbying for the agreed-upon legislation.

"Technically," says Daniel M. Berman, professor of Government and Public Administration at American University, in his book *In Congress Assembled*, "all the work that is done in the bureaucracy to influence Congressional action is illegal. The law (Title 18, Section 1913, of the U.S. Code) flatly forbids both officers and employes of the Executive Branch to use appropriated funds for the purpose of lobbying."

CONFORMITY—OR ELSE

Increasingly, the Administration operates a highly developed system of political rewards and punishments which politicians call "arm twisting." For example, White House emissaries offered Democratic Sen. E. I. BARTLETT of Alaska decisive backing for a $10-million program to upgrade housing for Eskimos (which he had hitherto unsuccessfully proposed) if he would switch his vote to support this year's controversial rent-subsidy program. BARTLETT agreed, and the Senate approved the potential $6-billion measure, 46 to 45. BARTLETT later said, "I'm not proud of myself."

There has been special obedience training for the 66 freshman House Democrats. So they would parrot only approval, the Democratic National Committee has drafted their speeches and press blurbs. Also, as a follow-up to a Presidential message, "Mike N. Manatos, the White House liaison man for the Senate, personally handed out ghosted

reaction" for their use, the Washington *Star* reported. "Sheets were neatly typed, suitable for immediate insertion in the records of any day's Congressional debate. Uniformly, the White House speechwriters tended toward expansive praise of the President's leadership."

Meanwhile, the White House arranged for them to rendezvous regularly with bosses of the government's heftiest spending programs. "The purpose," the Washington Post reported, "is to mobilize the resources of the federal government to help re-elect" these Johnson supporters. Each freshman was asked what federal handouts he wanted poured into his district. "Administration officials have been coached to go along with any reasonable requests," the Washington Star disclosed.

Thirty-two senior officials stopped work to perform for Representative RICHARD C. WHITE of Texas. Before 45 constituents invited to Washington, they wasted two days adding up federal money suddenly available for WHITE's district—grants for everything from football fields to health centers. Extolling a White bill to extend a Texas canal, Richard Shunick of the Bureau of Reclamation exclaimed, "The U.S. would pick up the whole tab and not charge those who benefit."

The Democratic National Committee meanwhile leased a nationwide communications network so the freshmen could phone announcements of their prizes to newspapers and radio stations back home. Representative JOHN R. HANSEN breathlessly announced a new post office for Glenwood, Iowa. "Why?" exclaimed the dumbfounded mayor, noting that the local post office had just been remodeled.

In return, the Administration demands conformity. Freshman Representative JOHN C. CULVER of Iowa once mustered enough independence to oppose a White House-sponsored bill. When he sought to explain to constituents via the communications network, the National Committee curtly refused him the services it had so eagerly offered in the past.

Representative OTIS PIKE, a liberal Democrat from Long Island, once had his post-office patronage abruptly cut off for failing to support Executive Branch legislation. Last spring, because he concluded that the rent-subsidy bill was bad for the country, he got a warning call from the White House, followed by a barrage of others from Administration men. Finally, a messenger let him know that a vote against rent subsidies might cost his district an important research project.

"There are so many ways the Executive Branch can exert pressure," PIKE explains. "There are post offices to be built, inlets to be dredged; there is money available for poverty and school programs, for agriculture programs and defense programs. There are decisions to be made on locating veterans hospitals and nuclear reactors. The accumulation of powers in the Executive Branch, at the expense of Congress, is so huge that our system of checks and balances has largely broken down."

The threats, bribes, payoffs and persecutions all add up to what liberal commentator Eric Sevareid calls "a curious kind of intimidation." So many members of Congress have been brought to heel by it that Sevareid finds "the once exalted title of Senator or Representative has lost much of its prestige."

THE BRAVE ONES

Yet there do remain strong men, liberals and conservatives, Republicans and Democrats, who fight to make Congress the institution it was meant to be. They often disagree, but they share the common qualities of courage, integrity and independence.

Republican Rep. TOM CURTIS studies late at night, analyzing and originating legislation. Then each week or so he flies home to St. Louis to explain issues at people's seminars. "A Congressman's job," CURTIS says, "should be to give his people independent representation."

Rep. EDITH GREEN (Dem.) from Oregon cries out for creative debate. Though a liberal supporter of Great Society legislation, she dares to question its sloppy drafting and the steamrolling. "We have in the House a determined effort to silence those in disagreement," she says.

Just last spring, labor leaders warned Democrat Sen. FRANK LAUSCHE of Ohio that they would unseat him if he voted to uphold right-to-work laws. "The people elected me to use my own reasoning and conscience," LAUSCHE replied. "I will not be a political slave to any special group." And Republican Sen. JOHN J. WILLIAMS of Delaware cast the decisive vote which cost stockholders of his state's most influential corporations, Du Pont and Christiana, a half-billion dollars in tax exemptions. "I'm bound by my oath to seek answers that are best for all the people, not just a few," he declared.

As you get ready to go to the polls this November, ask yourself how your Representative and Senators measure up against such men and women. Scrutinize their voting recorus and find out whether they are legislators or puppets. Judge whether their first concern is themselves or the nation. Consider whether they will help wipe out the moral and intellectual corruption besetting Washington or whether they're content to "go along." Find out whether they will join the battle to make Congress an independent branch of the government which takes orders only from the electorate. Whether you vote for a Democrat or a Republican is not nearly as important as whether you vote for integrity.

A $90-A-DAY OEO CONSULTANT GETS POVERTY CONTRACT

Mr. CONABLE. Mr. Speaker, I ask unanimous consent that the gentleman from Minnesota [Mr. QUIE] may extend his remarks at this point in the RECORD and include extraneous matter.

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

There was no objection.

Mr. QUIE. Mr. Speaker, early this year, a $105,247 poverty contract was signed to train community action, work experience, and adult basic education officials in Iowa. The organization designated to train these officials was Social, Educational Research & Development, Inc.—SERD—whose incorporator, president, treasurer, and apparent one-man corporation was Mr. John W. McCollum, a $90-a-day OEO consultant.

We made a mistake by going to SERD—

Said Mr. C. J. Johnson, Iowa State Department of Public Instruction—

we could have done as well without SERD.

Mr. Speaker, the SERD contract has been widely criticized in the Des Moines, Iowa, area. It not only failed miserably in its assigned task of training poverty officials, but it is reported that guest speakers who receive their regular pay in Federal tax dollars were paid honorariums of $75 a day plus expenses.

This fiasco raises serious questions of conflict of interest, duplication of programs and wasteful expenditures. What justification does OEO have in negotiating a contract for this kind of service with an individual who is a high-paid consultant to OEO and whose "firm" is obviously unqualified to do the job?

How many other consultants does OEO have at $90 a day who are receiving lucrative poverty contracts from OEO? Local and regional officials say this contract was negotiated at the Washington level of OEO. It is obvious that this incident illustrates yet another example of taxpayers money poured down a drain instead of being used effectively to help the poor.

We would like some direct and sensible answers as to how this wasteful contract came about and what provision has been made to avoid future fiascos of this nature.

VIETNAM

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Michigan [Mr. CHAMBERLAIN] is recognized for 30 minutes.

Mr. CHAMBERLAIN. Mr. Speaker, because of my concern over the course of the war in Vietnam and the real and urgent need to cut off supplies to the enemy in order to shorten this tragic conflict, I have, from time to time, undertaken to share with my colleagues unclassified information made available to me by the Department of Defense detailing the nature and extent of free world shipping into North Vietnam as well as the "backdoor" aid the Vietcong derives from Cambodia. I know most Members share my concern over this trading with the enemy by our so-called friends and allies, and I am grateful for the support that has been given my efforts to prohibit United States aid to any foreign country involved in this traffic. I know also that most Members have been equally concerned over the administration's apparent willingness to tolerate this flow of supplies to the enemy and its reluctance to take full and effective action against it.

NO TRADE OR NO AID

Just last week, in fact, the administration in its foreign aid appropriations bill requested authority to continue aid to countries shipping supplies—including war goods—to North Vietnam if the President determined it to be in the national interest. As I could not possibly conceive how it would be in our national interest to continue aid to those supplying our enemy I urged that the requested authority be denied and was gratified that the House agreed with my position. As it is, South Vietnam has been getting little help from our so-called friends. There is no valid reason why we should reward those aiding the enemies of freedom in southeast Asia.

HANOI TRADE: THE OTHER HALF

Particularly disturbing, as well, has been the administration's policy, up to only a few months ago, of hiding under a cloak of unnecessary secrecy, full information about this trade. Until April of this year the administration was telling the American people only half of the

story about the number of free world ships arriving in North Vietnam. Misinformation and distortion on this subject still continue to appear.

The September 19 issue of Newsweek magazine contains the following "Periscope" sighting:

SHIPS TO HAIPHONG

Only a few "Free World" vessels still carry supplies to Haiphong and other North Vietnam ports. Maritime Administration watchdogs report seven British, four Cypriot, two Greek and one Maltese ships between January 25th and July 14th.

Newsweek bases its information obviously on the list issued by the U.S. Maritime Administration of ships prohibited from carrying U.S. Government-financed cargoes out of U.S. ports because they had sailed to North Vietnam. This so-called blacklist, which I urged the President to establish but which the administration inexplicably waited until February 11 of this year to announce—retroactive to January 25—is not an accurate measure of free world trade with the Hanoi regime. It records only the names of ships, not how many times they have gone to North Vietnam.

The following free-world-flag ships appeared on Report No. 7, list of foreign-flag vessels arriving in North Vietnam on or after January 25, 1966, issued September 8 by the Maritime Administration:

Flag of registry, name of ship:	*Gross tonnage*
British:	
Ardtara	5,795
Greenford	2,964
Isabel Erica	7,105
Milford	1,889
Santa Granda	7,229
Shienfoon	7,127
Shirley Christine	6,724
Cypriot:	
Acme	7,173
Amfitriti	7,147
Amon	7,229
Antonia II	7,303
Greek:	
Agenor	7,139
Alkon	7,150
Maltese:	
Amalia	7,304

Information provided me by the Department of Defense reveals that during the period referred to by Newsweek, there were actually 22 free-world-flag vessels trading with North Vietnam rather than 14 which they reported. Furthermore, since January 1, 1966, there have been some 30 different free-world vessels calling at the ports of Haiphong, Hon Gay, and Campha. What is even more misleading about Newsweek's report is that it completely overlooks the fact that these 22 ships have made a total of 41 trips to North Vietnam between January 25 and July 31. A look through Newsweek's "Periscope" is like looking through the wrong end of a telescope. It makes reality appear smaller than it is.

In assessing the full impact of this trade, it is not just the number of ships involved but the volume of cargo actually delivered that is important.

To put the record straight, Mr. Speaker, I insert a chart indicating by country of registry the free-world ship arrivals in North Vietnam during the first 8 months of 1966.

Month	United Kingdom	Greece	Italy	Cyprus	Malta	Total
January	13	3	1	1		18
February	11	1				12
March	5			1		6
April	4	1		1	1	7
May	4	1		1		6
June	1	1		2	1	5
July	1					1
August	1			1	1	3
Total	40	7	1	7	3	58

FREE WORLD SHIPPING STILL IMPORTANT

As compared with the traffic of last year, this is a decided improvement. This shows something could be done. This also shows clearly that more must be done. That this traffic exists at all is appalling and I will not be satisfied so long as there is one free world ship helping to supply the enemy. Certainly this is not a time to be minimizing this deplorable trade and its impact on the war effort. In fact, information I have received within the past few days concerning the free world ships arriving in Haiphong during August of this year included cargo reports which strongly suggest the presence of goods of strategic value to keep Communist military supplies moving south. The nature and extent of this shipping must continue to have the closest scrutiny and the American people should be told the facts.

A BELATED "BLACKLIST" WITH LOOPHOLES

While it has its weaknesses, the establishment of the "blacklist" is significant in that it put the U.S. Government on public record for the first time as doing something positive to stop this trading with the enemy. In retrospect it is clearly incredible that during 1964 when there were 401 free world ship arrivals in North Vietnam and during 1965 when there were 256, there was no such "blacklist," with some of these same ships actually coming to U.S. ports and, at least in one instance, picking up U.S. Government cargoes. This is even more shocking because during 1964 and 1965 there were more free world ship arrivals in North Vietnam than there were Communist-flag ship arrivals.

Mr. Speaker, I have joined a score of other Members in sponsoring legislation to close our ports for private as well as Government business to all ships of any foreign shipping interest which permits any of the vessels under its control to trade with the Hanoi regime. The administration has recommended against this legislation, even though for a time it was given "de facto" enforcement through the extra legal boycott initiated by patriotic longshoremen. Why, I ask, Mr. President, does your administration oppose closing our ports to all shipping interests that are helping to supply the enemy?

RED-FLAG SHIPPING UP

While there has been an apparent decline in free world trade to North Vietnam in 1966 it is to be especially noted that there has been at the same time an increase in Communist-flag shipping. Although I cannot be specific because of the nature of the information, I can say—based upon general knowledge—that the increase in Communist-flag shipping is most alarming and shows clearly the vital importance of outside supplies to North Vietnam's war effort. It is generally known that these ships carry not only oil but military hardware as well. It is equally evident that without this source of supply, Ho Chi Minh would be unable to maintain the present level of aggression against us and our allies in South Vietnam. Yet we continue to just watch this trade and collect statistics, while at the same time sending more and more boys into South Vietnam to be wounded and killed as they do their best to resist an enemy who has been well armed with supplies delivered by sea.

I say we cannot just sit by and watch the war being continually escalated in South Vietnam by supplies delivered to North Vietnam in either Communist or free world ships. Our "hands off" policy with regard to the procession of ships into North Vietnam is but another example of the way in which we are fighting this war on terms dictated by the Communists. The Vietcong, to be sure, give our ships no safe conduct passes up the river to Saigon. They have, in fact, this past month successfully mined a U.S. merchant ship, the *Baton Rouge Victory*, killing seven American crewmen. Yet we, with the full might of the U.S. Navy controlling the South China Sea, just seem to drift about, taking no effective steps.

When it became apparent that the Soviets were shipping missiles into Cuba—where no U.S. men were fighting—President Kennedy risked a nuclear confrontation in stopping those ships. Everyone applauded his resolve and courage in so doing. There is no question as to how the SAM missiles entered North Vietnam and how they are being continually resupplied. Such heavy tonnages of missiles, antiaircraft guns, and ammunition can only come by sea. Yet, we are still not doing much about it even though these weapons have been shooting down American fliers.

CAMBODIA'S "BACKDOOR" AID

Mr. Speaker, there is another aspect of the problem of cutting off the enemy's sources of supply which is equally important, but with which the administration has also failed to come to grips. I speak of the Vietcong's "backdoor" source of supply through Cambodia.

Following an Armed Services Committee mission to South Vietnam last April, which confirmed numerous reports I had received for several months, I began urging that shipping up the Mekong River, passing right through South Vietnam, to Cambodia be halted for two principle reasons: First, to stop the suspected

flow of contraband over which I found there is no effective control; and second, to apply economic pressure on Cambodia to encourage it to live up to its alleged policy of "strict neutrality."

I have yet to talk to any knowledgeable military people who have any doubt that Cambodia is used as a Vietcong sanctuary and source of supply. In fact, when our subcommittee was only a few miles from the border, we were told by a Special Forces officer of the existence of three airstrips and a training ground on Cambodian soil being used by the Vietcong. While Cambodian officials may not have full information of these activities, there is no dispute that they have openly aided the enemies of South Vietnam.

The Cambodian delegate to the United Nations has said his country "continues to support morally and politically the struggle of the brave Vietnam people against American aggression. We have never concealed the fact that in token of our solidarity with the Vietnam people we have offered medical supplies and dried fish to the National Liberation Front."

This is not neutrality.

In the past, Prince Sihanouk, the Cambodian Chief of State, has often called for better border surveillance by the International Control Commission—composed of Canada, India, and Poland—but he always knew that Poland, in deference to North Vietnam, would not permit it. While indistinct boundary lines present real inspection problems, it would be comparatively easy to insure the "neutrality" of goods entering Cambodian ports through a meaningful examination of ship cargoes as they arrive and I have challenged the Cambodian Government to do just that.

Mr. Speaker, at this point I insert a chart detailing the extent of free world shipping, by country, up the Mekong River through South Vietnam en route to Cambodia during 1966.

Free world ships in Phnom Penh, Cambodia, 1966

	Panamanian	United Kingdom	French	Japanese	Netherlands	Italy	Denmark	Total
January	19	4	10	5	1			39
February	17	3	8	6	2	1		37
March	13	3	10	6				32
April	5	2	11	4				22
May	8	1	8	2	1		1	21
June	4	3	9	5				21
July	12	2	6	6				26
Total	78	18	62	34	4	1	1	198

No one wants the war to be enlarged, whether into Cambodia or elsewhere, but the point is that the war has been carried into Cambodia by the Communists with at least the tacit permission of Prince Sihanouk. This fact cannot be ignored if a much longer, costlier, bloodier struggle is to be averted.

I have advocated economic, not military, pressure to be applied to Cambodia to spike this escalation before it reaches even greater proportions. A truly neutral Cambodia has nothing to fear.

Mr. Speaker, the situation with respect to the "frontdoor" of Haiphong and the "backdoor" of Cambodia cannot be permitted to continue if we are to resolve this conflict. In neither World War I nor World War II were vital supplies permitted to reach our enemies without challenge. More recently, in the 1962 missile crisis President Kennedy did not permit the delivery of strategic weapons to Cuba and at a time when there were no American forces in combat in that country. Why, I ask, Mr. President, if this is war, as you have told us, has your administration not done more to cut off the enemy's sources of supply?

TAX REFORM

The SPEAKER pro tempore. Under previous order of the House, the gentleman from New York [Mr. HALPERN] is recognized for 10 minutes.

Mr. HALPERN. Mr. Speaker, last June 1, I introduced H.R. 15405, to eliminate the oil depletion allowance. The purpose of the bill is to rectify a situation of special tax advantage which is no longer justified.

When the 90th Congress convenes, as soon as possible, Congress should examine the structure and undertake major reform. Most recommendations in this field were rejected when the 1964 Revenue Act was enacted into law.

In remarks I made on the floor of the House on June 1, I pointed to the allowances granted oil and other natural resources as a particular inequity which should be dealt with at an early date.

The repeal or substantial reduction of this deduction is but one step in the direction of ending tax favoritism.

Local and State taxation is steadily rising. In this situation Congress must insure that Federal income taxes are levied as equitably as possible, and an end to privileged treatment is a first prerequisite.

In essence, the combination of local, State, and Federal levies, along with rising prices, is putting lower middle- and middle-income groups, as well as retired persons, into an intolerable squeeze, while other taxable categories are granted unjustifiable advantages.

Tax reform can substantially increase Government revenue, at a time when deficit spending is feeding the fires of inflation. Moreover, when this inflationary period is effectively halted, through various methods, then we can ease the brunt now unequally borne by certain taxable groups and individuals.

In order to make the Federal tax burden more equitable, Congress should undertake major tax reform. And I once again urge that the depletion allowance be made a priority item in the redrafting of tax treatment.

GERMAN ADMIRAL SEES NEED FOR CLOSER UNION IN NATO

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Illinois [Mr. FINDLEY] is recognized for 30 minutes.

Mr. FINDLEY. Mr. Speaker, among the topics discussed with Chancellor Erhard during his recent visit to this country was cooperation in space exploration. This makes timely the conclusion and recommendations of German Vice Adm. Friedrich Ruge concerning general technological cooperation among the nations of NATO.

Admiral Ruge, who has participated in foreign policy symposia in this country and written extensively on NATO problems, is a member of the panel of 26 eminent scientists, scholars, and military experts established by the House Republican Committee on NATO and the Atlantic Community to assist in its Atlantic studies program.

Here is Admiral Ruge's statement:

NATURE OF THE ALLIANCE

NATO is a coordinated alliance, its members are partners with equal rights though of greatly differing size and importance. In the Atlantic Council, decisions can be reached only by unanimous vote, and the Council has no powers to enforce them because it is not supranational. As a consequence, problems are far more difficult to handle than in a subordinated alliance where all the smaller partners (satellites) have to obey the orders of one hegemonial power as it is the case in the Warsaw Pact.

NATO is an alliance concluded for an indefinite period, with the proviso that single members can leave after twenty years, and in the hope that they may not do so. The best way to prevent their leaving will be to develop the alliance to closer cooperation. There is ample historical evidence that coalitions of nations have no great life expectancy unless they succeed in evolving a closer union with a common governing authority responsible at least for foreign policy and defense. From small military pacts with neighbors (who were first subordinated, later integrated) Rome expanded from a city state to a world empire. Switzerland started from a military pact between three rural communities with equal rights, threatened by a common foe. The Netherlands first united themselves to eject the Spanish occupation forces. The USA grew from a union for wresting liberty from the colonial power of Great Britain. The second German Empire began as a military alliance of 22 states of greatly differing size against France.

In each case, sooner or later a supranational governing authority was formed which subsequently, even under adverse circumstances, succeeded in preserving the political unity of the new state.

On the other hand, all alliances in history up to 1945 which did not form such an authority, grew ineffective and disappeared. There is only one exception, the pact of mutual assistance between Great Britain and Portugal which was first signed in 1373 A.D. and is still valid. Evidently, this has been made possible by the special situation of the two countries in relation to each other, without common frontiers and with hardly any conflicting interests. This is an exception which cannot be applied to the fifteen nations of NATO.

Therefore, in theory at least, the first task of the Western Alliance should be to bring about closer cooperation with the aim of creating a supranational authority. In some respects, the Atlantic Council was on its way to assume some of the duties of such a

political body. However, this cannot be expected to continue under present circumstances. Even the closer West-European Union of the Six does not meet with French approval and is threatened unless the French Government can be convinced that a weakening of European cohesion will cause grave dangers also for France.

Actually, these dangers exist for the whole of the western world in view of the growing strength and aspirations of several other nations. The Atlantic peoples can hope to survive in their way of life ony when they are united in their policies and purposes. Therefore, to make the Alliance more stable politically will have to be the common goal in spite of all temporary reverses. All ways leading in this direction will have to be explored.

TECHNOLOGY AND POLICY

At first sight, technology does not seem to be qualified to exert much positive influence on this policy. Nuclear technology has even proved a disruptive political factor of considerable force. This could not be foreseen when the USA, with the Baruch Plan, pursued a policy of putting all nuclear development at the disposal of the United Nations, because NATO did not yet exist at the time. This attempt to solve a most difficult problem of technological cooperation on a world level failed because the Russians did not cooperate but created their own nuclear power. As a result the USA fell back on restricting nuclear development to a purely national scope in the Atomic Energy Act, when it would have been preferable, from the point of view of western cooperation, to share part of the nuclear knowledge at least with Great Britain and France, in exchange for a close political understanding. When the American course was not changed even after NATO had been founded these two allied nations developed their own nuclear means at high cost and to the detriment of the conventional defense of central Europe. Then, to prevent Germany (which actually did not aspire to the possession of nuclear weapons and had renounced manufacturing then in the Paris Treaties) from following in their steps the MLF was suggested, seemingly as a military-technical measure to closer nuclear cooperation without giving Germany actual access to nuclear weapons.

As things turned out the political impact was considerable because the French were strictly against this plan, the British also refused to take part, and the Soviets utilized it as an effective propaganda weapon in the cold war. All this goes to show how closely connected political and technological problems will be, and what may happen by taking insufficient account of this fact. As a rule, with conventional weapons and gear the direct political consequences will not be so obvious. However, their indirect effects may add up and can greatly hamper the progress of the alliance as will be shown by the state of standardization or rather the lack of it. On the other hand, closer examination will also show that there are quite a number of technological measures and facts which could be utilized to improve the situation and eventually strengthen the ties of the alliance. Therefore, as a general line to be taken, existing lack of cooperation should be removed as much as possible, and new ways and means should be looked for.

PROBLEMS OF STANDARDIZATION

The advantages of standardization are so self-evident that there should be no problems at all, neither politically nor technically. The point of view of the military man is: The more we standardize, the more hardware we can get for the same money. The statesman probably will say: The more we standardize, the less money we will have to spend for the same hardware. The money saved in this way could be used for other (political) purposes.

Actually, standardization is not at all complete in the armed forces of most western countries, and much less in NATO. It is not only that military men are not easily induced to agree on weapon systems and equipment. This problem goes much deeper, down to the roots of our way of life because it affects free enterprise and competition. As a result, technical standardization unfortunately is one of the least successful features of our alliance. To give a striking example: NATO started with three different types of jeep; now there are fourteen. It is easy to imagine what this alone means in duplication of labor, spare parts, storage, repairs, etc. As there are literally millions of technical parts which make up the equipment of modern armed forces it is not difficult to see how much money could be saved by better cooperation. Of course, the NATO authorities have not overlooked this simple truth but in many respects the principles of free economy have proved stronger.

In 1951, NATO set up the Military Agency for Standardization (MAS) in London. This has done good work by standardizing rifle cartridges, vehicle components and attachments, and some other objects. In addition, it has established uniform specifications for liquid fuels, lubricating oils, explosives, ballistics, etc., and the U.S. codification of equipment has been introduced. These are important steps, of course. However, results in standardizing equipment have been meager when compared with the immense amount in use and in production. Generally, the blame for this lack of success is put on the wide geographical area covered by the alliance. This is hardly valid, however, for Soviet Russia and its satellites cover about the same amount of territory, and yet standardization of weapons and military equipment is almost complete in the Warsaw Pact. This pact is organized in such a way that the USSR as the hegemonial power has an almost complete grip on the armed forces and the means of production of the satellites. Besides, it has arranged prices and quotas so that it is making a good profit and getting reparations indefinitely. In NATO, there is still too much nationalism and individualism of the wrong kind. Preference for one's own industry and endeavors to keep up one's own technical development are easier to understand, in any case from a normal national standpoint. The task before us is to find a way to adequate alliance procedures without curtailing private enterprise and without endangering justified economic interests. Realizing that an overall solution is not feasible as things stand, the NATO authorities have taken quite a number of measures in addition to the work of the MAS.

ACTUAL TECHNOLOGICAL COOPERATION IN NATO

Under the provisions of the North Atlantic Treaty, the Council may set up such subsidiary bodies as may be necessary. It has done so with various groups of experts for the exchange of technical information, for safeguarding the rights and patents of individuals and private firms, etc. Moreover, it has created the Advisory Group on Aeronautical Research and Development (AGARD) with a permanent staff, located at Paris. It has taken over the SHAPE Air Defense Technical Center in The Hague, and the SACLANT Anti-Submarine Warfare Center at La Spezia. As much of their work is classified it is difficult to assess the actual results of these agencies. Their influence can be felt, however, in a number of technical projects taken up not for the whole of NATO but by groups of (mostly neighboring) nations.

The principal projects of that kind are:

The Fiat G 91, a lightweight tactical aircraft (Italy and Germany),

The Bréguet 1150 "Atlantic", a maritime patrol aircraft (France, Germany, Belgium, the Netherlands, British engines),

The Hawk Missile, offered by the USA, taken up by 5 European countries, and supervised by a NATO Hawk Production Organization,

The Sidewinder Missile, offered by the USA and taken up by 8 European countries, supervised by a NATO Directing Group and Officer,

The Mark 44 Anti-Submarine Torpedo, offered by the USA and manufactured in 4 NATO countries with U.S. assistance,

The F 104 Starfighter, manufactured under license in Belgium, Germany, Italy, and the Netherlands as well as in Canada.

NATO is also sponsoring over 30 advanced studies at university institutes in NATO countries. All these activities are under the NATO Armaments Committee.

However, cooperation between NATO members has not always met with success. An example is the attempt to develop a British-French-German armored vehicle. At first, it was not possible to reach an agreement on the characteristics of the new type with the British because they wanted thicker armor and a heavier gun as a result of their experience in North Africa. As a consequence, they designed a heavier tank of their own. The French and the Germans signed a contract under which each country developed a somewhat lighter tank incorporating German experience in Russia. The two models were to be tested and one to be selected for both countries. When the prototypes were ready and tested each country preferred its own product. The contract turned out to be so vague that there was no way to enforce an accord, and now each country builds its own type of tank, fortunately with the same gun (of British make).

French and German experts hold different opinions on the model which is to succeed in about five years. That is why a new tank will be developed by the USA and by Germany to be ready around 1970. In this vehicle some components will be of American make and some of German. At first, this seemed to be impossible because one country uses inches and pounds, and the other centimeters and grams, and there are more differences like cycles of alternating current and threads of screws. An agreement was reached, however, to design the components in such a way that they can be removed in toto, and to use the German (international) thread where they are put together. This is a good example for the kind of difficulties which will crop up in technological cooperation across the frontiers, and how they can be eased until radical measures can be taken to abolish them altogether.

Within the European Economic Community, there are fewer purely technical problems, and the economic ones should be easier to solve. There are so many private interests to be considered, however, that e.g. the Federal Republic only now has begun to get some order into the means of land transport of its armed forces. The number of basic types of trucks will be reduced to three (4 tons, 7 tons, and 10 tons) with as many standardized components as possible. Five large automobile manufacturers have established a common office for this development which will be financed by the Ministry of Defense partly at least. Another firm will pursue the same line of development at its own costs.

Another step in the right direction is the development of a new jeep undertaken by Italy, France, and Germany. Twelve firms will cooperate in two groups to produce two models which will compete for selection. The contract is said to be watertight that one model only will go into mass production.

GENERAL RULES FOR TECHNOLOGICAL COOPERATION

From the ample experience already gained in NATO, a number of conclusions for an

improved technological cooperation can be drawn:

a) there should be general guidance for, and supervision of all larger technical projects, like weapon systems, more intricate equipment, etc.

b) as a rule, research should be conducted on as broad a basis as possible because nobody can ever be sure beforehand where a breakthrough might be achieved. But—and that is the difficulty in countries with a free economy and open competition—results should be made available to all concerned and interested (with the exception of the Soviets, of course).

c) development should generally proceed on more than one line in order to have healthy competition but also with the exchange of results and the firm understanding on the selection after the tests of the various models have been finished.

d) as to manufacture, one model only should be built, but if possible by various firms in several countries, under license.

This presupposes an authority which can speak and act in the name of all governments concerned. The Armaments Committee is a beginning in that direction, especially with its groups for the exchange of technical information and for the protection of individual rights. But as far as can be seen it is not strong enough to give general guidance and exercise supervision in the whole field of weapons' selection, design, and manufacture. In any case, it evidently has little influence on the decisions of the experts of the various countries concerning the military requirements for new weapon systems. So far, not a single all-NATO system has been selected or produced. Yet the most important step will be to bring about a unanimous decision on the types to be manufactured.

To take the case of the armored vehicles: Of course, there might be need for two or even more different types for all the conditions of warfare possible in the NATO area and in all the places where NATO members might have to operate. The Armaments Committee must have the power to bring together the best experts to form an armored warfare committee, with the task first to clarify the main ideas and then to come to an agreement on the types which will be needed. It goes without saying that these types should form one "family" with as many uniform components (like engines or at least cylinders, radio and other equipment, etc) as possible.

At present, we are still far from such a state of affairs. Even if the military should come to a complete agreement, enough economic problems will remain to be solved. Success or failure in one of the greater projects might make or break a private firm. Therefore procedures to safeguard their justified interests will have to be improved. In view of the very high costs of models half-finished and then scrapped (to name only the British "Blue Streak" and the TSR 2 supersonic plane) it seems only right that the governments should finance part at least of these developments, either directly to their nationals or through the Armaments Committee for all NATO projects. That this is a practicable way has been proved by the construction of over 200 airfields financed by the NATO Infrastructure Committee, and of over 5,000 miles of pipelines by the NATO Pipeline Committee, not to mention radar installations, communications, NADGE, and other projects.

Incidentally, in the TSR 2 project, almost half a billion dollars were invested and lost. This demonstrates better than any thing how much money can be saved by a closer cooperation in the purely technical field alone.

JOINT PRODUCTION

There will be more problems if one model only is to be manufactured but in several countries under license. The firms will have to be selected impartially, taking into account their contribution to the development, their economic situation and possibly that of their country, too. What is needed is a kind of NATO OECD (Organization for Economic Cooperation and Development) evaluating the individual and general economic situation. Although the actual OECD has no power of command and can give advice only, it has acquired considerable authority and is doing good work. The basis for such a NATO organization is already in existence in the shape of the Division of Production, Logistics and Infrastructure under an Assistant Secretary General who is responsible for the most efficient use of the resources of the Alliance for the equipment of its forces. However, he cannot do enough unless backed up by all the major governments. This has been done in some fields only (mostly infrastructure). For research, development and manufacture he still lacks the necessary authority. Technological cooperation greatly depends on political harmony. This also applies to the urgently needed streamlining of measurements, weights, etc. This will be a major task in view of its almost prohibitive costs, but some progress has already been made even in this respect. It will have to be implemented by agreements on methods of management and production, specifications for raw and basic materials, and even by establishing unambiguous technical (and political) definitions in the various languages. A reliable common vocabulary is at least as necessary as uniform measurements, etc, for misunderstandings between people can do more harm than badly working engines.

HOW TO PROCEED

To execute all these measures will necessitate an immense amount of work and will need very much common sense. Alone finding out the optimum of what can be done at present, and to get it going, will be quite a task. A flexible procedure will meet the situation best, using short or long steps according to the circumstances. In any case, there has to be a determined will behind it, and that can be provided only from the political side.

In this interlacing of technical and political aspects it will be advantageous to utilize the human factor to the full. This can be done by exchanging experts and by giving men from the smaller countries opportunities to keep in touch with modern developments in the USA as the leading power of the Alliance not only in military strength but also in technical know-how and scientific achievements. If there should be any objections because of secrecy, nationalism, etc., the integrated staffs and establishments of NATO will serve as examples how these obstacles can be overcome. The Americans have the great advantage that the atmosphere in their scientific institutes and their industrial plans mostly is more congenial and easy than over here in Europe. This fact can be a considerable help in fostering an "Atlantic spirit" as it already exists among military men of all the armed forces concerned.

The importance of sharing technical knowledge was clearly shown in the debates following the official declaration of the newly elected government of the Federal Republic of Germany in the late fall of 1965. All parties and politicians were agreed that Germany should not strive for the possession of nuclear weapons, in view of the overwhelming American strength in this respect and the close ties between the two countries. However, repeatedly genuine fear was expressed that Germany would completely be left behind in peaceful nuclear development, too. This is a moot point, of course, on account of the Atomic Energy Act, and also Soviet propaganda. As things stand, keeping this knowledge reserved for national purposes only will help the Russians and the Chinese. But it is the Alliance which should profit from it. Its cohesion and strength will probably be the most important factor for the future of our peoples.

Every single human contact can help to cement it. Exchange of personnel will be made easier by acknowledging each other's examinations, diplomas, etc. This will take some effort, too, judging from experience in Germany. Any way of bringing nationals of the various countries together should be fostered because it will pay in the long run. The exchange of ideas will also help. That is why no more America Houses should be shut down. They are doing excellent work for improving mutual knowledge. Learning languages is a final point. The German Armed Forces have shown what can be done. Thousands of their men have already attended American service classes without undue difficulties.

CONCLUSION

Our common aim is making NATO stronger, as it is the best guarantee for our future. Technological cooperation is only one of the ways to this aim, and it is still far from satisfactory. Much can be done to improve it but this will greatly depend on political developments. There will be whole-hearted cooperation from Germany because it has realized that the old ideas of complete independence and freedom of action are out-of-date in the Atomic Age. Liberty can be preserved only in a firm alliance of responsible nations.

F. RUGE.

Mr. Speaker, we are indebted to the gentleman from Maryland [Mr. MORTON] for making an analysis of Admiral Ruge's statement. A member of our committee on NATO, he is also a member of the Interior and Insular Affairs Committee and the Merchant Marine and Fisheries Committe.

I now yield to the gentleman from Maryland [Mr. MORTON].

Mr. MORTON. Mr. Speaker, I have found a number of very useful and practical ideas in the paper submitted to the Committee on NATO and Atlantic community by retired Vice Admiral Ruge of the West German Navy.

To begin with, I support the admiral's concept that NATO is an alliance concluded for an indefinite period with the provision that a member can leave after 1969, but in the hope that none will chose to do so. It also appears to me that the admiral's basic thought is clear; that is, that for an alliance to be maintained it is necessary for it to develop into closer cooperation. Failing that closer collaboration, ineffectiveness and erosion are likely to set in.

Before going any further, it is probably appropriate to note that Admiral Ruge's paper is largely—almost entirely—devoted to the military aspects of NATO. This is understandable and is fully appreciated in view of the admiral's technical and professional experience. But for the total evaluation of the political, economic and diplomatic values to be derived from the NATO Alliance, both his paper and clearly my commentary approach but a single aspect of the NATO problem. I also admire Admiral Ruge's candid reference to the possible competition of private interests in different countries in the economic sphere. To recognize that this difficulty exists also in the military weapons and equip-

ment sphere is to take a significant first step. For we all realize that it is necessary to identify the problem before we can move successfully in finding a solution.

At the same time, it is obvious to the careful reader who is conversant with the whole of the NATO recommendations that several of the arguments and the general rationale of the admiral's paper are to a degree applicable to the other nonmilitary aspects of the NATO community. The problem of the standardization of military weapons and equipment has an immediate and direct bearing on the matter of cost. As it is well known that as every NATO member state has its own budgetary problems, the reduction of costs, while still maintaining adequate security, is something that can be warmly embraced by each of the member states. Thus, the reduction in the large number of models and types of weapons, equipment and vehicles is highly desirable. I hope that much further progress along this line can be made. The existing military agency for standardization is to be commended for its accomplishments and, at the same time, it should be urged to even greater efforts. I feel the same way about the advisory group on aeronautical research and development. It is my fervent hope that standardization can be speeded up.

I must refer to Admiral Ruge's exposition about the unhappy consequences of the U.S. administration's efforts to embody the concept of multilateral forces—MLF. One cannot but regret the haste and the lack of consideration of the other allies' positions which was exhibited by the U.S. administration at the time of the Nassau Conference decision on Skybolt and other weapons. I do not doubt that the results of this meeting and of the ill-conceived pressure for MLF had the result in the minds of many of our NATO allies of delaying and damaging joint defense measures.

Several of the specific recommendations of Admiral Ruge I find to be eminently logical. One is that to improve technological cooperation within NATO, research should be conducted on as broad a basis as possible. Development of models of weapons and an ultimate decision for the production of one model can very well avoid nationalistic objections by licensing the production of such items in several different countries. Admiral Ruge asserts that approximately $500 million was invested and lost by the scrapping of the supersonic plane—TSR-2—project.

I think we should all be heartened by Admiral Ruge's conclusion, that is, of wholehearted technological cooperation by Germany to preserve a firm alliance of responsible nations.

Mr. FINDLEY. I yield back the balance of my time.

SISTER M. IGNATIA, APOSTLE OF ALCOHOLICS ANONYMOUS

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Ohio [Mr. FEIGHAN] is recognized for 10 minutes.

Mr. FEIGHAN. Mr. Speaker, almost everyone has heard of Alcoholics Anonymous, an organization dedicated to helping rehabilitate the sick alcoholic. But fewer people have ever heard of Sister M. Ignatia, one of the guiding spirits of the organization. Before her death, Sister Ignatia was instrumental in the founding of Alcoholics Anonymous and in making it a success.

Sister Ignatia was born in County Mayo, Ireland. At the age of six she came to America with her family to settle in Cleveland. In 1914 she received the habit of the Sisters of Charity of St. Augustine and rose in this order to the position of registrar at St. Thomas Hospital in Akron, Ohio.

There she met the men who were to become the founders of Alcoholics Anonymous, known as Dr. Bob and Bill W., in keeping with the AA principle of anonymity. Motivated by their own failure because of alcoholism, the broker and the doctor had been working on a new method of rehabilitating alcoholics. Dr. Bob, who was a staff surgeon at St. Thomas Hospital, asked Sister Ignatia if she, as registrar of the hospital, could help by providing a private room for an alcoholic patient. At that time alcoholics were admitted only to jails and workhouses, but Sister Ignatia, sensing that personal treatment for alcoholics would be effective as well as humane, prepared a bed in the hospital for Dr. Bob's first patient.

Luckily, Sister Ignatia's Mother Superior approved of her gesture and supported her in the task of making St. Thomas Hospital in Akron the first institution in the world to have a permanent hospital plan for alcoholics.

Despite the fact that initial progress was slow and that there was little public support for Alcoholics Anonymous, Sister Ignatia directed this pioneer project in alcoholic rehabilitation with great dedication. She continued this work—and made it a project of the Sisters of Charity—until a few months before her death.

In 1952 Sister Ignatia opened a second alcoholic ward at St. Vincent Hospital, in her hometown of Cleveland, called the Rosary Hall Solarium. At Rosary Hall alone she treated more than 10,000 alcoholic patients. The results of this treatment rewarded Sister Ignatia's faith in Dr. Bob's humane method of dealing with alcoholics; 65 percent of her patients were completely restored to normal lives—free from the degrading and destructive burden of alcoholism. Those who had been cured helped to spread the humane therapy of Rosary Hall throughout the Nation. The Alcoholics Anonymous fellowship has become worldwide, as well and Sister Ignatia's Rosary Hall in Cleveland now functions as a training center and clearinghouse for rehabilitated alcoholics from all over the free world.

The cofounders of Alcoholics Anonymous were wise to choose Sister Ignatia as a partner in their venture. We in Cleveland are proud of the good work of Rosary Hall in restoring an increasingly large number of citizens to useful lives. And we mourn the passing of Sister Ignatia—the founder of Rosary Hall and an important factor in the success of Alcoholics Anonymous.

RECENT REGIONAL AIR CARGO WORKSHOPS

Mr. MATSUNAGA. Mr. Speaker, I ask unanimous consent that the gentleman from Rhode Island [Mr. FOGARTY] 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. FOGARTY. Mr. Speaker, the tremendous breakthrough in the volume of goods now being carried by air and the need for a better exchange of information and for more cooperative solutions of air cargo transportation problems as among carriers, shippers, and the interested governmental regulatory bodies has been recognized by the series of regional air cargo workshops recently inaugurated under the joint sponsorship of the Civil Aeronautics Board and the National Industrial Traffic League. The Civil Aeronautics Board, of course, has regulatory and promotional responsibilities with respect to the development of air cargo transportation and the National Traffic League is an organization of major industrial shippers. The first of the five planned workshop sessions was held September 20–21 in Seattle. In his address to the 400 workshop participants in Seattle, Vice Chairman Robert T. Murphy traced the dramatic 500-percent growth in air cargo volume in recent years and noted the present availability of new jet aircraft, on hand and on order, which can accommodate the air cargo growth which is expected to continue at a similar pace in future years. As the Vice Chairman explains, the purpose of this series of five workshops, to be held at five cities throughout the country, is to provide an appropriate forum and base for a continuing dialog among carriers, shippers, and the Board to better appreciate one another's problems and to arrive at mutually advantageous solutions on an informal basis.

I deem this a highly commendable endeavor in a vital area—namely, transportation—which is of direct concern to consumers, producers, and the Government. I therefore include Vice Chairman Murphy's address on this topical subject in the CONGRESSIONAL RECORD.

REMARKS BY THE HONORABLE ROBERT T. MURPHY, VICE CHAIRMAN, CIVIL AERONAUTICS BOARD, AT THE FIRST, CAB-NITL REGIONAL AIR CARGO WORKSHOP, SEATTLE, WASH., SEPTEMBER 20, 1966

Economic forecasters of the conservative variety tell us that the greatest potential area for airline growth and increased profitability lies in the transportation of goods or property. I believe them. That is why I am here today, at my own specific request, to work with you in launching this first of the Air Cargo Workshops jointly sponsored by the National Industrial Traffic League and the Civil Aeronautics Board. It is the Board's

hope that through these forums we can promote a broader understanding of the air freight business, not only within the Board itself and the airline industry, but most importantly, among the present and future users of these services.

My concern with air freight and air cargo has continued since the time in the late Fifties when the Aviation Subcommittee of the Senate Commerce Committee, for which I was then serving as Counsel, conducted extensive hearings relating to the feasibility of a Government guaranty loan program for the acquisition of modern all-cargo aircraft by our national air transportation industry. At that time the continued viability of the all-cargo carriers was in some doubt as well as the ability of the combination carriers to achieve the great breakthrough in the transportation of air freight so confidently predicted by some of the most learned air transportation experts. But it was the confident view of Senator MIKE MONRONEY, the able Chairman of the Subcommittee, that with the advent of more appropriate aircraft types and the development of improved ground handling systems, the air freight breakthrough was inevitable. The passage of time has proven him so right in this area of air transportation as it has in so many others to which he has devoted his farsighted leadership, and talent.

I scarcely need cite more than a few statistics to this group to clearly demonstrate the soundness of that position. In the last ten years domestic cargo ton-miles have increased almost 500 percent. Prudent estimates place the growth in the next ten years at 200 percent, not only in terms of cargo ton-miles, but also in terms of absolute tons of goods moved. Modern jet aircraft designed for carriage of freight are available. Our airline industry has already invested in and is committed to buy jet freighter aircraft valued at nearly $1.2 billion—and that figure does not include the millions of dollars committed to terminal and loading facilities. The newer stretch version jets will provide cubic capacity equal to their lift capacity. Carriers will be able to accept many categories of lower density freight which will permit them to penetrate new markets. At major airports throughout the country freight terminal facilities are being expanded and automated. I have visited some of them in recent weeks—at Boston, Washington, San Francisco and Spokane. I have been impressed with the tremendous improvements made in terminal mechanization during the past few years during which ground handling systems and equipment have become more and more sophisticated. The "cargo breakout" is here—the "cargo breakthrough" is certainly well on its way.

If things are going so well, why then do we need to convene this Workshop today in the famous port of Seattle? This great port has almost doubled its air freight tonnage in the last five years. It is a transportation center of significant importance to all transportation modes. It is a gateway to the great Northwest and to Alaska and, increasingly, to the Orient. It is the industrial center of the home state of that great transportation leader, Senator WARREN G. MAGNUSON, Chairman of the Senate Commerce Committee. It is a port where all transportation services are expanding and growing each year under the intelligent and farsighted leadership of local authorities. One cannot imagine a more appropriate place for the Civil Aeronautics Board to participate with interested citizens on a local level in a free exchange of information and views designed to lead to more enlightened regulation. For there is a need for more coordination between shippers, carriers, forwarders and the Governmental regulatory body.

No item of air freight—inanimate object that it is—decides by itself that it will travel by air and independently delivers itself to and from the airport as is the case with passenger traffic. The decision to move by air in the freight business involves more complexities than in the passenger business. That decision does not necessarily depend solely on the availability of an aircraft or even on the availability of a reasonable charge. It is a decision frequently enmeshed in shipper calculations turning on distribution costs, distribution time deadlines, on inventory control, warehousing practices and other related industrial factors. Earlier this summer I had the privilege of visiting Ken Fraser, the General Traffic Manager for the Raytheon Company, at their plant at Lexington, Massachusetts, and came away with that impression indelibly engraved upon my mind. In my judgment, therefore, selling air freight is a more difficult task than merchandising passenger air transportation. And it is equally evident that the encouragement of the greater use of air freight can only come about through a better understanding and a greater degree of coordination among the shippers, carriers and the regulatory body responsible for its promotion and development.

Consequently, the Board is cosponsoring these Workshops so as to provide a medium for an analysis of the various problems as each of us see them and, hopefully, to bring about on a cooperative basis some commonsense solutions to them.

Some issues of major concern and interest to you may relate directly to tariffs and carried agreements which are wholly subject to the jurisdiction of the Board. Presumably, we could, by Government fiat, pass upon and establish the rules of the game. However, this approach is one which the Board consciously does not choose to follow because it does not presume an omniscience in a rapidly changing and highly complex economic area. Rather, we seek to engage in what our President Johnson has called "creative Federalism" and what our distinguished Chairman, Charles S. Murphy, has called "regulation by consensus." Earlier this summer I had occasion to state to the American Society of Travel Agents that the Board is pleased with the continuing dialogue between the carriers and the agents' organization looking toward the resolution of some problems of long standing. At that time I stated that:

"If the carriers and the agents can achieve a satisfactory ordering of their respective interests, such a result would be preferable to requiring the Board to impose its own judgment . . . naturally we are ready and willing to exercise the responsibility delegated to us by the Congress . . ., but we are also desirous that you seek to achieve mutually satisfactory agreements with the carriers in the first instance."

This approach applies equally to facilitating a better functioning of our air cargo system. Hopefully, the Workshop program may move us in that direction.

As I have noted, the Board does not seek to arrogate to itself the totality of expertise in the field in which you gentlemen can so properly consider yourselves to be highly qualified. We believe that the public interest can be best served if we can make our views known to you informally to such extent as we properly can and to permit you to iron out your problems in an informal manner with such assistance as we may lawfully provide. Such a course of action is far better than permitting a hardening of positions between shippers and carriers with recourse to the lengthy, costly and not so satisfactory solutions resulting from the formal hearing process before the Board.

I would like to make clear that we are here as a participant in these Workshops—that we do not propose to dictate to you in the Workshop discussions. We encourage you to speak freely and frankly about your needs as you see them, your desires—both the present and the future. Such a dialogue can lead to a better appreciation of one another's problems. We should be able to leave with an enlightened understanding which will in turn lead to appropriate solutions which can be implemented in our mutual interest. We regard our role here today as part of the direction given to us by the Congress of the United States to promote the development of air transportation. We are convinced that through these discussions the carriers will learn much about the needs of their customers and, perhaps more important to them, they will learn much about the needs and requirements of potential customers.

The Board's earnest desire that these Workshops be productive of some measurable public good is evidenced by the fact that each Board Member has independently chosen to attend one of the five Workshop programs. You may not necessarily find that particularly impressive nor think that we should be commended for attending a function which is so important to each of you. On the other hand, with the overall workload confronting the Civil Aeronautics Board these days—and we are a relatively small agency with manifold duties to discharge—I do think this is a definite manifestation of the Board's desire that these cooperative efforts be fruitful ones.

Let me turn now to a specific matter of interest; namely, the subject of containerization. This aspect of the air freight business has interested and concerned me over the last five years. The Board has, I believe it is fair to say, "nagged" the air carriers over the last few years about this subject. We authorized discussions among the carriers some time ago to pursue standardization of containers and rate incentives for use of containers. The carriers held discussions for more than a year in developing the containerization program. The discussions were held with Board sanction and with observers present from the Board's staff. Shippers were given opportunities to present their views.

The Board now has before it an intercarrier agreement providing attractive discounts from both general and specific commodity rates for the unitization of shipments into one of four standard container sizes. Although I personally have not always been overly impressed by the expedition with which these carrier agreements have been reached, I do believe the total effort expended upon this program is an outstanding example of Government promotion and if you will, guidance, in an area where we who are concerned with air transportation might well have fallen behind containerization developments in other transportation modes. Great progress has been made in arriving at these agreements without resort to more formal processes. Although the present agreements may well call for change in the future as we learn from experience, the carriers are to be commended on what has been accomplished thus far.

I take pleasure in announcing to you today that the agreements have been approved by the Board and I would expect that the new tariffs will become effective sometime before the end of October.

Routine shippers of good, hard freight will realize savings of 25 percent or more below present air freight rates by making full use of the container program. These larger savings will be realized on high density shipments. In the ground handling phase of air freight, the program will save time and promote greater efficiency because containers will be "built up" at the shipper's own plant for more direct delivery to planeside.

I cite the total effort in this program as an outstanding example of what the Government and industry—in this case, the CAB and the nation's airlines—can do to promote progress and development. Not through the usual formal judge and jury role for the regulatory agency, but with the Government in

a working partner role. We at the CAB believe the approach taken by the Board in the case of the containerization program makes sense. We think it works. We also think there are probably many other items we should be helping on, and that's why we are all here today.

May I conclude these remarks by urging the shipper representatives in particular to make full use of these workshops. I know that both the carrier representatives and our Board people are particularly anxious to listen to your views and suggestions. And remember that the dialogue which we initiate here need not end when the Workshops are concluded, for if you will get the names and addresses of the appropriate airline people with whom you should deal, the mutual exchange of views and criticisms can be carried on long after we have folded our tents and departed. In this connection, I understand that a written summary of the round-table sessions will be prepared and these materials will be made available to each registrant sometime toward the end of the year. Our Board hopes and expects that we can generate a dynamic synthesis which can help to facilitate the use of our air transportation system for freight and cargo. That result depends on how well all of us use the opportunity which is here provided.

TWENTY-FIVE THOUSAND DOLLARS GROUP LIFE INSURANCE FOR MEMBERS OF ARMED FORCES

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, all of us owe a great deal of gratitude to our servicemen. Yet, the present life insurance plan for members of our Armed Forces, based on the standards of 1917, is antiquated and unfortunately is very inadequate for the realistic benefits which are needed today.

I have today introduced a bill which would increase the maximum life insurance limits to $25,000. This is the amount which would today equal the buying power of the 1917 maximum coverage limit of $10,000.

It is grossly unfair to rob our servicemen of adequate life insurance on the basis of 1917 standards, considering the present conditions of the 1966 dollar.

I would like to urge serious consideration of the merits of this important and necessary measure.

LATIN MARKET JUMPING

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, herewith is a copy of an article by Mr. Lee Winfrey which appeared in the Times-Picayune of New Orleans, La., on August 8, 1966.

The article points to a big growth in export sales in firms in this country to Latin American nations.

I found it very informative and enlightening and include it in the RECORD at this point:

U.S. LATIN MARKET JUMPING—COMMERCE DEPARTMENT SEES BANNER YEAR FOR BUSINESS

(By Lee Winfrey)

WASHINGTON.—United States businessmen can expect a banner year in Latin America during 1966, according to the department of commerce.

The department estimated that U.S. sales to Latin America should top $4.6 billion this year. This compares to U.S. exports of $4.2 billion to the area in 1965.

The U.S. has long dominated the Latin American Market. From 1957 until 1963, however, U.S. sales declined every year as Western Europe and Japan elbowed into the market.

This trend was reversed in 1964, the department said, and an upswing in U.S. sales continued last year.

Here is a rundown on the prospects in the seven major Latin American markets:

Mexico—Mexico imported $1.5 billion worth of goods last year and got slightly more than $1 billion of them from the U.S. Of the $1.1 billion worth of Mexican products sold abroad, 59 per cent went to the U.S.

Venezuela—Riding a river of 3,500,000 barrels of oil produced every day, Venezuela posted another 7 per cent increase in its gross national product last year. Venezuela bought $624 million worth of goods from the U.S. in 1965. The total is expected to increase four to five per cent in 1966.

Brazil—Brazil bought $326 million worth of U.S. goods last year—30 per cent of all its foreign purchases. With heavy emphasis on machinery and equipment, the 1966 total is expected to approach $500 million.

Business is picking up after a 1965 recession. The government cut the rate of inflation from 86 per cent in 1964 to 45 per cent in 1965, and hopes to push it down to 30 per cent this year.

Peru—The 1965 increase of 5 per cent in the gross national product is expected to be matched this year. New foreign investments continues to flow in at a high level. The U.S. claimed 40 per cent of the Peruvian market last year. U.S. exports are expected to hit $315 million in 1966.

Chile—Taking advantage of a shortage, Chile in April raised the price of its copper from 42 to 62 cents a pound. Windfall profits should total at least $50 million. Armed with this new money, Chile is expected to increase its purchases from the U.S. from $235 million in 1965 to close to $300 million this year. Thirty-nine per cent of Chile's foreign purchases last year came from the U.S.

Colombia—Rebounding from a 1965 slump, Colombia is expected to increase its imports by close to 40 per cent this year. The U.S. total was $217 million or 48 per cent of Colombia's foreign purchases.

Argentina—Since a new military government seized power last month, the Argentine business atmosphere is too foggy for precise predictions. The uncertainty is expected to lead to a slight slump for the year, however, after a 7.5 per cent increase in the gross national product in 1965.

THE LATE WILLIAM D. LITTLE

Mr. MATSUNAGA. Mr. Speaker, I ask unanimous consent that the gentleman from Oklahoma [Mr. STEED] 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. STEED. Mr. Speaker, living through the loss of someone near and dear to us is an experience we all share from time to time. But there are times when a special loss must be endured. And these are not passed without our special notice.

William D. Little, editor of the Ada, Okla., Evening News, in my congressional district, died on Saturday, September 23. It was my personal good fortune as a young man starting a newspaper career to have served under his guidance. He became more than a boss. He became more than a friend. He became a man who trained and guided and influenced me as no other man I have ever known.

His passing is not only a great loss to journalism in Oklahoma, it is a great cultural loss as well. I think the editorial prepared and printed in his newspaper on the day of his funeral by the staff that knew him best, is a beautiful tribute richly deserved and a great description of an unusually fine human being. I am proud to include it here:

AN OLD-FASHIONED MAN WITH EYES ON THE FUTURE

Everybody was on the job as usual. The telephones kept ringing. People came and went. The linotypes clattered in the backshop. In the newsroom, the teletype and typewriters sang their familiar staccato song. The advertising staff was "out on the street."

In the afternoon, the press began to throb and another edition of the newspaper was a reality.

And even as this happened, W. D. Little, the man who had irrevocably stamped this newspaper with his personality for almost half a century, was buried in the Oklahoma earth he had come to love so well.

And that was the way it should be.

Mr. Little always said that you didn't really "own" or even "work" for a newspaper. You "married" it. And it didn't make any difference what happened, the paper had to come first. There was always another edition, another story, something else ahead, one more thing that needed to be done.

That was Mr. Little, the publisher, right up to his death. He was still looking ahead and he was still planning and hoping and believing.

But perhaps, just this once, it is all right if we violate his precepts and look back and remember.

For some, he was probably not an easy man to know. In the newspaper business, over the years, you are inevitably placed in contact with people and situations that get to you. Sometimes, in the defense, we build a little wall of sorts. With him, as with many people, you had to get past the first line of defense. When you did, it was more than worth the effort.

But, he was a "soft touch," kind-hearted, even sentimental. He was also one of the last of the Victorians. He found it almost impossible to believe that a young woman could go wrong, sin, if you please. He was still faintly shocked by women who smoked or took a cocktail in this enlightened age. He was scandalized by divorce and he could not understand people who were not kind to children and did not love them.

He believed in a spectrum of things that might sound old-fashioned to some today,

because in a way he was an old-fashioned sort of man. At least he believed in things like obligations to your family and your city and your state and the integrity of a man's word, the sanctity of marriage and the home. When he said a woman was a "wonderful mother," it was the greatest compliment he could pay her.

The most indiscreet word we ever heard him use is almost standard these days in polite society. He registered vexation by muttering "law, law" and wrinkling his nose.

Soft-spoken, quiet, he was a slow man to anger. But once the lid came off, it was something to see and the few who saw him in action were not likely to ever forget it. The word "what," uttered with a rising inflection was a signal that you had better know for sure what you were talking about.

A soft touch, yes, but not a soft man, physically or mentally. Until his first heart attack, he could walk any normal man into the ground and grin doing it.

He had no respect for people who would not work. He believed in work and if you worked on his newspaper, you believed in work too.

He did not believe in making what he called "a show." He believed in results. He was truly dedicated to this end and he had a legion of causes. He believed in working for them. He supported people and institutions. He supported them financially and with his newspaper and with his energy and his time.

But no cause was perhaps closer to him than education. His came the hard way in a time when educations did not come easily. As a former teacher, a newspaper publisher and as a member and chairman of the Board of Regents for Higher Education, he worked hours beyond numbering to further its cause in this state.

And the wonderful thing was that the education process never stopped with him. He devoured books on history, geology, conservation, politics, sociology. He was a scholar and forever he asked the question "why"? He was fascinated with the world around him. Literally, until the point of his death, his mind was clear and sharp. If one thing irritated him from day to day more than anything else, it was muddy thinking. When he would shake his head and say, "That fellow is a fool," it was the worst thing he could say about a man.

He never lost his interest in young people. He never lost the thrill that comes from telling through his newspaper the accomplishments of young men and women from this city. He delighted in honors that came to members of his own staff. He read almost every word in his newspaper every day. When he stopped you and called a story "a hummer" you knew it was the finest praise you could receive.

His mind was always open to progress and change. But you learned in a hurry that you had best not suggest change simply for change's sake.

He was fiercely proud of Oklahoma and he knew beyond question that Ada was the finest town in the nation and he was always jealous of this city's interest. When a good thing happened for Ada, his joy knew no bounds. And yet, this was the same man who avoided local athletic contests in recent years because he could not bear the thought Ada might not win.

All of us here have grown accustomed to him at his desk, rustling through papers, reading, pecking away at an editorial with his own typing system, partially dictated by a crooked finger he earned years ago in a forgotten baseball game.

And so, the desk will be empty now. It will not be filled again as he filled it. And yet, as long as this newspaper publishes, he will live.

Few men are so fortunate.

PANAMA CANAL: U.S. SOVEREIGNTY OR COMMUNIST CONTROL?

Mr. MATSUNAGA. Mr. Speaker, I ask unanimous consent that the gentleman from Pennsylvania [Mr. FLOOD] 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. FLOOD. Mr. Speaker, over the last decade, I have made many addresses before this body on various aspects of interoceanic canal problems, which have been published as House Document No. 474, 89th Congress. In the course of the study required for their preparation, I have noted the evolution since 1872 of our country's Isthmian policy as regards the ownership and control over an interoceanic canal.

As initially stated by Presidents Grant and Hayes, respectively, and eventually determined, our policy called for an "American canal, on American soil," virtually constituting a "part of the coastline of the United States." These were the principal desiderata that guided our statesmen who brought these policies to fulfillment: Presidents McKinley and Theodore Roosevelt, Secretaries Hay, Taft, Root, and Hughes, and Presidents Taft and Wilson.

As all who have followed recent canal policy discussions in the Congress should know, since 1936, there has been a progressive weakening of our rights, power, and authority over the Panama Canal enterprise, accompanied by a withdrawal by the United States to the boundaries of the Canal Zone but without changing our basic powers in the zone itself.

Now our country faces a new situation. In this, there is a fixed and relentless drive to give sovereignty over the Canal Zone to Panama—a movement that can be traced back to the Bolshevist Revolution of 1917 and that has been steadily fostered for many years by the international Communist conspiracy.

Despite extensive documentation of this erosive development, some of the highest officials of our Government have supported, and are yet supporting, the cession to Panama of the U.S. territorial possession officially designated as the Canal Zone. This they do in complete disregard of the facts that the world is on fire, that we are at war with international communism in southeast Asia, that Cuba is under communistic control, and that guerrilla warfare, terror, and revolutionary communism are planned for every Latin American country and the United States.

In view of all the foregoing, I would say, Mr. Speaker, that the President has had, to say the least, some very poor and dangerous counsel, and that it is the duty of the Congress to rescue him, our Nation, and the Western Hemisphere from an extremely perilous situation. Under existing circumstances the United States needs greater rather than less authority on the Isthmus.

In this connection, let me repeat what I have so often said before: so long as we continue to exercise our indispensable authority over the canal and Canal Zone the freedom of Panama is thereby assured; and whenever we abandon that authority Panama will cease to be a free and independent country and will go down the Communist drain. Are there not in all of Panama any public leaders who have the vision to see and the courage to proclaim the truth of what I have stated?

Fortunately for both the United States and Panama, the Canal Zone sovereignty issue has recently been brought into sharp focus. The American Legion, in a notable resolution, unanimously adopted on September 1, 1966, by its national convention in Washington after mature consideration, reaffirmed its support for the basic and still existing provisions of the 1903 Canal Treaty, and for the continued indispensable sovereign control by the United States over the Canal Zone.

About the same time, the Subcommittee on Internal Security of the U.S. Senate distributed a staff study on the Tricontinental Conference of African, Asian, and Latin American Peoples held at Havana, Cuba, in January 1966. This study summarizes the resolutions adopted at the Havana Conference and describes that meeting as the most powerful gathering of pro-Communist, anti-American forces in the history of the Western Hemisphere. Moreover, this conference, in its resolutions, emphasized that the struggle is to the death and would be conducted with revolutionary violence.

Thus Mr. Speaker, the Panama Canal has become a subject of violent contention between powerful political forces: the American Legion and other smaller groups, representing a growing popular movement in the United States that has followed the best informed leadership in the Congress, and the Tricontinental Conference representing the power of international communism. Elements in the Department of State, with fatuous and fatal design, have long been supporting, and yet support, the Communist aim of wresting control of the Canal Zone from the United States and giving it to Panama.

Moreover, our chief negotiator in the current treaty negotiations with Panama, who holds the rank of Ambassador, is also Chairman of the present so-called Atlantic-Pacific Interoceanic Canal Study Commission under Public Law 88-609, which body is playing along with Department of State policy. Hence, the State Department and not the Army is responsible for the deplorable situation which now faces us at Panama.

Furthermore, I know of no informed professional officers of the Armed Forces of independent character who favor the abandonment of our sovereignty over the Canal Zone and canal, or who believe that our Government should have responsibility without authority with respect to the canal enterprise. I know many who oppose such surrender.

In event Canal Zone sovereignty should be transferred to Panama, as is now being advocated, that would be tantamount

to giving it to Red power. In this connection, it should be noted that a large number of Panamanian revolutionaries trained in Castro's Cuba are in Panama ready to lead in overthrowing by violence the Government of that country the day after the United States relinquishes its sovereignty over the Canal Zone; and with such relinquishment there will be nothing to prevent a Communist takeover. Witness Cuba.

Our policies of weakness as regards the Panama Canal and Cuba are inviting the conditions that exist in Korea and Vietnam; and the proclaimed objective of world revolutionary communism is to light Red torches in Latin America, thus relieving U.S. pressure in southeast Asia.

Mr. Speaker, the real issue at Panama is not academic or hypothetical, it is not U.S. control over the Canal Zone versus Panamanian but U.S. sovereignty over the zone versus Communist control. This is the truth, the whole truth, and nothing but the truth.

In order that the Congress and the Nation may have the full texts of the resolutions previously mentioned convenient for study and comparison, I quote their full texts as parts of my remarks:

RESOLUTION NO. 547 OF THE 48TH ANNUAL NATIONAL CONVENTION OF THE AMERICAN LEGION, WASHINGTON, D.C.

Whereas, in a joint statement on September 24, 1965, Presidents Johnson of the United States and Robles of Panama announced that the two countries were negotiating new treaties with respect to the existing Panama Canal and a new "sea-level" canal which might be constructed across Panama; and

Whereas, that statement made clear that the 1903 treaty "will be abrogated" and that its replacement "will terminate after a specified number of years or on the date of the opening of the sea-level canal whichever occurs first;" and

Whereas, there is no assurance at this time that the construction of a sea-level canal will be determined to be feasible, either in Panama or elsewhere in the area, or that a satisfactory treaty respecting such new canal can be secured so as to provide the United States with the necessary rights for its effective operation and protection; and

Whereas, in the interim, this situation places in serious jeopardy the rights of the United States respecting the existing canal; and

Whereas, the Congressionally authorized Commission currently studying the feasibility of constructing a new interoceanic canal is restricted to studies relative to a "sea-level" canal; and

Whereas, various proposals, such as one known as the "Terminal Lakes Plan," have been advanced for the modernization of the existing Panama Canal, based upon study by competent students of many years experience in maintaining and operating the Canal; and

Whereas, such proposals would not require a new treaty with the Republic of Panama and would not jeopardize the U.S. rights in the Canal Zone; now, therefore, be it

Resolved, by The American Legion in National Convention assembled in Washington, D.C., August 30, 31—September 1, 1966, That The American Legion (1) reaffirms its support of the basic and still existing provisions of the 1903 treaty, and the continued, indispensable sovereign control by the United States over the Canal Zone; (2) urges the enactment of legislation (similar to the Anderson-Flood-Bow bills of the 89th Congress) to establish an independent, broadly-based "Interoceanic Canals Commission," having as its mandate the examination of *all* tangible possibilities for improving and increasing trans-Isthmian transit capacity, followed by appropriate recommendation, and (3) urges that, until such a commission is duly created and makes its report, all further negotiations with the Republic of Panama be deferred.

THE TRICONTINENTAL CONFERENCE OF AFRICAN, ASIAN, AND LATIN AMERICAN PEOPLES

(A staff study prepared for the Subcommittee To Investigate the Administration of the Internal Security Act and Other Internal Security Laws of the Committee on the Judiciary, U.S. Senate, 1966)

5. RESOLUTIONS ADOPTED BY CONFERENCE

The general resolution adopted by the Tricontinental Conference represented a major victory for the philosophy of Maoism, in the sense that it rejected all possibility of peaceful reform and declared revolutionary violence to be the only road to the future. These were the words of the resolution:

"One cannot accept the first small step as an alternative to those that follow. * * * We cannot permit ourselves to be deceived or frightened. * * * *The struggle is to the death.* * * * The peoples of the three continents must reply to imperialist violence with revolutionary violence to safeguard hard-won national independence, as well as to achieve the liberation of the peoples who are fighting to shake off the colonialist noose."

The general declaration of the Tricontinental Conference covered the following significant points:

1. Condemned Yankee imperialism for allegedly "carrying out a policy of systematic intervention and military aggression against the nations of the three continents."

2. Referred to Yankee imperialism as the "implacable enemy of all peoples of the world."

3. Referred again to Yankee imperialism as constituting "the basis for oppression; it directs, provides, and upholds the world-wide system of exploitation."

4. Proclaimed "the right of the peoples to meet imperialist violence with revolutionary violence."

5. Vigorously condemned "the Yankee imperialists' aggressive war in South Vietnam."

6. Proclaimed "its solidarity with the armed struggle of the peoples of Venezuela, Guatemala, Peru, Colombia."

7. Condemned "the aggressive policy of the U.S. Government and its Asian agents against peaceful and neutral Cambodia and calls for the rejection of all political, economic, diplomatic, and cooperation with the Yankee imperialists and with all puppet governments which help the U.S. Government in their aggressive policy against the Indochinese peoples."

8. Condemned "the North American imperialists' blockade on Cuba."

Another resolution read in part:

"North American imperialism is at the fore of the imperialists' aggressive policy. The most desperate actions against peoples, as in Vietnam and the Dominican Republic, lie at the door of the Yankee imperialists. North American states girdle the globe. Aggressive pacts in which the United States is the leading power cover every continent and sea. The United States is found behind every aggressive action committed by the other imperialists."

Another resolution read:

"This conference is convinced that, in view of the imperialists' violence, the peoples of the three continents must reply with revolutionary violence. The latter (people's) must make use of all the most vigorous forms of struggle, among which armed battle is one of the higher forms to obtain final victory."

The resolution dealing with Vietnam said:

"The conference sets forth clearly that to the imperialist tactic of limited wars the effective reply is the development of liberation wars in every region where conditions are ripe. The best example is Vietnam, where the United States by stepping up its intervention is creating the conditions for a more complete defeat later."

Again Vietnam was dealt with in these terms:

"It is necessary to multiply solidarity with the Vietnamese people throughout the world and support their heroic battle in every manner, even by sending armed volunteers if that be necessary. * * * The conference supports the four points laid down by the Government of the Democratic Republic of Vietnam and the five points stated by the South Vietnam National Liberation Front, and calls on all peoples to struggle to see this applied as the sole settlement for the Vietnam case. Defense of the Vietnamese people's just cause has become a central task for the revolutionary strategy of the peoples of Africa, Asia, and Latin America."

A resolution on Puerto Rico said in part:

"Puerto Rico remains occupied by U.S. imperialism, which not only denies her the right to independence, but has converted her into an enormous military base that includes atomic weapons."

Another resolution stressed the importance of Cuba:

"Special mention is due solidarity with Cuba, whose people are defending and carrying forward a revolution only ninety miles from the United States. Her choice as the site of the first solidarity conference of the peoples of Africa, Asia, and Latin American is the highest recognition of the importance of her revolution and the significance it has for the peoples of the three continents. Cuba, because of here relatively small size, her geographical position near the United States and in a zone surrounded by Governments which are puppets of the Yankee imperialists * * * proves with her revolution, triumphing over all aggressions perpetrated or fomented by the United States, that * * * revolution is possible and invincible."

A resolution on the Panama Canal Zone said:

"The Panama Canal Zone is being used as a base for attack on peoples fighting for their liberation, it forms the Caribbean triangle with the military bases at Guantanamo and on Puerto Rico. This is done against the will of the Panamanian, people."

The resolution on the United Nations denounced it as being manipulated by the United States.

The Conference's "Declaration on the OAS" said:

"That the Organization of American States has no legal or moral authority to represent the Latin American nations. That the only organization that will be able to represent Latin America will be the one composed of the democratic and anti-imperialist governments that are the genuine product of the sovereign will of the Latin American peoples.'

The Conference proposed:

"That the revolutionary movements of Colombia, Venezuela, Peru, Panama, Ecuador, and others in the Carribbean area and southern part of the hemisphere take prompt steps to make a joint study of this military situation, with a view to finding means to counteract the effects of this aggressive attitude of imperialism."

* * * * *

The Conference resolved:

"To give the most determined support to the revolutionary movements of Colombia, Venezuela, Peru, Panama, Ecuador, and other countries of the Caribbean area and the southern part of the hemisphere in order to respond to the overall aggressive policy

of U.S. imperialism with the most effective measures to counteract its effects.

"To denounce before all the countries of the three continents the Yankee intervention in the armed struggles of Colombia, Venezuela, and Peru, and to promote the militant solidarity of the combatants of those countries with each other and with the peoples of the continents in the great battle for national liberation.

"To give decisive support, in all forms, to the armed struggle undertaken in Peru, the path valiantly chosen by the Peruvian people to achieve its definitive and total economic and political independence."

Such was the atmosphere and the general political character of the Tricontinental Conference in Havana.

THE FEDERAL ROLE IN URBAN PROBLEMS

Mr. MATSUNAGA. Mr. Speaker, I ask unanimous consent that the gentleman from Kentucky [Mr. FARNSLEY] 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. FARNSLEY. Mr. Speaker, on August 15, 1966, I testified before the Subcommittee on Executive Reorganization of the Senate Government Operations Committee on the "Federal Role in Urban Problems." I would like to include the transcript of my testimony in the RECORD:

STATEMENT OF THE HONORABLE CHARLES FARNSLEY, U.S. REPRESENTATIVE FROM THE THIRD DISTRICT OF KENTUCKY

Mr. FARNSLEY. Thank you, Senator. I am deeply grateful that you all are having these hearings.

Since I was a little boy this has been my particular preoccupation, the problems of the central cities. My adult life has mostly been spent on it. As Mayor of Louisville from 1948 to 1953 I did almost nothing else, and since then I have thought, worried and struggled. I came up here to see if I could help a little bit. I am a freshman. I am a volunteer lame duck. I am going back home to see if I can help down there.

My proposals cost very little. I ask you not to hold that against me. I know these gentlemen are trying to get a lot of money spent. I agree with them. But they have an easier job than I have because mine doesn't cost much. I am delighted that you are going to call psychiatrists and sociologists in because the program I would give you was hammered out over the last 20 years with the advice of psychiatrists and sociologists.

When I first became Mayor, I talked to my old friend, Dr. William Keller, who is now head of the Department of Psychiatry at the University of Louisville, who has studied with the great Adolph Meyer at Johns Hopkins. Dr. Meyer taught that psychiatrists should be interested in all the problems of the community and the cities. I said to Dr. Keller, "You are over there in your looney bin trying to help 40 unhappy frightened people. I am Mayor of Louisville trying to help 400,000 more or less frightened and unhappy."

Everything I did as Mayor was in consultation with him, and everything I have done since I have been here has been in consultation with him. He is a non-Freudian psychiatrist.

My chief sociological advisor, Morton Grodzins, who headed the Division of Social Sciences at the University of Chicago is dead. As Mayor, I tried to go once every two months to a different university to talk to the men in the social, and what we call, the behavioral sciences. You are absolutely right to talk to these men. It is tremendously important.

In the case of race relations it is decisive. We were able to do a job on this problem that I think was outstanding. We used public opinion surveys, we used psychiatric advice, we used the best advice the social scientists could give. Granted, they don't know enough, they have never had enough money for research, but it is a lot better than flying blind. Get their help.

I believe your Committee over here had a study made by the traffic engineers and the lighting engineers on what effect it would have on automobile accidents and crime and delinquency, if your cities were lit to the standards of the lighting engineers. I had the same kind of study prepared by the Library of Congress when I first came up here. I have sent out five or 6,000 copies of the one the Library of Congress did. I am sending out 10,000 copies of the one that was done for the Senate Committee originally. I have sent copies to you. I believe if you all will read this, you will agree with me that if our cities were lit to standards, crimes of violence and juvenile delinquency would be cut in half.

It isn't just that people don't commit crimes when they can be seen and when there is light. And I have seen this in Louisville. It is that when the lights go into a neighborhood in warm weather or anywhere near warm weather, the people come out at night and make friends with their neighbors. The whole area becomes an outdoor living room, and the good people take over. When a city is dark, the good people are afraid to come out. They are trapped in their homes. When the city is lit, they come out, and since the bad people want to do what is socially acceptable, many of them, things get better almost immediately.

I further believe, and this is very inexpensive, the Federal government could install these lights, saying to the local government, the cities, the counties, "If you will pay for the electricity and the maintenance, we will put them in". I don't see how you are going to save our cities without these lights. I do not tell you this by itself will do it. Everything else is needed, but it is a first step.

I further very much believe in what is called the lighted schoolhouse in which all the elementary schools would be kept open afternoons, evenings, weekends, and summer as cultural and recreational centers for the people of the area.

Now I am talking about things that should be done over the whole of the city—the incorporated major cities. If you have a small swimming pool alongside each elementary school, 3½ feet deep at one end, 3 feet at the other, 40 by 60; if you sold and lent paperback books; if there was a quiet place for young people to study; if there was a nice place for them to meet their best girl; if there was a place where a mother and father could go, if they wanted to learn square dancing, fine. In other words, a club for every neighborhood in our cities. This is very inexpensive because the schools are already built and paid for. It would cost something for staff, and the school boards should be given something for maintenance.

I think it is very important that people of the cities be able to go to college on Saturday so they can work, if they have to the rest of the week. If they could have a three-hour course in the morning, tutorial at lunch, and a three-hour course in the afternoons, they could get through school, college in not too long a time. I wouldn't want them to carry over ten hours of work. This is a detail, but existing school buildings could be used, high schools, and professors who want to work extra could teach, and many men in industry, with a doctorate, would enjoy teaching a course on Saturday.

Our sociological situation has changed since the 19th Century. Almost everybody has Saturday off. The father of the house is somewhat of a nuisance around the house, and if he wants to go to college and finish up or do work, he can.

I think obviously one thing that is wrong with our cities is the loss of the middle class. One way to make that up, and fast, is to advertise around the world for tourists who, when they come to this country, will not bring their cars from overseas, but will live in downtown hotels, if they can afford it. In the summertime when most of the tourists come, the downtown hotels are not busy, and the stores are not busy.

I don't know anything about the argument whether we should balance payments or not, but one of the best authorities on tourism in the country, Professor Louis Copeland at the University of Tennessee, gave me a "guesstimate" not long ago that if we would match the money that foreign governments are spending to get our people out, something over $50 million, if we would spend that much a year to bring tourists into this country, in a few years we can expect to have $10 billion worth of tourist money coming in.

Now that is a lot of money. We now have something over $1 billion. These people would mostly stay in the center of the cities and would help the center of the cities because it would be mostly middle class and one component that is missing in cities in the middle class.

I further think that we ought to encourage students, professors, college teachers, and intellectuals from other countries to come and stay in our college dormitories in the summertime. There are from a half-million to a million empty beds in these dormitories. For $2 a night the college would make a little money if it is willing to. Let them eat in the cafeteria, which they could do for $3 a day. They can afford this kind of trip to this country. On a chartered airplane you can get them over for $150. But this would have to be organized, and it would have to be organized by the Federal government. I do not say subsidize the trip, I just say make it possible. Otherwise, of course, to add middle class to the downtown conventions which most cities are working on.

I think that our cities should have as much as possible of quiet, clean and cool. It is not hard to stop the blowing of horns. Many cities have done it. We did it. This helps a lot. It isn't hard to clean the streets, if they are willing to spend a fair share of the money in the poorer neighborhoods. Some cities don't clean the streets nearly as often in the poor neighborhoods as they do in the middle class neighborhoods, because the pressure is on in the middle class neighborhoods. The people in the poorer areas have no voice. That is an exaggeration, I should say very little voice in how our cities are run.

I think as I told you, in the case of race relations, in all the problems of cities, non-Freudian psychiatrists can be a great help. I think that Margaret Mead could help or tell you people that can. NYU, as you probably know, has now set up a department for urban anthropology which I feel is a step in the right direction.

On the point of public opinion, surveys can be helpful on these problems, I will put in your record from the morning paper a Harris Survey headlined "Whites Divided Over Negro Demands: Better-Educated More Sympathetic".

(The material referred to follows:)

"THE HARRIS SURVEY—WHITES DIVIDED OVER NEGRO DEMANDS; BETTER-EDUCATED MORE SYMPATHETIC

"(By Louis Harris)

"The cleavage among white Americans about racial problems is nearly as sharp

today as the cleavage between whites and Negroes once was.

"The better educated, more wealthy part of the white community is far more sympathetic to the demands of Negroes and civil rights groups than the low income, lesser educated.

"A majority of the less affluent whites profess the traditional stereotypes about Negroes—that they have looser moral standards, prefer to live off hand-outs, and other such long-held beliefs. And only 1 in 4 of these whites support current Negro protests against discrimination.

"Almost 3 out of every 4 whites who earn less than $5000 a year and never went beyond the eighth grade in school think the education available to Negroes is as good as that available to whites. What is more, about 2 out of every 4 in this group think Negroes are not discriminated against in general and that housing for Negroes is as good as it is for whites.

"On all of these points, the upper part of white America is in drastic disagreement. These are the whites who earn more than $10,000 a year and have a college education.

"Three out of every 4 in this privileged white group believes Negroes are discriminated against. Almost as many think Negro housing is worse than that available to whites and more than 2 out of 4 think the education available to Negroes is worse than that available to whites. In addition, more than half of this group supports Negro protests against housing and education facilities.

"Part of the reason for this wide gulf between the most privileged and the underprivileged white Americans is that Negroes are moving into low-income neighborhoods, competing with low-income people for jobs, and going to previously white schools in low-income neighborhoods. The same has not yet happened to any great extent in the more prosperous neighborhoods.

"Perhaps a deeper reason for this cleavage over the race question is that underprivileged whites feel that much of the Great Society of the 1960s has passed them by. They see much attention paid to the problems of Negroes but little paid to their problems.

"The following table shows the wide differences in attitudes that emerged in a just-completed survey of adult Americans.

"White attitudes toward Negroes

	All whites	Low privileged	Affluents
	Percent	*Percent*	*Percent*
Negroes discriminated against	60	46	78
Negro education worse than whites	40	27	58
Negro housing worse than whites	65	46	69
Black Negro protests	46	24	57
Object to Negroes living next door	51	54	41
Object to having Negro child to supper	42	51	29
Object to trying on clothes Negro tried on	31	44	21
Object to using same restrooms as Negro	22	36	14
Object to sitting next to Negro in movie	21	31	11
Object to sitting next to Negro on bus	16	25	9
Object to sitting next to Negro in restaurant	16	26	8
Think Negroes laugh a lot	56	66	49
Think Negroes smell different	52	61	45
Think Negroes have looser morals	50	56	46
Think Negroes want to live off handouts	43	53	33

"To some extent the Negro problem is more immediate to the poor and less privileged. But there is also a vast difference in the way low-income people feel generally about their place in American society.

"A cross-section of the public was asked: 'I want to read off to you a number of things that some people have told us that they have felt. From time to time, do you tend to feel that—

"Extent of alienation

	Total public	Negroes	Low-income whites
	Percent	*Percent*	*Percent*
Sometimes feel that rich get richer, poor get poorer	48	49	68
What you think doesn't count much	39	40	60
People in power don't care about us	28	32	50
Other people get lucky breaks	19	35	37
Important events in world don't affect me	18	12	26
Few understand how I live	18	32	36
Nobody understands problems I have	17	30	40

"While alienation from the mainstream of society tends to be higher among Negroes than whites, low-income white people are even more alienated than the Negroes."

Mr. FARNSLEY. Nobody wants to admit he is a poor white or that he is not educated. If they know, that educated people are for giving the Negroes an equal chance, a lot of them would begin to wonder and reexamine their position. It is a small point, but it is very important.

If anybody has any questions, I will be flattered to try to answer them.

Senator RIBICOFF. Thank you very much. I think you have made a valuable contribution with a lot of common sense.

Mr. FARNSLEY. Thank you.

Senator RIBICOFF. Your figures are very interesting, indicating the incidence of crime declines when streets are lighted at night.

Mr. FARNSLEY. No question.

Senator RIBICOFF. Crimes are much heavier during the nighttime than the daytime. Your other points are very interesting too, and I want to thank you for sharing with the Committee your experience and knowledge, Congressman FARNSLEY.

Mr. FARNSLEY. Thank you.

Senator RIBICOFF. Senator KENNEDY?

Senator KENNEDY. I want to also thank the Congressman. I find the report very interesting prepared by the Library of Congress.

Mr. FARNSLEY. Thank you, Senator. It always works. Ask any policeman.

Senator JAVITS. I would like to thank you very much for being with us. They are fresh, interesting suggestions.

I might tell you that we tried it in my own Congressional district. We lighted up an area changing in residential complex, and it works. In that case the businessmen paid for it by contracting with the cities. It was amazing but true. It would interest you to know on the matter of tourism that this is a long-standing effort of my own.

Mr. FARNSLEY. I know you have fought hard.

Senator JAVITS. Our trouble is that we can't get any money out of this Congress.

Mr. FARNSLEY. I know.

Senator JAVITS. $4 million is all that we are allowed. We have tried many, many times. It is the most unwise self-defeating economy known to man. We have $1 billion $500 million in balance in outgo as against income for tourism alone, and we haven't got enough brains to devote $15 or $20 million to advertising the greatest tourist attraction on earth, which is the USA.

Mr. FARNSLEY. The Senator has fought that battle, and he is absolutely right. Not only will you get in $10 billion worth of tourist money, but the Federal government would get ten per cent of that in direct taxes, so that you would get a huge profit on the money you spend. For every dollar we spend to bring in tourists, the government in taxes will get back directly from the visitors $40 or $50.

Senator RIBICOFF. Thank you very much.

HIGHWAY SAFETY ACT OF 1966

Mr. MATSUNAGA. Mr. Speaker, I ask unanimous consent that the gentleman from Kentucky [Mr. FARNSLEY] 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. FARNSLEY. Mr. Speaker, I would like to include in the RECORD a copy of my testimony before the House Public Works Committee on the Highway Safety Act of 1966:

STATEMENT OF HON. CHARLES P. FARNSLEY, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF KENTUCKY

Mr. FARNSLEY. Thank you, Mr. Chairman.

Mr. Chairman, gentlemen, I cannot tell you how pleased I am to hear that you are studying the question of highway lights and street lights.

When I was first elected mayor of Louisville, I found that some of the lights had been turned off during the war—this was 1948—and never had been turned on again. We doubled the amount of light on the streets of Louisville and reduced accidents, crimes of violence, and juvenile deliquency.

I am thoroughly convinced, and I think you will find that every police chief in the country is, that if our streets and highways were adequately lighted it would cut juvenile delinquency and crimes of violence in half and reduce automobile accidents by a third.

Most of the traffic is in the daytime, but most of the accidents are at night. People just cannot see in the dark. Your glasses—mine, most people have glasses—cut out 10 percent of the light. The windshield cuts out 10 percent of the light. That is if the glasses and the windshield are perfectly clean, which they rarely are.

I implore you to push this matter and study it and try to do something about it.

It is surprising how little it would cost to light our streets and highways, and the gained results would be tremendous.

I do not want to take your time, but if there are any questions, of course, I would like to answer them.

Mr. KLUCZYNSKI. Well, Congressman, as one of the mayors of Louisville, Ky., I have known you for a long time.

(Discussion off the record.)

Mr. KLUCZYNSKI. But I see you have some material here. There is some very, very valuable information that would help the safety hearings. Do you want to put this in the record?

Mr. FARNSLEY. I would like to, sir. I would appreciate it.

Mr. KLUCZYNSKI. Without objection, so ordered.

(The material follows:)

"THE IMPACT OF STREET LIGHTING ON CRIME AND TRAFFIC ACCIDENTS

"J. Edgar Hoover has said, 'It is axiomatic that darkness is an ally to crime. The thief, the arsonist, the rapist, the peeping tom and all other perverse individuals often depend on darkness to cloak their misdeeds and conceal their identities.'[1]

"Twelve times as many crimes of violence are committed at night as in the daytime.

[1] A Brighter Las Vegas. Las Vegas Sun, January 10, 1965.

Major crimes that occur at night cost the nation about $20 billion every year. In Salt Lake City over 95% of all aggravated assaults take place at night. In Minneapolis 92% of the burglaries occur after dark. In Pittsburgh 85% of the stolen cars are taken at night.[2]

"In a recent survey of police officials made by the Street and Highway Safety Lighting Bureau, it was reported by police chiefs that from two-thirds to three-quarters of all crimes are committed at night. Of these, an average of two-thirds took place in dimly lit areas.[3]

"The daily average of burglaries in the months of December, January, February, and March of 1961 was 12 percent above the rest of the year. These are the months when periods of darkness are the longest. Another 1961 survey revealed that about 75 percent of the nighttime burglaries occurred in buildings where no lights were left burning.[4]

"The National Safety Council reports that in 1963, 43,600 deaths occurred in traffic accidents. Of these, 53% or 23,100 resulted from night accidents. Since nighttime traffic is only one-third that of the daytime hours, the night death rate is two and a half times as great as the day rate—10 deaths per 100 million vehicle miles at night as compared with 4 deaths per 100 million vehicle miles during the day.[5]

"One expert has undertaken an analysis of the causes of traffic fatalities taking into account factors such as drinking, improper driving, and defective vehicles, which would be responsible for both daytime and nighttime accidents. After substracting these accidents from the total, he estimated that in the year 1963 darkness on streets and highways apparently accounted for 8,030 fatalities.[6]

"John E. Ingersoll, Assistant Director of the Field Service Division, International Association of Chiefs of Police, made this statement in a speech before a Community Lighting Conference in Chicago, in 1962: 'It is the considered opinion of many responsible law enforcement officials that well conceived and developed streetlighting programs have decidedly beneficial effects on crime and traffic conditions * * * Most police chiefs would welcome some way to minimize the effects of darkness. Many of our problems would then be solved. Because we obviously cannot completely eradicate darkness, then we must look for ways to minimize its dangers to public safety. We must learn more, for example, about the effective use of artificial light.'

"In a number of studies undertaken during the past ten years an attempt has been made to measure the effect of improved street lighting on the incidence of crime and traffic accidents. The specific conditions in each city mentioned below are different, but in all cases the conclusions reached are that fewer crimes are committed and fewer traffic accidents occur following a significant increase in the level of illumination.

"Street lighting and crime

"During a two-year period (1953–1955) more than 5,000 new lights were installed along every mile of the streets of Gary, Indiana. A tabulation of reported crimes showed that the number of criminal assaults reported declined more than 70% and robberies decreased more than 60%. The decrease occurred in spite of a 27% increase in the population of Gary during the two-year period.[7]

"In a comprehensive street lighting effort in McPherson, Kansas, a light was installed for every 2½ homes in the residential area. The project resulted in a sixfold increase in brightness. The incidence of nighttime prowling, window peeping, and burglary in the area was reduced 92%. The relighting in Chattanooga, Tennessee, of a 12-block district which had experienced a very high homicide rate was followed by a 70% reduction in major crimes committed there.[8]

"In larger cities, too, a reduction in crime has followed improved street lighting programs. In 1949 officials in Cleveland began a comprehensive program to improve street lighting in that city. When one-third of the lights had been installed, a check of crime statistics showed that the number of assaults reported had declined by one-third. Purse snatching had been reduced 78%, and the incidence of other night crimes was down 17%.[9]

"The program in Indianapolis, Indiana, involves the installation of 1,000 new lights each year. Crime and traffic reports are used to pinpoint those streets most in need of new lights. In 1960, there was a 60% reduction of nighttime crime on the streets which had the new lighting.[10]

"In 1957, New York City officials decided to try an extensive street lighting program in an 111-block area in five of the most crime-ridden precincts. Earlier efforts to reduce the crime rate, such as saturating the area with plainclothesmen, had been only partially successful. The improved lighting fixtures provided 125% more light. Crime statistics were kept for the three-month period following the relighting program to be compared with those prior to installation. In this three-month period, there occurred a 71% reduction in the number of crimes reported.[11] During the next two years, the incidence of murder, assault, and rape dropped 49% in this district, and juvenile complaints declined 30%.[12]

"A study made in Boston in 1959 used a different method but obtained the same results. A neighborhood committee in the South End, where a high crime rate exists, pinpointed the exact location of 104 offenses, from purse-snatching to assault, committed between August and December 1959. The results showed conclusively that on the blocks which had modern lighting fewer crimes were perpetrated.[13]

"One writer [14] agrees with others that street lighting is an important factor in crime prevention and traffic safety, but he also points out that many variables are involved in compiling statistics of this sort. Such factors as which types of crime are considered, whether crimes taking place in the lighted area or throughout the whole city are used, and whether crimes occurring both during the day and night are included can have a significant effect on the resulting statistics.

"He cites a study made in one city where an increase of 250 percent in lighted streets took place from 1950 through 1954. When comparisons were made between the percentage of crimes committed at night, no reduction occurred in the categories of rape or larceny. A slight reduction appeared in highway robbery and burglary, and a significant decrease (17%) in auto thefts was recorded. However, a comparison of certain crimes during the peak month of October before and after the lighting was installed showed reductions of 16 percent in assaults, 33 percent in robberies, 5 percent in auto theft, and 10 percent in burglary.

" 'In this study, incidentally, great opportunity existed for misuse of statistics. The ones which I have quoted show the reductions found by measurements of the percentage change in night crimes. Had the actual change in number of night crimes been used (without regard to the number occurring during the daylight hours) then assaults could have been said to have been reduced from 24 night crimes in October 1945 to only 13 in October 1954. This would have been an apparent reduction of 54%.

" 'Similarly, robberies were numerically reduced from 26 at night in 1954 to only 6 at night in 1954. This reduction would have amounted to 77%. I have given these somewhat confusing figures to you solely for the purpose of illustrating the care which must be taken in applying statistics.' [15]

"The editorial writer for the Christian Science Monitor concludes: 'These studies made in blight-threatened neighborhood "laboratories," should provide valuable information for city councils, city managers, and voters in all communities debating the usefulness of this weapon for preventing crime. Lights are not, of course, the whole answer. But they are an important—and relatively inexpensive beginning to an over-all attack.' [16]

"Street lighting and accident rates

"In many of the cities experiencing lower crime rates after their street lighting was improved, a drop in the number of traffic accidents was also noted.

In Nashville, Tennessee, it was reported that following a lighting program, the night traffic accident rate declined from 40% to 29%, despite a 50% increase in motor vehicle registration over the same period.[17] Indianapolis noted a 54% decrease in night traffic accidents, after the initiation of a comprehensive street lighting program.[18]

"The fact that Chicago's Northwest Expressway is continuously lighted over its 16-mile length is alleged to be responsible for the low traffic fatality rate on this highway. In 1961, there were .74 deaths per 100,000,000 vehicle miles on the Chicago Expressway, as compared with a national average of 2.3 deaths per 100,000,000 vehicle miles on all expressways.[19]

"An additional benefit occurred in the case of Hartford, Connecticut, drivers. Improved street lighting which cost the city $20,000 was followed by a lower number of traffic accidents which in turn resulted in the reduction of insurance rates by 8% over a period of five years. This saved 22,500 car-owning residents $4 each per year.[20]

"Between 1953 and 1960, new lights were installed in nine locations in the State of Virginia. A study made by the Virginia Department of Highways indicated that the

---

[2] Don Murray. How Bright Lights Reduce Crime. Coronet, February 1960, p. 30.

[3] Police Chiefs Say "Light Deters Crime." Distributed by Street and Highway Safety Lighting Bureau, 55 Public Square, Cleveland 13, Ohio.

[4] John Edgar Hoover. The Lighted Way. General Federation Clubwomen Magazine, February 1963.

[5] J. Parker Heck. Traffic Accidents Claim 43,600 Lives in 1963. Street and Highway Lighting, 1964 Third Quarter, pp. 12–13.

[6] *Ibid.*

[7] Don Murray. *Op. cit.*, p. 33.

[8] *Ibid.*, p. 32.

[9] Lighting Can Cut Crime. The American City, May 1964, p. 131.

[10] Planned Light Prevents Crime and Reduces Accidents. The American City, March 1963, pp. 125–126.

[11] Hyman Goldberg. Crimes of Darkness. Cosmopolitan, April 1959, pp. 60–65.

[12] Lighting Can Cut Crime, *op. cit.*, p. 131.

[13] Editorial. Christian Science Monitor, June 27, 1959.

[14] Paul C. Box. Accident and Crime Prevention Experience With Modern Roadway Lighting. A paper presented at the Roadway Lighting Forum, reprinted in Street and Highway Lighting, 1964 Second Quarter, pp. 19–27.

[15] Paul C. Box, *op. cit.*, p. 21.

[16] Christian Science Monitor, *op. cit.*

[17] A Brighter Las Vegas. *Op. cit.*

[18] Planned light prevents crime and reduces accidents. The American City, March 1963.

[19] Continuous lighting reduces accidents. The American City, September 1963.

[20] Modern Lighting for $1 a year. The American City, August 1964, p. 121.

number of traffic accidents at these locations decreased 38% and the traffic fatalities dropped 90%.[21]

"In its reporting of 1963 traffic fatalities, the Montana Highway Patrol classified the fatal accident statistics according to whether they occurred in daylight, in darkness where the street was lighted, or in darkness on an unlighted street. The results are shown in this table:

	Total accidents	Fatalities
Daylight	5,532	75
Lighted streets and highways	1,113	15
Unlighted streets and highways	2,285	88

"These statistics show that the ratio of death to accidents on dark streets was 1 death per 25.9 accidents, while the ratio of fatalities to the number of accidents was virtually the same in the case of daylight accidents (1 to 73.8) and streets lit at night by artificial lighting (1 to 74.2).[22]

"Lighting standards and costs

"The Illuminating Engineering Society (IES) is the authoritative source of technical knowledge on lighting in the United States and Canada. The IES has the responsibility for establishing a standard practice for street and highway lighting. Such a code is then submitted to the American Standards Association (ASA) for acceptance, rejection, or modification. Once approved a Standard Practice represents a guide to minimum good practice, taking into account current technical knowledge and prevailing economic factors. The most recent Standard Practices in the area of street lighting were published in 1962.

"According to J. Parker Heck, Education Director, Street and Highway Lighting Bureau, fewer than 100 of the more than 18,000 incorporated towns and cities in the United States meet minimum lighting code standards prescribed by the ASA.[23] The Edison Electric Institute has estimated that not more than 15% of the downtown streets in the nation are adequately lighted, and only about one-tenth of one percent of the streets in residential areas meet the ASA minimum standards.[24]

"According to the Edison Electric Institute, "the chief deterrent to adequate street lighting is one of cost.'[25] It is difficult to make a cost estimate for improving street lighting in a city, State or the nation due to the many variables involved. Experts from the Edison Electric Institute have stated: 'So much depends on the existing local conditions that such an estimate if it were to have a semblance of validity would have to be made for each individual community. For example, the present level of street lighting intensity varies greatly not only between cities, but also between areas in the same city. There is also a wide variation in the type and cost of fixtures used to obtain the same level of illumination. Some communities own all the street lighting equipment and contract with the utility for electricity and also inspection and maintenance. Others only buy electricity. In still others the utility charges include provision for ownership of some or all of the equipment as well as inspection, maintenance, and electricity.'[26]

"Various cities have undertaken comprehensive street lighting programs and have given broad estimates of the cost involved. Beginning this year, 3,000 street lights are to be installed on 73 miles of Las Vegas streets. The cost is estimated to be between $1.5 and $2 million.[27] In Seattle, Washington, 24,000 new fixtures are needed to bring 1,225 miles of residential streets up to IES standards. The cost of this project is $4 million.[28] The street lighting program in New York City, described above, required an expenditure of $500,000 to buy and install the new equipment. However, it was found that the new lamps use $9 less electricity a piece each year and give more than twice as much light.[29]

"In the case of highway lighting, illuminating engineers say the lighting cost is generally less than one percent of the total cost of the highway. Installation of adequate lighting is considerably cheaper if it is done at the time the highway is constructed.[30]

"The police chief of Gary, Indiana, justifies such expenditures this way. "A good street light is as available as a good policeman, and a lot cheaper."[31]

" 'Only in recent years have case histories provided proof positive that proper street lighting can cut nighttime fatalities by 50 percent. For the entire nation, this means a saving of 20,000 lives annually, plus an economic savings estimated to be $2 billion per year.' "[32]

Mr. FARNSLEY. Thank you, sir.

Mr. KLUCZYNSKI. I want to thank you for your courtesy, Congressman, for coming this morning. Thank you for this valuable information.

Mr. FARNSLEY. Thank you.

[21] Lighting Cuts Accidents on Virginia Highways. The American City, March 1964.

[22] J. Parker Heck. Traffic Accidents Claim 43,600 Lives in 1963. *Op. cit.*

[23] Lighting can cut crime. *Op. cit.*

[24] Edison Electric Institute. Street Lighting Manual, 1963, p. xiii.

[25] *Ibid.*, p. 81.

[26] Letter from Edison Electric Institute to Economics Division, Legislative Reference Service, Library of Congress, dated March 19, 1965.

[27] Ambitious Lighting Program. Las Vegas Sun, January 3, 1965.

[28] Mercuries Boost Light Levels Five-fold. The American City, January 1965, p. 117.

[29] Don Murray, *op. cit.*

[30] Guide to Nighttime Highway Safety. Street and Highway Safety Lighting Bureau.

[31] Lighting Can Cut Crime. *Op cit.*

[32] Edison Electric Institute, *op cit.*, p. xiii.

SECRET DOCUMENT REVEALS GOP CAMPAIGN STRATEGY

Mr. MATSUNAGA. Mr. Speaker, I ask unanimous consent that the gentleman from Pennsylvania [Mr. RHODES] 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. RHODES of Pennsylvania. Mr. Speaker, the people of Pennsylvania who voted against the rightwing brand of Republicanism in 1964 will be shocked to discover that they will have the same opportunity in 1966.

A more subtle and advanced stage of "Goldwaterism," indigenous to the west coast, seems to be rearing its head among Republicans in Pennsylvania.

A campaign document prepared for all Republicans running for office in the State of Pennsylvania was recently disclosed and publicized. The gist of the entire paper can best be revealed by quoting some of the advice contained in the report:

One thing is clear—from a political view, at least. It is more hazardous to advocate the conservative view than it is to implement it.

* * * * *

Political victory is essential to our goals. Hence, the emphasis should be on winning—and in doing what it takes to win.

* * * * *

This means that, if an honestly conservative position will not produce victory in Pennsylvania (and the record is clear on that score) our candidates must present themselves as moderates or "center-of-the-road" liberals.

* * * * *

We should have learned by now that we can oppose programs and policies without the need to denounce or otherwise agitate against them.

* * * * *

We do not need to oppose Medicare—rather—we must attack the manner in which it is being administered.

* * * * *

Wherever possible we should not become involved in integration problems as they affect schools and housing. It should be remembered that the big-city Democrats are responsible for the solutions * * * and it is our right to appropriately call them to account for vacillation, evasion, and insincerity.

* * * * *

Finally, we should avoid joining publicly in denouncing the United States Supreme Court.

* * * * *

It should be remembered that the public referendum route is not the way to win abolition of the union shop * * * We can accomplish more by virtue of friendly control of the Governor's office and the General Assembly.

Rightwing extremists are well organized and heavily financed. The early warning signs in my district are already apparent. Rightwing extremist elements are infiltrating community organizations, spreading confusion and distrust in an effort to create a favorable climate for a Republican victory.

Mr. Speaker, under leave to extend my remarks, I submit the text of the secret GOP campaign document to illustrate the manner in which Republicans the country wide may operate in this year's campaign. Contents of the document included herewith were exposed in a recent issue of the New Era, Reading, Pa.:

REPUBLICAN CAMPAIGN STRATEGY

OUR YEAR IS 1966

The year 1966 is one of victory—of reckoning—of setting right the errors of the past and restoring a proper sense of values to the American scene.

While the opportunity is national in scope, realistic estimates for victory in Pennsylvania exceed all hopes of previous years.

The breaking of the strangle-hold of entrenched unionism is a prospect that is imminent—if we do not make the mistakes which have characterized our efforts in the past.

Not all that we have done has been wrong. Even the Goldwater fiasco has had its useful and productive aspects.

One thing is clear—from a political view, at least. It is more hazardous to advocate the conservative view than it is to implement it.

The voters may have rejected Goldwater—but not the Goldwater viewpoint.

Actually, the margin for Johnson nationally and in Pennsylvania, as well, came about by reason of a shift of the large body of voters in the center. The center—or moderate—group was reluctant to hazard support for a man who so vigorously advocated a course of action and a set of public values with

which they—the people—had much sympathy.

One must recognize that our tradition has its roots in a set of laws and moral standards which cannot be defied or flaunted—no matter how irksome or irritating they may be in terms of personal comfort, desires or preferences.

IMPLEMENTATION VERSUS ADVOCACY

Thus the public figure who advocates a public policy which runs counter to the "proper" concepts of justice and equality imperils his cause—even though there may be sympathy on the part of an overwhelming majority of the voters for such a position.

To be sure—these concepts of justice will vary from area to area. Nevertheless, the proposition applies to Pennsylvania—providing of course that adjustments are made to accommodate local tradition, history and circumstances.

In terms of these considerations, we can better evaluate the various factors in Pennsylvania which are pertinent to our over-all objective, namely—to make this state safe for the uninhibited growth of industry and commerce.

WHAT IS IT WE SEEK?

Perhaps it would be prudent for us to restate our goals.

The enactment of Right-to-Work legislation in Pennsylvania is not an ultimate goal—but rather a step—albeit a large one—in the right direction.

What we want is to change the climate—the atmosphere—so that membership in a union is not regarded as necessary or desirable. What we want is the creation of social standards under which union membership by the working man is unnecessary, if not actually undesirable.

Of course—legislation banning the union shop must be regarded as important—and perhaps necessary. But by no means can we view this as the ultimate goal toward which we strive.

The Indiana story is an appropriate and timely illustration of shortcomings of such a limited objective.

The solutions to our problems are to be found in the political arena. It is here where we must devote our major efforts and resources.

The immediate goal, it recurs, is the political victory which will combine the understanding of a friendly Governor with the cooperation of a friendly General Assembly.

Such a victory is now in the making through a combination of circumstances, some of which the Democratic and labor bosses helped to create and others which the Republican leadership—finally aware of the realities of political life—have skillfully, intelligently, and carefully preserved.

We need to make certain that no intervening recklessness or blundering will derail such a victory.

PROSPECTS FOR 1966

As has been already reported, our surveys reveal that Republicans can win the November 1966 elections as follows:

A Republican Governor.

A Republican Secretary of Internal Affairs.

Two Republican Superior Court Judges.

A Republican Congressional Delegation consisting of at least 4 to 7 seats in addition to the 12 already held by Republicans.

General Assembly—Under any reasonable reapportionment plan, firm control of both chambers as follows:

A Republican State Senate consisting of from 33 to 36 seats instead of the 28 now held by Republicans. (26 are needed to pass legislation.)

A Republican House of Representatives consisting of from 120 to 135 seats instead of the 93 now held by Republicans. (102 are needed to pass legislation.)

These are not assured gains—they are however, realistically attainable—if we do not yield to the usual tendency to become careless in the face of apparent success.

A SUMMARY OF CONCLUSIONS

A number of conclusions, previously discussed, bear repetition—in summary form:

1. Political victory is essential to our goals. Hence, the emphasis should be on winning—and in doing what it takes to win.

This means that, if an honestly conservative position will not produce victory in Pennsylvania (and the record is clear on that score) our candidates must present themselves as moderates or "center-of-the-road" liberals.

2. We have had repeated demonstrations of the effectiveness of the course followed by the "Pennsylvanians for Right-to-Work." It will be remembered that we counseled against the selection of a well-known Pennsylvanian to head up this activity. The choice of James Scott—unknown in this state until his appointment, and the selection of an equally undistinguished group of Pennsylvanians as officers and directors has proven to be effective in a most critical manner. It has made it possible for our friends in office to disclaim any affinity with our objective—or at least to maintain silence.

This has deprived the Democrats and the labor bosses of an otherwise valuable political weapon in a state where the proportion of union members to the total labor force is so high. The value of this position was evidenced in the 1962 elections. It will be even more important in 1966.

It is a foregone conclusion that Section 14(b) of the Taft-Hartley Act will not be repealed in 1966. Thus, the emphasis will shift to the Pennsylvania scene and we must safeguard the imminent victory against any effective intrusion of this issue into the campaign.

In this connection, it is hoped that the right candidate is selected to head the ticket. Every effort should be made to blunt the thrust of the Schweiker forces and to make secure the Shafer nomination. In any event, even Schweiker, at the head of the ticket, will not be too damaging if we can head off the emergence of a vigorous anti-Schweiker hostility among our friends. This would only serve to strengthen Schweiker's prejudices and perhaps make him rigid and intractable should he be elected Governor.

3. The Democrat mess in the House of Representatives could not have been more complete if we had planned and manipulated their actions. To be sure, the 1965 session, despite the image it has gained, is not without merit or accomplishment. But the Democrats have failed to gain such identification in the public eye and remain, instead, "guilty" of obstruction, insincerity, partisan selfishness, etc. We could not have planned it better, had we written the script.

The best weapon at our disposal is the tag of "big-city-bossed" control of the Democrat majority in the House. This should be constantly invoked—at every turn. It is clear that if we can't connect it up—the Smith-Lawrence axis will help us. The role of the press, which had expected quite a different show, has been most helpful.

Our candidates must, for their own part, seek to be free of such an identification. There should be frequent public dissent and disagreement—so that individual candidates can be free of the charge of domination. Demonstrations of this in Dauphin, Montgomery, Delaware, Allegheny, and other counties as well as the suggested differences between the Republican leadership, the Governor himself, have benefitted all concerned.

The "labor" factor must be properly understood and dealt with. First of all, there is no need to molest the leadership of unions in Pennsylvania. These leaders are, in the main, vain, insecure, and frequently too lazy to undertake genuine, effective, political activity.

The State AFL–CIO is in reality a "paper tiger." It has no real teeth of its own. Its effectiveness lies with the local rank and file members with whom it has only a casual relationship. And, deprived of real issues, it can do little to arouse the locals throughout the state to any appreciable degree.

As previously indicated, only an issue as basic as the U.C. revision could enable the state organization to promote such intensive local stimulation. Without a similar "cause" the State AFL–CIO would find it impossible to approach anything reminiscent of the "March on Harrisburg." It is important that we avoid creating such an issue around which local leadership and membership could be rallied.

(There is general agreement that it was then correct to avoid entrapment in another U.C. fracas. We observed pointedly that all the "steam" had gone out of the ardent push by the state labor bosses to rally support for a return to previous U.C. standards. There is an apparent lack of interest in pushing H.B. 1147, and the paucity of "mail-from-home" is a demonstration of such indifference. We again recommend that the Governor and his associates, together with the Republican legislative leaders, take pains to avoid involvement in unwarranted, unnecessary debate with the labor bosses. Any reference to a favorable balance in the U.C. fund should be casual, at best, and always, without variation coupled with a report on full employment, decreased joblessness, and declining Public Assistance rolls. This is really not an issue that the Democrat leaders can or even want to exploit and they know it. We should not forget this—particularly in the heat of the '66 Campaign.)

At the local level, where the strength of labor lies, we have an opportunity to do our best work. There is no reason for Republicans to be at odds with local union leaders. There are many opportunities for the establishment of rapport.

With a little imagination and resourcefulness, labor leaders at the local level can be neutralized—if not actually won over. The offer of jobs or "bribery" in any of its forms is worthless—it just doesn't produce the desired results.

Quite to the contrary, a little recognition—not necessarily of Republican labor leaders—but of the established, recognized leadership—will do the trick simply and effectively.

There is no reason for our friends in the service clubs to avoid bringing these leaders into such groups—as members. There is no reason for our friends to avoid public demonstration of friendship and recognition. A little of this will go a long way in neutralizing the leadership in many communities where open hostility now exists.

5. With respect to public posture on Right-to-Work, it is totally unnecessary for Republican candidates to say anything at all. Moreover, the statewide position of Republican leaders is fairly well established and can be referred to when a challenge is made. The action of our Republican women was most imprudent and hazardous—particularly since it was gratuitous and unnecessary. By all means—we must be vigilant against any recurrence of such unprovoked, unnecessary enthusiasm for a cause—no matter how valid—when silence would have served our purposes so much better.

6. We should have learned by now that we can oppose programs and policies without the need to denounce or otherwise agitate against them.

We do not need to oppose Medicare—rather—we must attack the manner in which it is being administered.

We should not be fighting the Appalachia programs or the "War on Poverty." We can more effectively denounce the waste and incompetence which characterize the implementation of these programs.

Under no circumstances should we be drawn into a quarrel with President Johnson on Vietnam. It will gain little for us—and in addition—Senator DIRKSEN and the Republican National Committee can and will be doing a far more effective job in this field.

We should do more—constantly—to destroy the hold of the Democrat effort, we will have the help of the leadership of Minority groups. In this effort we will have the help of the Democrats who are unable to cope with the demands of the minority groups on one hand—and the fears of the big city white groups who are resisting what they regard as capitulation of the Democrats to these minorities. Wherever possible we should not become involved in integration problems as they affect schools and housing. It should be remembered that the big-city Democrats are responsible for the solutions—(which do not come easily)—and it is our right to appropriately call them to account for vacillation, evasion, and insincerity.

Adroitly handled—with appropriate restraint—Republicans can make huge inroads in the so-called Democrat strong-holds among Negro, Italian and Irish Catholics and Jewish sections of the large cities.

The imminence of a Specter victory in Philadelphia and a Lindsay win in New York should be the basis for a careful review and evaluation of our posture with respect to these minority groups.

Finally, we should avoid joining publicly in denouncing the United States Supreme Court. We should be careful not to become embroiled in the "one man—one vote" imbroglio. The State Supreme Court will apportion Pennsylvania and the rest is academic. There will probably be no return to the old days—and we should seize present opportunities to win in 1966—particularly because we can win.

It should be remembered that the public referendum route is not the way to win abolition of the union shop. Ohio, Oklahoma, Washington, and California have all provided us with enough evidence of such folly. (Remember Knowland and Bricker?)

We can accomplish more by virtue of friendly control of the Governor's office and the General Assembly.

MACARONI

Mr. MATSUNAGA. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. DULSKI] 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. DULSKI. Mr. Speaker, upstate New York, and the Buffalo area in particular, has a long history of prosperous commerce and industry. Much of Buffalo's prominence in industry and trade can be attributed to our city's excellent location. Such factors as the availability of raw materials and utilities, as well as an adequate labor force, have also contributed significantly in making this area a thriving community.

An industry destined for growth and expansion is the macaroni industry, and the Gioia Macaroni Co., in Buffalo is among the six largest macaroni producers in the United States. Due to increased consumption of macaroni products, the company is expanding its facilities and may well be on its way to becoming the leading manufacturer in our country.

However, this industry has not been without problems. In recent years it has suffered considerably as a result of foreign imports of macaroni products which retail at 4 to 5 cents below domestic prices. This competition cannot be met by the domestic producers because of our higher wage rates, rigid sanitation requirements, and the use of a better quality of wheat. Further, the primary ingredient in the domestic manufacture of macaroni products is Durum wheat, the price of which has spiraled upward due to lower crop yields and heavy exports, making it necessary for domestic manufacturers to raise prices on their macaroni products. Thus, they are placed in even greater competition with foreign imports. This situation has been brought to the attention of Members of Congress, and increased efforts must be made to bring about needed relief so that this vital industry may continue to flourish and grow.

Under leave to extend my remarks, I include a very informative article, entitled "Macaroni," which appeared in the September 1966 issue of Industrial Bulletin, the official news magazine of the New York State Department of Labor:

MACARONI

The Orient is shifting to some extent, from the rice bowl and joining the West at the spaghetti dish.

And that's where the Italian voyager—Marco Polo—found the Chinese some 700 years ago. He saw them mixing flour and water, extruding the paste through a colander-like object and cooking the resultant product into what we call macaroni.

We Americans can understand their enjoying spaghetti. In fact, spaghetti and related macaroni products are the most popular manufactured food in the United States.

And probably one of the strongest proponents of this factual statement is Horace A. Gioia, Buffalo's macaroni expert by virtue of being president of the Gioia Macaroni Company in that city. His son, Anthony, continues to move into the leadership circle of the business as representative of the third generation.

Founded 56 years ago in Fredonia in nearby Chautauqua County by Horace Gioia's father, Antonio Gioia, and nurtured in adolescence in Rochester, the company in Buffalo has grown into one of the half dozen large macaroni producers among the 125 producers in the United States.

The plant is located at 1700 Elmwood Avenue, Buffalo. That's where the wheels for the elegant Pierce Arrow automobile once were manufactured.

Spaghetti is just one of some 500 known forms of macaroni. The word comes from the Latin macare, meaning to bruise or to crush—which is what the early spaghetti manufacturers did to wheat to make their pasta.

In 1965, Americans spent $400 million to buy about 1.75 billion pounds of macaroni, an industry economist said recently. That works out to approximately nine pounds per American per year. But that's only a side dish next to the 70 pounds consumed annually by the statistical Italian, 20 pounds by each Swiss and 14 pounds by each Frenchman.

And, believe it or not, in Japan where food habits most frequently are described in terms of rice, fish, tea and sukiyaki, there are no fewer than 22 macaroni factories.

One of them is the source of some confusion. It is a question whether the Mama Macaroni Company is owned by a Japanese named Mr. Mama or whether the name represents a courteous bow toward the traditional Italian mother image.

Economists are predicting that within another decade Americans will be eating macaroni products at the rate of 11 pounds a year instead of nine.

The Gioia firm, for one, is getting ready for this time by expanding its plant now.

"Alone among the wheat products of the world, the consumption of macaroni is rising," says Horace Gioia.

The U.S. Department of Defense recently gave Gioia a two-million pound order for macaroni products to be shipped to Vietnam in special waterproofed packages.

The international character of macaroni is displayed by the 140-member Gioia staff. A large number of the personnel are of Italian origin but there is a generous sampling of other nationalities as well.

Arghir Niclau, a native of Greece who came to the United States via Rumania after World War II, is the assistant comptroller of the company and frequently he conducts visitors on guided tours of the plant. His pride is obvious.

Most of the Gioia employees are members of Local 431 of the American Bakery and Confectionery Workers International Union (AFL–CIO).

According to John F. Sciortino, business agent for Buffalo Local 431, the Gioia products until recently, at least, have been the only ones to carry the union-made shield of the American Bakery and Confectionery Workers International Union.

"We have enjoyed good relations with the Gioia organization," Mr. Sciortino says. "Currently we are in the second year of a three-year contract.

"Our Local president is Walter Szmara and our Gioia shop chairman is Miss Josephine Alessi, who is a macaroni cutter."

All of Gioia's truck drivers are members of Buffalo Teamsters Local 264.

First-time visitors to the Gioia plant quickly learn that life in a spaghetti factory really is a blast—a stream of hot air from chambers where the newly-formed macaroni is dried for periods of up to 24 hours.

Horace Gioia will tell anyone that Americans eat better macaroni products than do most people in Italy. "That's because Italians generally use ordinary flour for their pasta," Mr. Gioia explains. "Ordinary flour is less expensive and that's a factor in Italy where macaroni often substitutes for meat.

"Americans use a fine hard durum wheat for their semolina flour which is what macaroni is largely composed of. Macaroni merely is semolina flour mixed with water and sometimes, for fancy's sake, with a little egg added."

The center of the American macaroni industry is far from a spice-filled Italian food shop, a supermarket or even a plant like Gioia's in Buffalo or Ronzoni's in New York City.

The heartland of the macaroni world is the rugged and open wheatlands of North Dakota where about 90 per cent of the 70-million bushel durum wheat crop is grown.

While some of this durum wheat is exported to Europe, most is sent to Minneapolis, St. Paul, Buffalo and Baldwinsville, N.Y. where it is milled into the semolina flour.

It comes to Gioia by the carload and is stored in five large silos.

The basic steps in making macaroni are mixing, kneading, forming and drying. The mixing and kneading are fairly easy and automatic. The semolina is combined with water and kneaded in large vats. When it reaches the right consistency, it is fed through any one of 85 different kinds of extrusion dies.

Why so many shapes when it's all the same dough, Mr. Gioia was asked. "Marketing appeal," he responded simply. "People will like different shapes."

Small boys and girls, who still constitute the best macaroni customers, often ask how they get the hole in the middle of the macaroni. Or how the alphabets are formed. Or any of the other shapes and sizes?

The secret lies in the flow of the dough—in or around or over or under parts of a die. The heavy steel Gioia dies—all 85 of them—are carefully cleaned and stored after each use.

Macaroni makers divide their products into two classes, long cuts such as spaghetti and short cuts such as shells and alphabets. When spaghetti or any other long cut emerges from the extrusion dies, it has a 30 per cent moisture content. It is placed on long racks and wheeled into a drying chamber until the moisture content is reduced to 10 or 11 per cent, ideal for packaging.

Short cuts such as shells, rings or rotini are dried on trays. The current pride of the macaroni world is a huge machine that mixes, kneads, shapes and dries the macaroni in one continuous process. The Gioias are partial to a machine called the Cobra made by a company called Braibante in Milan, Italy. As a consequence, the traffic between Milan and 1700 Elmwood Avenue, Buffalo, is considerable.

After the macaroni is dried, it is boxed amid the clatter of packaging machines whose fast-moving parts always seem about to bump into each other but never do. From the several packaging lines, the macaroni-filled cartons go to the warehouse and then into one of the dozen Gioia tractor-trailers that ply the roads to its northeastern market cities.

It wasn't many years ago that macaroni was considered solely a winter food, a stick-to-the-ribs item that somehow helped one against the cold. But not any more. Some one decided that macaroni, like cold potatoes, makes an excellent base for summertime salads.

"Now we can barely keep up with the summer demand for shells and other cuts," Mr. Gioia says.

In a calorie-conscious world, the macaroni people are very sensitive. Alone, macaroni has a fairly low caloric content, certainly no higher than that of rice or potatoes, an industry spokesman asserts.

NEW JERSEY DELEGATION UNDERTAKES UNIFIED EFFORT TO AVERT DAMAGE TO BENZENOID CHEMICAL INDUSTRY

Mr. MATSUNAGA. Mr. Speaker, I ask unanimous consent that the gentleman from New Jersey [Mr. RODINO] 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. RODINO. Mr. Speaker, the benzenoid chemical industry is a most important segment of New Jersey's economy. It employs some 30,000 workers and has an annual payroll of approximately one-quarter billion dollars.

Recently, however, representatives of the industry brought to the attention of the New Jersey congressional delegation a proposed tariff change which would eliminate the American selling price method of valuation and substitute an export value basis. The massive increase in imports which would follow would result in drastically reduced benzenoid chemical sales and the loss of jobs in the industry.

The Tariff Commission is studying the proposed change, but we fear that prior to conclusion of this study an international commitment may be made in Geneva during the Kennedy round negotiations.

As dean of the New Jersey delegation, I have initiated a bipartisan effort to bring the plight of this industry to President Johnson's attention. Joining me in sending a letter to the President were Senators CLIFFORD P. CASE and HARRISON A. WILLIAMS, JR.; and Congressmen WILLIAM B. WIDNALL, PETER H. B. FRELINGHUYSEN, FRANK THOMPSON, JR., FLORENCE P. DWYER, WILLIAM T. CAHILL, DOMINICK V. DANIELS, CORNELIUS E. GALLAGHER, CHARLES S. JOELSON, JOSEPH G. MINISH, EDWARD J. PATTEN, HENRY HELSTOSKI, JAMES J. HOWARD, PAUL J. KREBS, and THOMAS C. MCGRATH, JR. The full text of our letter to the President follows:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., September 26, 1966.

THE PRESIDENT,
The White House.

DEAR MR. PRESIDENT: We, the following members of the New Jersey Congressional delegation, feel an urgency to communicate to you our deep concern over the possible elimination of the American Selling Price method of customs valuation, which, if adopted, will result in severe economic injury to the benzenoid chemical industry in our State.

As you know, the Tariff Commission is currently conducting an investigation of the economic impact of a change from the present American Selling Price method of valuation to an export value basis. This investigation was requested by Governor Herter, your Special Representative for Trade Negotiations. The Commission will soon be reporting to you its findings and recomemndations.

Not wishing to predict the outcome of the Commission's investigation, we nonetheless believe it necessary to underscore the importance of the American Selling Price method of customs valuation to the continuing prosperity of New Jersey and the nation as a whole.

The benzenoid chemical industry employs 30,000 workers in New Jersey alone with an annual payroll of approximately one quarter billion dollars. Nationally, it employs 116,000 workers with an annual payroll in excess of $900,000,000. We have been informed by the United States Department of Labor that the annual average earnings of an organic chemical industry worker in the United States are above $8,000. Most of these workers have developed skills peculiar to their present jobs and would require extensive retraining if those jobs were lost as a result of decreasing benzenoid chemical sales.

The national total dollar value of production was over $3.2 billion for the year 1965, and New Jersey is the primary center of benzenoid production in the United States.

It is clear from the record before the Tariff Commission, as well as from the data shown to us by the domestic industry, that its sales will be reduced by virtue of the massive increases in imports which will result from the abandonment of the American Selling Price system. The profitability of the domestic benzenoid industry is well below the national average and we do not believe it can absorb the price reductions that will flow from the importation of low-cost foreign benzenoids.

We believe, and the above data indicates, that this industry is a significant factor in the economies of New Jersey and the entire nation.

At the same time the Special Trade Representative was requesting an independent investigation of the Tariff Commission to determine possible economic impact, his Chief Negotiator in Geneva, Ambassador Blumenthal, was announcing to foreign audiences that the United States was "prepared" and "willing" to begin negotiations on the elimination of American Selling Price.

We are now concerned that international commitments may be made by the Special Trade Representative without full consideration of the evidence presented to the Tariff Commission, and without consideration of the dominant opinion of the American people affected by any decision in this area.

For this reason, we would like to make our views known personally to you and respectfully request that you grant the New Jersey delegation the opportunity to discuss this problem further within the next few days.

Sincerely,

PETER W. RODINO, JR., CLIFFORD P. CASE, WILLIAM B. WIDNALL, FRANK THOMPSON, JR., WILLIAM T. CAHILL, CORNELIUS E. GALLAGHER, JOSEPH G. MINISH, HENRY HELSTOSKI, PAUL J, KREBS, HARRISON WILLIAMS, PETER H. B. FRELINGHUYSEN, FLORENCE P. DWYER, DOMINICK V. DANIELS, CHARLES S. JOELSON, EDWARD J. PATTEN, JAMES J. HOWARD, THOMAS C. MCGRATH,
Members of Congress.

NEWARK'S PLEA FOR AN INCREASED ANTIPOVERTY PROGRAM

Mr. MATSUNAGA. Mr. Speaker, I ask unanimous consent that the gentleman from New Jersey [Mr. RODINO] 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. RODINO. Mr. Speaker, as we consider the legislation before us to extend the antipoverty program, I want to call attention to a fine editorial in the Newark Evening News of September 27, 1966, discussing the importance of the program to the city of Newark. Newark's experience, as the editorial states, has been a happy "example of what community cooperation, earnest effort and prudent expenditure can accomplish." Last Monday a mission of more than a thousand citizens journeyed to Washington, and with "an orderly and intelligent presentation" made the case for an increase in funds to prevent curtailment of this most effective program. I ask that this editorial be included in the RECORD following these remarks.

NEWARK'S PLEA

With dignity and conviction, Newark's anti-poverty leaders have presented to Washington officialdom the city's case against a prospective curtailment of federal funds for Community Action programs.

This was in no sense an aggressive march. It was instead a privately-financed, reasoned mission, supported by business, religious, civil rights and labor leaders, to obtain for Newark the federal funds necessary to continue the useful programs designed to ameriiorate the plight of less fortunate neighbors.

They were aware of the difficulties that confronted them, the demands for government economy in a period of dangerous inflation, the exactions of Viet Nam, the pressures in Congress for adjournment, and the ineptness that has marked the war on poverty in other cities.

But they could cite Newark's happier experience, its example of what community cooperation, earnest effort and prudent expenditure can accomplish.

It is, of course, too early to assess the financial success of Newark's undertaking. Whether the money needed to support the action programs already begun will be forthcoming will depend on the antipoverty appropriation finally voted by Congress, or upon the allocation of available funds by the agencies involved. But one thing is certain: No effort has been been spared by Newark's anti-poverty leaders to make the case for Newark's disadvantaged citizens.

And because it was an orderly and intelligent presentation, based on demonstrable need, the Newark mission deserves to succeed.

PRIVATE BOYCOTTS VERSUS THE NATIONAL INTEREST

Mr. MATSUNAGA. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. BINGHAM] 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. BINGHAM. Mr. Speaker, the State Department has recently issued a pamphlet, Department of State publication 8117, commercial policy series 203, which is entitled "Private Boycotts Versus the National Interest." The pamphlet summarizes in a clear and understandable way the importance of trying "to build new bridges to Eastern Europe," as the President described it in 1964.

Stating flatly that:

Today there is no longer a monolithic Soviet bloc—nor is there a Sino-Soviet block—

The pamphlet points out the importance of distinguishing among Communist States and presents very forcefully the reasons why private boycotts aimed at trade with Communist States are not in our national interest.

For the benefit of all readers of the CONGRESSIONAL RECORD, I include herewith the text of this excellent State Department pamphlet:

PRIVATE BOYCOTTS VERSUS THE NATIONAL INTEREST

"The intimate engagement of peaceful trade, over a period of time, can influence Eastern European societies to develop along paths that are favorable to world peace. After years of careful study, the time has now come for us to act, and act we should and act we must. With these steps, we can help gradually to create a community of interest, a community of trust, and a community of effort. Thus will the tide of human hope rise again." (President Lyndon B. Johnson, the White House, May 3, 1966.)

PREFACE

At the direction of the President, Secretary of State Dean Rusk on May 11, 1966, sent to the Congress proposed legislation to provide the President with authority necessary to negotiate commercial agreements with the Soviet Union and other Communist nations of Eastern Europe to widen United States trade in peaceful goods, when such agreements will serve the interest of the United States.

"This authority is needed," the Secretary stated in his letters of transmittal, "so that we may grasp opportunities that are opening up to us in our relations with the Soviet Union and the countries of Eastern Europe. It is needed, at a time when we are opposing Communist aggression in Viet-Nam, in order to carry forward the balanced strategy for peace which, under four Presidents, our country has been pursuing toward the Communist nations. It is needed to play our part with the NATO nations in reducing tensions and establishing normal and lasting peaceful relations between the West and East in Europe."

PRIVATE BOYCOTTS VERSUS THE NATIONAL INTEREST

Is it illegal or unpatriotic for Americans to sell or buy peaceful goods from the Communist countries of Eastern Europe?

Most citizens apparently know that the answer to this question is no. Some Americans may have honest doubts.

And a small but active minority apparently believes it unpatriotic to trade in any products from any Communist country.

At least some individuals and small groups, such as self-appointed "Committees To Warn of the Arrival of Communist Merchandise on the Local Scene," have tried through boycotts, threats of economic reprisals, and other intimidation to block legal trade in goods from Communist countries. The targets of their intimidation have ranged from small shops to supermarket chains and multimillion dollar corporations. The goods that aroused their wrath have varied from Christmas tree ornaments and hams from Poland, and vases and ashtrays from Czechoslovakia, to baskets and tobacco from Yugoslavia.

Are these Americans advancing the interests of the United States?

The Government of the United States does not believe so. On the contrary, it believes they are harming the United States national interest by obstructing a foreign policy that has been developed by four Administrations since World War II.

THE CHOICE WE MADE: TO EXPAND CONTACTS WITH EASTERN EUROPE—NOT TO ABANDON IT

The United States has been faced with a critical choice between two alternative lines of policy in dealing with Eastern Europe. The first was to assume that the Soviet Union and the countries under its domination after World War II constituted a permanent monolithic bloc—a bloc so cemented together that there was no hope of our developing mutually satisfactory relations with individual Eastern European countries. The consequence of such a policy decision would be to abandon the peoples and the resources of Eastern Europe.

The other course was to assume that the instinct for freedom runs strong in the hearts of men everywhere, and that by keeping alive and expanding our contacts with the peoples of Eastern Europe we could encourage their inherent national and individual aspirations and leave open to them a bridge to the West. This is the choice we made, and the history of Eastern Europe in recent years gives ample evidence that it was the right choice.

END OF MONOLITH OPENS OPPORTUNITIES FOR MORE CONSTRUCTIVE RELATIONS

We have three objectives in our overall policy toward international communism, each in its own way serving our goal of a peaceful and prosperous world.

The first is to prevent the Communists from extending their domain and to make it increasingly costly, dangerous, and futile for them to try to do so. Our aid to the people of South Viet-Nam in opposing Communist aggression testifies to our determination to pursue that policy, as did our previous help in opposing such aggression in Greece, Berlin, Korea, and elsewhere.

The second is to achieve agreements or understandings which could reduce the dangers of a devastating war. For example, having achieved a Nuclear Test Ban Treaty, we continue to work for agreements to reduce armaments, with safeguards to insure compliance.

The third objective is to encourage trends within the Communist world making for evolution toward greater national independence, peaceful cooperation, and open societies.

Today there is no longer a monolithic Soviet bloc—nor is there a Sino-Soviet bloc. In this decade we have seen not only the falling out between Moscow and Peking but the assertion by the smaller countries of Eastern Europe, in varying degree, of their own policies. In this changed situation we have an opportunity for more constructive relations with Eastern Europe, including the Soviet Union. It must not be wasted. The goal of more constructive relations with these countries is not only ours but also that of our NATO allies. As the NATO communique of June 8, 1966, stated, "member countries are seeking further to improve relations between the peoples of Eastern Europe and Western Europe, and to diminish mutual suspicions and fears. They are convinced that further tangible results could now be obtained in the cultural, economic, scientific and technical fields."

THE BRIDGE OF TRADE

It is against this background that United States policy on trade with Communist countries must be viewed.

Over the past two decades we have selectively adjusted our policy to the changing situation in the Communist world. Where countries have shown a desire to increase their independence in guiding their own political and economic affairs and to broaden relations with the United States and other free countries—such as was the case in 1948 with Yugoslavia, in 1956 with Poland, and in 1964 with Romania—we have tried to open the way for increased trade in peaceful products with them for American firms.

But where countries follow aggressive policies, as is the case with Communist China, North Korea, and North Viet-Nam, we have banned all trade and financial transactions with them. The same holds true for Castro Cuba, although we allow occasional small shipments of medical supplies on humanitarian grounds.

And, of course, in no case does our policy permit trade with Communist countries in war materials and other strategic items. This strategic embargo is maintained not only by the United States, but also by our NATO allies and Japan.

United States policy for dealing with world communism has been pursued vigorously in the post-World War II period by all administrations, regardless of party.

In 1958 President Eisenhower made it clear that "the United States favors the expansion of peaceful trade with the Soviet Union" and spoke of the importance of trade as a means of strengthening the possibilities for independent actions by the countries of Eastern Europe.

President Kennedy in October 1962 discussed the need for "policies which hold out eventual promise of freedom for the people who live behind the Iron Curtain.

"First, we need economic flexibility . . .," he said. "It is for this reason that I was disappointed by the amendment to the trade bill (Trade Expansion Act of 1962) which specifically discriminates against Polish goods. The Polish people press their government for independence. Our policy should be to hold out a helping hand to them and not to shut the door."

Subsequently, the provision President Kennedy objected to was amended by the Congress to permit continuation of most-favored-nation tariff treatment to Poland and Yugoslavia.

And President Johnson in December 1964 expressed our wish "to build new bridges to

Eastern Europe—bridges of ideas, education, culture, trade, technical cooperation, and mutual understanding for world peace and prosperity." In June 1966 President Johnson repeated that "We will encourage every constructive enrichment of the human, cultural, and commercial ties between Eastern Europe and the West."

But while trade between Eastern Europe, including the Soviet Union, and Western Europe and Japan has grown vigorously in recent years, United States-Eastern European trade has expanded only slowly. In 1965, for example, Western Europe and Japan exported about $3.8 billion in goods to Eastern European Communist countries, excluding Yugoslavia, and imported almost $4.5 billion worth of products from them. For the same year, the United States exported only $139.2 million in goods to Eastern Europe and imported $137.5 million in products from that area.

What hampers the growth of peaceful trade between the United States and Eastern Europe and the Soviet Union?

There are a number of factors. In the first place, the United States does not have the traditional trade ties with Eastern European countries that many of the Western European countries have. The rigidities of the Communist state-controlled trading systems have inhibited exchanges with our system. Political issues and other outstanding differences have naturally cast a shadow over trade relations. Our trade with the Eastern European countries and the Soviet Union has also been limited by the inability of those countries to offer a wide range of goods which can compete on the American market. Another obstacle has been the attempts, mentioned above, by some Americans to exert pressure on their fellow citizens not to deal in or buy products coming from Eastern Europe. But a particularly important factor is that most goods from Eastern Europe, including the Soviet Union, are subject to much higher rates of duty than are applicable to goods from other countries.

EAST-WEST TRADE RELATIONS ACT

To overcome the tariff problem, the Johnson Administration has proposed legislation that would give the President authority to use trade with Eastern Europe countries and the Soviet Union as a flexible tool in conducting our relations with these countries.

The main provision of the East-West Trade Relations Act would authorize the President to extend most-favored-nation tariff treatment to certain individual Communist countries when this is determined to be in the national interest. In other words, the President could apply the same duties to the individual Communist countries that are now applicable to all non-Communist countries. The authority could be exercised only in a commercial agreement with a particular country in which such tariff treatment would be granted in return for equivalent benefits to the United States.

The purpose of these commercial agreements would be both to facilitate individual business transactions and to afford the United States Government an opportunity to deal with individual Communist countries on a variety of matters in the context of periodic trade negotiations. Agreements made pursuant to the Act would set the framework for trade, but the trade itself—both exports and imports—would depend on decisions of individual firms.

MILLER COMMITTEE RECOMMENDATIONS

The proposed legislation is based upon recommendations by a distinguished committee of American business, labor, and academic leaders. This special committee, appointed by the President, made its proposals after it had explored all aspects of the question of expanding peaceful trade in the context of the President's policy of broadening constructive relations with the countries of Eastern Europe and the Soviet Union. The Committee, headed by J. Irwin Miller, Chairman of the Board of the Cummins Engine Co. of Indiana, stated in conclusion: ". . . we emphasize that these findings and recommendations constitute a long-term strategy.

"The intimate engagement of trade, over a considerable period of time, when taken with the process of change already under way, can influence the internal development and the external policies of European Communist societies along paths favorable to our purpose and to world peace. Trade is one of the few channels available to us for constructive contacts with nations with whom we find frequent hostility. In the long run, selected trade, intelligently negotiated and wisely administered, may turn out to have been one of our most powerful tools of national policy."

Most Americans have appreciated the difficulties and complexities with which their government has had to cope in its policy toward international communism. They have realized that in a world of swift and ceaseless change the issues are rarely all "black" or all "white." They have understood that there often are varying shades of gray in foreign affairs and that this is particularly evident in our relations with Eastern Europe and the Soviet Union. They have realized that our policy must be flexible enough to permit the United States to exploit new situations in its own interest and that of the peoples of those countries.

A MINORITY SEEKS TO EQUATE TRADE WITH A "SELLOUT" TO COMMUNISM

For some, however, the vexing and explosive problems we face around the world can be explained only in terms of our alleged weakness in the face of Communist challenges. This attitude reflects an unrealistically simple view of the Communist countries, ourselves, and the rest of the world. And it is in large part at the root of the efforts of some Americans to exert pressure on their fellow citizens not to use products coming from Eastern European countries. This small group has tried to label our moderate, peaceful trade with Eastern European countries as a "sellout" to communism. Over the years, they have used picketing, and boycotts, and threats to discourage American merchants from handling, and American consumers from buying, Eastern European goods, and they have pressed for legislation and local ordinances barring the sale of "Communist" products.

Eastern European countries cannot, however, really be injured by the harassment of American businessmen and consumers who choose to buy their products. They can develop other markets for their exports, particularly in Western Europe. The only party hurt by these efforts is the United States. Losing business opportunities in normal commercial trade means loss of jobs and loss of income to our workers, our businessmen, and our farmers. Our balance of payments also suffers. And interfering with this trade deprives Americans of free choice in the market place. To the extent that we deny the Eastern European countries the possibility of expanding their trade with the United States, we also restrict their efforts to reassert their national independence and handicap our ability to develop cultural and other useful relations.

The unanimous evaluation of the United States Government, including its intelligence community, is that our refusal to trade in peaceful goods cannot meaningfully limit the military power of the Soviet Union and the Eastern European countries, but it *can* help to reinforce their doctrinal belief in the need for self-sufficiency. A willingness to trade, on the other hand, would be concrete evidence of our belief in constructive and peaceful relations.

It is reasonable to assume that there are possibilities for expanding our trade with the Soviet Union and the countries of Eastern Europe in peaceful goods beyond the present level. This would, of course, mean additional employment for American labor, increased sales for American businessmen and farmers, and less strain on our balance of payments through larger exports. But most important would be the opportunities provided by the many close relationships normally growing out of trade for encouraging the development of these countries toward more emphasis on consumer needs and peaceful relations with the rest of the world.

A POSITIVE PROGRAM AGAINST COMMUNISM

President Kennedy recognized the importance of a positive program against communism. At a news conference on December 12, 1962 he was asked whether he shared the view that boycotts of "stores which carry imports from Iron Curtain, so-called Iron Curtain countries—and in some cases intimidating the stores . . ." are "contrary to our policy of encouraging nonstrategic trade with those countries."

President Kennedy replied: ". . . I think that it harasses merchants and I don't think it really carries on much of an effective fight against the spread of Communism. If they really want to do something about the spread of Communism, they will assist the Alliance for Progress, for one thing, or they will . . . do a good many other things . . . they will be generous to students who come to the United States to study, and show them something of America. Those are the things that really make a difference. . . . because some merchant happens to have Polish hams in his shop, saying he is unpatriotic doesn't seem to me to be a great contribution in the fight against Communism."

YUGOSLAV TOBACCO

Last fall, a particularly emotional campaign was undertaken by some groups against the use of a small amount of Yugoslav tobacco in American cigarettes. These groups insisted that the tobacco companies concerned use "Communist" tobacco and thereby support the evils of communism.

Tobacco grown in Yugoslavia is of the "oriental" variety not grown in the United States. It is used as a blend to improve the taste of cigarettes but is not a major component. In 1964, for example, Yugoslav tobacco represented less than 1 percent of all tobacco used by American cigarette manufacturers. (Incidentally, more than 90 percent of this Yugoslav tobacco is produced by small individual landowners, not by state-owned enterprises.)

United States manufacturers also sell cigarettes to Yugoslavia, marketing 189 million there in 1965.

The maintenance of normal relations with Yugoslavia especially is important to the United States. That country stands as an example to all Communist countries that they can pursue a course of independent action and need not accept Soviet or Chinese domination. Any action to reduce legitimate and beneficial trade between the United States and Yugoslavia only serves to weaken the latter's ties with the community of free and friendly nations. And it would be self-defeating for American citizens to boycott Yugoslav goods after the United States has spent $2.5 billion to help Yugoslavia maintain its independent stand.

STATEMENT OF THE CIGARETTE MANUFACTURERS

Commendably, in the face of this anti-Yugoslav campaign, U.S. tobacco companies refused to be intimidated. Joining together, they issued the following statement:

"Certain cigarette manufacturers in the United States have recently received inquiries regarding the use of Yugoslav tobacco in their cigarettes and have been threatened

with boycott unless each of such firms now using Yugoslav tobacco agrees not to use such tobacco in the future.

"On the September 26 'Face the Nation' program, Under Secretary of State George Ball was questioned about a similar situation. He was asked what the administration's position is on the problem of attempts by certain groups in this country to boycott the shipment of American goods to Eastern Europe. In replying, Secretary Ball pointed out that the policy of the United States with regard to trade with Eastern Europe is not merely a decision by this administration but by the Eisenhower and other recent administrations, and further said: 'It is absolutely unacceptable that right wing or left wing or any other kind of group should by intimidation or by threat of boycott try to subvert or to undermine the foreign policy of the United States, which has to be conducted by the President and Congress under the American Constitution.'

"All the major cigarette manufacturers endorse Secretary Ball's statement. They condemn and refuse to be influenced by any effort by any group to oppose or affect the foreign policy of the United States by economic sanctions, including boycott, directed at the industry or any member of it.

"Yuogslav tobacco is used in varying quantities in the manufacture of cigarettes by all but one of the undersigned manufacturers. However, each of the undersigned manufacturers recognizes the right of its competitors to use such tobacco and reserves the right itself to use or not to use such tobacco in accordance with its own best judgment.

"THE AMERICAN TOBACCO CO.
"BROWN & WILLIAMSON TOBACCO CORP.
"LIGGETT & MYERS TOBACCO CO.
"P. LORILLARD CO.
"PHILIP MORRIS INC.
"R. J. REYNOLDS TOBACCO CO."

LETTER OF THE SECRETARIES OF STATE, DEFENSE, AND COMMERCE

On October 11, 1965, the Secretary of State, the Secretary of Defense, and the Secretary of Commerce announced their support of the manufacturer's position in the following letter:

"THE AMERICAN TOBACCO CO.
"BROWN & WILLIAMSON TOBACCO CORP.
"LIGGETT & MYERS TOBACCO CO.
"P. LORILLARD CO.
"PHILIP MORRIS INC.
"R. J. REYNOLDS TOBACCO CO.

"DEAR SIRS: It has been called to our attention that certain organized pressure groups are seeking, by economic intimidation, to compel American cigarette companies to discontinue the purchase of Yugoslav tobacco. This incident is the most recent in a series of similar attempts by such groups to frustrate peaceful private trade with Eastern European countries. We feel it important that you understand the views of the United States Government on this subject, and that these views be given the widest dissemination.

"Under our American system, trade is governed by the individual economic interests of the trading parties. Congress and the Executive Branch have provided laws and regulations to assure that nothing is traded with any Communist country that will be detrimental to our national security and welfare. In the case of certain countries, such as Communist China, Cuba, North Korea, and North Viet-Nam, trade is—with minor humanitarian exceptions—prohibited.

"On the other hand, your Government regards commerce in peaceful goods with the countries of Eastern Europe, including the Soviet Union, as completely compatible with our national interest. No American business enterprise should be penalized for purchasing or selling such goods. In fact, any individuals or groups that seek to intimidate, boycott, blacklist, use or threaten economic reprisals against such American enterprises for carrying on lawful trade with Eastern European countries act harmfully and irresponsibly. To yield to such groups is to encourage capricious interference with the vital processes of our Constitutional Government—interference that could at the end of the road make it impossible for our country to conduct a coherent foreign policy.

"Americans know that there are recognized and responsible ways by which they may object to any governmental policy with which they disagree. Every citizen has the Constitutional right to speak freely, to petition his government for redress of grievances and to exercise the franchise. But it is the Federal Government that must direct the relations of the United States with other nations. Our Constitution entrusts the President and the Congress with the conduct of United States foreign affairs.

"These principles directly apply to the campaign of economic intimidation now being mounted against your industry. The importation of Yugoslav tobacco, which constitutes less than one percent of all tobacco used in American cigarettes, is entirely consistent with our national security. The right of American business enterprises to purchase this tobacco on the basis of their freely-exercised judgment as to the economic desirability of such a course—without fear of reprisals—should be fully preserved if the objectives of our foreign policy are not to be undermined by the whim or prejudice of any organized pressure group.

"We are advised that the cigarette industry, after consultation with the United States Government, has condemned these threats of intimidation and has announced its intention to continue to purchase or not to purchase Yugoslav tobacco on the basis of individual judgments. We commend your industry for refusing to submit to such intimidation, which would have the effect of substituting private opinions and prejudices for the declared foreign policy of the United States.

"DEAN RUSK,
"Secretary of State.
"ROBERT S. MCNAMARA,
"Secretary of Defense.
"JOHN T. CONNOR,
"Secretary of Commerce."

CONCLUSION

All American citizens should know that any American businessman who chooses to engage in peaceful trade with the Soviet Union or Eastern European countries and to sell the goods he buys is acting within his rights and is following the policy of his government. So, too, is any American citizen who chooses to buy such goods. Everyone should also know that state laws or municipal ordinances purporting to forbid or restrict sale of such goods, or to require that signs be posted proclaiming that imported goods are on sale, or to require payment of special fees, are contrary to the policy of their government. Moreover, in cases where such laws and ordinances have been challenged, the courts consistently have held them to be illegal.

In introducing, with Senator MIKE MANSFIELD of Montana, the East-West Trade Relations Act in the Senate on May 17, Senator WARREN G. MAGNUSON of Washington said:

"The President believes, and I share his belief, that a broad and continuing exchange of nonstrategic goods and technology between East and West raises the stake of the individual Eastern European countries in stable East-West relations and inevitably acts as a damper upon the appetite of the bloc for aggressive adventures . . .

"Expanded East-West trade also leads to greater contact and understanding of both Western institutions. Because we are convinced that our economic and political institutions are best designed to satisfy the universal rising tide of expectations, we expect these contacts to stimulate the increasing economic liberalization of the internal economies of Eastern Europe."

Attempts to coerce American consumers have not stopped. Any citizen may properly exercise his constitutional right to speak freely. But any organization, however patriotic in intention, that undertakes to boycott, blacklist, or otherwise penalize or attack any American business for engaging in peaceful trade with Eastern European countries or the Soviet Union, is acting against the interests of the United States.

SUPPLEMENTAL PENSIONS FOR RETIRING RAILROAD WORKERS

Mr. MATSUNAGA. Mr. Speaker, I ask unanimous consent that the gentleman from Georgia [Mr. WELTNER] 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. WELTNER. Mr. Speaker, the House will soon, I hope, be called on to approve one of the notable bills of the 89th Congress. I refer to H.R. 17285, introduced by the gentleman from Massachusetts [Mr. MACDONALD].

This bill would, for 5 years, establish a system of supplemental pensions for retiring long-service railroad workers. The cost of this system will be met by the railroad companies. The new pensions will range from $45 to $70 a month.

The same bill would extend to other retired railroaders the same 7-percent increase in benefits that we extended to social security beneficiaries last year. The cost of this part of the bill will be met by a one-quarter-percent increase in railroad retirement taxes on the employers and employees.

I understand that both portions of H.R. 17285 have the full support of the railroads of the country and the railway labor organizations. In fact, this legislation is an outgrowth of negotiations between the railroads and the labor organizations.

Mr. Speaker, in an era when we hear so much of labor-management strife, here is a remarkable example of labor-management cooperation. I salute both sides in the railroad industry for their historic agreement on supplemental pensions.

This bill, if enacted, will be of major help to hundreds of thousands of railroad people who are either retired now or planning to retire, including many thousands in the State of Georgia.

I congratulate the gentleman from Massachusetts for his sponsorship of this legislation.

AMENDING INTERNATIONAL TRAVEL ACT OF 1961

Mr. MATSUNAGA. Mr. Speaker, I ask unanimous consent that the gentleman from West Virginia [Mr. STAGGERS] 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. STAGGERS. Mr. Speaker, I am introducing today a bill amending the International Travel Act of 1961 to provide for Federal regulation of the travel agency industry through the creation in the Department of Commerce of an office of Travel Agents Authorization which shall issue certificates of authorization to engage in the travel agency business.

For some time our Committee on Interstate and Foreign Commerce has been concerned with the increasing number of complaints which it has received concerning activity of travel agents and their performance upon contracts for specific tours. Several years ago, we had too many unfortunate examples of irresponsibility in connection with airline tours where passengers were left stranded either here or in Europe, and of a seagoing liner which left a number of passengers at the pier in New York City.

At that time, the committee requested the Civil Aeronautics Board, the Interstate Commerce Commission and the Federal Maritime Commission to look into the situation and to come up with their recommendations of what should be the role of the Federal agencies with regard to regulation of the travel agency industry in a manner in which their responsibilities to the public properly would be carried out. We have received interim reports from the Board and these Commissions which have not fully met the request that was made of them.

In the meantime, the responsible agents in the field have themselves recognized their obligations to the public and have been engaged in a series of discussions looking toward the proper vehicle which might be created that would achieve these desired ends. Out of these has grown a proposal by the American Society of Travel Agents for certain legislation in the form of the bill which today I am introducing at its request. I do so solely for the purpose of providing for sharpening up of the discussions and consideration of this matter and not with any implications that I will necessarily endorse this particular manner of accomplishing these purposes.

WAGE BILL BENEFITS

Mr. MATSUNAGA. Mr. Speaker, I ask unanimous consent that the gentlewoman from Texas [Mrs. THOMAS] may extend her 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.

Mrs. THOMAS. Mr. Speaker, in signing the 1966 minimum wage bill, President Johnson put into effect one of the most significant pieces of legislation we have produced this year.

The Houston Chronicle, among many other newspapers, has outlined for its readers the provisions of the measure and the benefits they contain.

In an editorial published before the President signed the bill, the Houston newspaper described the major changes in minimum wage rates and coverage as an important assault in the war on poverty.

The editorial provides a concise summary and endorsement of the legislation, and I make it a part of the RECORD at this point:

[From the Houston (Tex.) Chronicle, Sept. 19, 1966]

WAGE BILL TO BENEFIT MANY

Major changes in the minimum wage which will broaden coverage and raise the hourly wage to $1.60 in 1968 have been approved by Congress.

The changes, expected to be signed into law by President Johnson, will help many persons who need help the most. For the first time the minimum wage will apply to government workers not in civil service, to some farm workers, nonteaching employes of schools, and many employes of hotels, motels, restaurants, laundries, transit systems, colleges and universities.

In addition, broader coverage of medium-size retail stores will place 1.5 million additional workers under wage and hour law. The total number of workers to gain these benefits from the bill is estimated at 8 million.

The $1.60 level, which will be reached in four steps, is expected to bring higher wages to 30 million workers. For the most part these Americans have been making the current minimum of $1.25 an hour. On an annual fulltime basis this is $2600, or $400 below what the government considers the poverty level.

Thus the changes will constitute an important assault on the war on poverty. Admittedly the higher levels may bring about the elimination of some marginal jobs, tasks for which employers are not willing to pay more than $1.25 an hour, but the over-all effect of the higher wage will be good. And the changes do not prevent any state from taking action on minimum wage legislation of its own as has been urged by some in Texas.

BOOSTERS CLUB

Mr. MATSUNAGA. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. MURPHY] 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. MURPHY of New York. Mr. Speaker, the amusing spectacle of the House minority leader—the spokesman for the party of pelf and power and piety—holding a press conference to demonstrate democratic political morality, is of course a heartening one to Democrats across the land.

We endorse Representative FORD's concern regarding the acceptance by a political party of John Birch money from California. Our recent actions have shown our repugnance to such support, and they have been thoroughly publicized by Representative FORD. We thank him for making our position so clear.

We question now only the consistency of his own party's position. Our last report from California has indicated that the Republican candidate for Governor in that State, Mr. Reagan, has specifically stated that he welcomes and respects support from whatever quarter it comes—including the John Birch Society. In fact, Representative FORD himself has said he personally welcomes support from anyone—including the John Birch Society.

We have also been heartened that the Representative from Michigan has seen fit to give such extensive recent attention to public documents filed publicly and proudly by Democrats to the clerk of the House of Representatives. Exactly what Representative FORD's reasons are for publicizing a list of Democratic contributors to an organization founded under the late President John F. Kennedy—is perhaps known only to Representative FORD.

But we have noticed the skill and acuity with which he has performed in our behalf. We applaud such skill. In fact, so impressed are we with Mr. FORD's skills that I would strongly suggest that should Representative FORD happen to meet with an untimely political end in the congressional race in Michigan this year, that perhaps Chairman Bailey ought to seriously entertain the idea of hiring Representative FORD as a publicity man for the Democratic National Committee. We can use all the help we can get.

We Democrats, however, are wondering about Representative FORD's public relations' contributions to his own party's welfare. We understand that an organization called the Republican Boosters Club exists. We understand that the Boosters Club—like the President's Club—also files reports of contributions with the Clerk of the House.

What we do not understand is why Representative FORD has not seen fit to mention the names of the contributors to the Boosters Club, and the amounts they have contributed to the Boosters Club. Far be it from us to publicize the Republican money men, but we wonder if Representative FORD is perhaps ashamed of the contributions to the Boosters Club? Or is he ashamed of the Boosters Club itself?

It is a club that has indeed supported hundreds of Republican Congressmen and perhaps even supported Representative FORD in his own political campaigns.

Is Representative FORD ashamed that the Boosters Club has received $21,000 from the Rockefeller family, or that the Republican National Committee has received $16,000 additional from the Rockefeller family?

Is Representative FORD ashamed that on April 1 of this year—on April Fool's Day—that the Boosters Club received $1,000 from Nelson Rockefeller, $1,000 from Laurence Rockefeller, $1,000 from David Rockefeller, $1,000 from John D. Rockefeller III?

Is Representative FORD ashamed of the $11,000 contributed to the Boosters Club by the Pugh family of the Sun Oil Co.?

Is Representative FORD ashamed of the $19,000 received by the Boosters Club and by the Republican National Committee from the Olin family of Olin Mathieson Corp.?

Is Representative FORD ashamed of Wilmington, Del.? A total of $49,676 has been contributed to the Boosters Club from that city. Some of it is listed as coming from the Du Ponts, and from the Crawfords, and from the Carpenters—the ruling dynasty of the Du Pont Chemical Co. But some of it comes from other people in Delaware. I wonder if Representative FORD can enlighten us as to how much of that other money is also derivative of the Du Pont family and the Du Pont Co.—and if he could tell us if he is ashamed of that money or is he proud of it?

We doubt that Representative FORD could be ashamed of that support. He never could have become a Republican if he were not willing to be the spear carrier for vested interest and for old wealth. That is the history of the Republican Party in recent years in America. They are the party of the wealthy man, they are the party of the biggest of big business—and they are the party that has always understood how to make its political handmaidens fully aware of the fact that they are the party of big money.

In 1952 we heard of the Nixon fund.

In 1954 we heard of Dixon Yates.

In 1955, we heard of Harold Talbott, then the Secretary of the Air Force.

In 1958 we heard of Sherman Adams, and the vicuna coat, and the oriental rug.

In 1960 we heard of Richard Nixon's brother and Howard Hughes.

In 1965 we heard of L. Judson Morehouse and the Playboy Club in New York City.

And now it is 1966. A recent survey has shown that Republicans across the Nation have raised $10 for every $1 raised by Democrats. The Republican war chest currently stands at $2.3 million. The Democrats have raised only $239,000.

It is not that we have anything against money. A political party needs money to operate.

Accordingly, this month, President Johnson has reinstituted the dollars-for-Democrats program. This nationwide fundraising drive seeks exactly the same ends as does the Republican politician who turns up in the office of a corporation president with his palms upturned. It seeks funds.

But the Democratic Party is the party of the people, not the party of plutocrats. Republicans seek money from plutocrats. Democrats seek money from rank-and-file Americans, because our party represents rank-and-file Americans in Congress, in the White House, in governorships, and in city halls all across the Nation.

The programs of the Great Society have shown this responsiveness to the needs and desires of rank-and-file Americans. We have supported medicare, and education, and farm programs, and aid to Appalachia, and the minimum wage, and civil rights, and mass transportation—because we are the party of the people.

This Congress has been a watershed for great and meaningful legislation. We are confident that dollars for Democrats will raise enough money—from all Americans, and not just from rich people—to reelect a strongly Democratic Congress that will continue this great record.

I must add a final thought. If Representative FORD decides to accept that publicity job at the Democratic National Committee as of January, we would ask only of him that he get to work on time each morning. Democrats do not keep bankers hours.

HOMEBUILDING INDUSTRY

Mr. MATSUNAGA. Mr. Speaker, I ask unanimous consent that the gentleman from Virginia [Mr. ABBITT] 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. ABBITT. Mr. Speaker, the homebuilding industry has taken a beating so far this year and the end is not yet in sight.

The tight money policy which has crystallized since Federal Reserve Board action last December has hit homebuilding first and foremost and it will be some time before the remedial measures recently taken by the Congress begin to take effect.

Homebuilding starts will be down about 20 percent in 1966 from the 1.5 million level of recent years. This is all the more regrettable in view of the fact that it had been hoped that 1966 was the year of takeoff, the market being such that the building industry could look for increased volume.

Starts dipped to their lowest level in August since 1960. Building permits, an indicator of future activity, also fell.

The adjusted annual starts rate for August was 1,057,000 units, a drop of 2.2 percent from the revised July level and 26 percent below the 1,427,000 unit mark of August of last year.

Building permits were at an annual rate of 808,000 units in August, a decline of 12.3 percent from July and 33.6 percent below August of 1965.

The decline in housing has probably not yet reached bottom. It may be that the seasonally adjusted annual rate will drop below 1 million in some one month before the end of this year because the statistics lag behind the actuality.

However, there is a ray of hope on the horizon.

Momentarily we are expecting the rules under which the Federal National Mortgage Association will administer the funds which Congress voted should be pumped into the home mortgage market.

This bill provides for $3.75 billion in expanded FNMA secondary market purchase authority and $1 billion in special assistance funds. Although the bill was splendidly fought for by the National Association of Home Builders it will be some time before its effect will be felt in the mainstream of the mortgage market.

Still another piece of legislation has been signed into law recently in an effort to restore some balance to the Nation's availability of credit—a balance which has been very unfavorable to the long-term mortgage credit market.

This was a bill aimed at putting a damper on the interest rate war between commercial banks and savings and loan institutions—a war which has drained money away from the mortgage market.

Soon after the President signed this legislation—H.R. 14026—on September 21, the Federal Reserve Board, the Federal Deposit Insurance Corporation, and the Federal Home Loan Bank Board announced new regulations which have to do with interest rates.

For example, the Fed set a limit of 5 percent on time deposits under $100,000, the so-called consumer-type certificates of deposit. The ceiling on time deposits of $100,000 and up remains at 5.5 percent.

The reduction in maximum interest rates does not affect the rate on outstanding CD's.

The FDIC action, similar to the Fed's, applies to State-chartered commercial banks that carry FDIC insurance as well as insured mutual savings banks.

And the Home Loan Bank Board announced a set of ceilings that savings and loans may pay on deposits.

Despite the curative measures, despite the campaign now underway to get both industry and the Government to slow down on prolific building programs or plant expansion, it would appear that homebuilding will still face a shortage of funds next year. This is additionally unfortunate in view of what appears to be a buildup of demand for housing. Vacancies appear to be decreasing, the number of marriages is up, and something of a housing shortage is in the making in many areas. A sharp turnabout is needed now for the homebuilding industry to take care of this demand next year.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. KEE (at the request of Mr. HECHLER), for today, on account of attendance at a funeral.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. CONABLE) to revise and extend their remarks and to include extraneous matter:)

Mr. FINDLAY, for 30 minutes, today.

Mr. WYDLER, for 15 minutes, on Friday, September 30.

Mr. CHAMBERLAIN, for 30 minutes, on Friday, September 30.

Mr. FINDLAY, for 60 minutes, on Wednesday, October 5.

Mr. STAGGERS (at the request of Mr. MATSUNAGA), for 10 minutes, today; and to revise and extend his remarks and include extraneous matter.

Mr. FEIGHAN (at the request of Mr. MATSUNAGA), for 10 minutes, today; and

to revise and extend his remarks and include extraneous matter.

Mr. FEIGHAN (at the request of Mr. MATSUNAGA), for 30 minutes, on October 3; and to revise and extend his remarks and 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. BROOKS and to include extraneous matter.

Mr. TENZER.

(The following Members (at the request of Mr. CONABLE) and to include extraneous matter:)

Mr. FINO.

Mr. BOB WILSON.

Mr. HALPERN.

Mr. DON H. CLAUSEN.

(The following Members (at the request of Mr. MATSUNAGA) and to include extraneous matter:)

Mr. ROSTENKOWSKI.

Mr. RHODES of Pennsylvania.

Mr. VIVIAN.

Mr. DOWNING.

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. 2138. An act to consent to an agreement between the State of Minnesota and the Province of Manitoba, Canada, providing for an access highway to the Northwest Angle in the State of Minnesota, and to authorize the Secretary of Commerce to pay Minnesota's share of the cost of such highway; to the Committee on Foreign Affairs.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills and a joint resolution of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 11487. An act to provide revenue for the District of Columbia, and for other purposes;

H.R. 14019. An act to amend the Foreign Service Buildings Act, 1926, to authorize additional appropriations, and for other purposes;

H.R. 14088. An act to amend chapter 55 of title 10 United States Code, to authorize an improved health benefits program for retired members of the uniformed services and their dependents, and the dependents of active duty members of the uniformed services, and for other purposes;

H.R. 16557. An act to provide for the refund of certain amounts erroneously deducted for national service life insurance premiums from the pay of former members of the organized military forces of the Commonwealth of the Philippines, and to amend title 38 of the United States Code to provide that certain payments under that title shall be made at a rate in Philippine pesos as is equivalent to $0.50 for each dollar authorized;

H.R. 16608. An act to amend the charter of Southeastern University of the District of Columbia; and

H.J. Res. 1308. Joint resolution making continuing appropriations for the fiscal year 1967, and for other purposes.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 196. An act for the relief of Georges Fraise;

S. 373. An act for the relief of Dr. Victor M. Ubieta;

S. 2091. An act for the relief of Joaquin U. Villagomez; and

S. 2540. An act to authorize the conclusion of an agreement for the joint construction by the United States and Mexico of an international flood control project for the Tijuana River in accordance with the provisions of the treaty of February 3, 1944, with Mexico, and for other purposes.

ADJOURNMENT

Mr. MATSUNAGA. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 8 o'clock and 46 minutes p.m.), under its previous order, the House adjourned until tomorrow, Friday, September 30, 1966, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2761. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated July 28, 1966, submitting a report, together with acompanying papers, on Marysville Dam and Reservoir, Yuba River Basin, Calif., in final response to a resolution of the Committee on Public Works, House of Representatives, adopted July 23, 1956 (H. Doc. No. 501); to the Committee on Public Works and ordered to be printed.

2762. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated September 1, 1966, submitting a report, together with accompanying papers and illustrations, on an interim survey of Salt River Basin, Ky., authorized by the Flood Control Act approved May 17, 1950 (H. Doc. No. 502); to the Committee on Public Works and ordered to be printed with illustrations.

2763. A letter from the Acting Director, Bureau of the Budget, Executive Office of the President, transmitting plans for works of improvement which have been prepared under the provisions of section 5 of the Watershed Protection and Flood Prevention Act, as amended, as follows: Alabama and Tennessee, Big Coon Creek; Georgia, Ebenezer Creek; Kansas, Spillman Creek; Kentucky, Mill Creek; North Carolina and Virginia, Hobbsville-Sunbury; to the Committee on Agriculture.

2764. A letter from the Deputy Assistant Secretary of Defense (Properties and Installations), transmitting a report of the location, nature, and estimated cost of two nonarmory projects proposed to be undertaken for the Army National Guard, pursuant to the provisions of 10 U.S.C. 2233a(1) and the authority delegated by the Secretary of Defense; to the Committee on Armed Services.

2765. A letter from the Chairman, Woodrow Wilson Memorial Commission, transmitting the final report of the Commission, pursuant to the provisions of Public Law 87-364; to the Committee on House Administration.

2766. A letter from the Under Secretary, Department of Health, Education, and Welfare, transmitting a draft of proposed legislation to amend the Public Health Service Act to authorize the provision of medical services to Federal employees on a reimbursable basis to remote locations where other medical treatment and care is not available; to the Committee on Interstate and Foreign Commerce.

2767. A letter from the Under Secretary of the Treasury, transmitting a report listing claims settled in fiscal year 1966, pursuant to the provisions of Public Law 88-558; to the Committee on the Judiciary.

2768. A letter from the Acting Director, Bureau of the Budget, Executive Office of the President, transmitting plans for works of improvement which have been prepared under the provisions of section 5 of the Watershed Protection and Flood Prevention Act, as amended, as follows: Georgia, Little Sandy Creek and Trail Creek; Oklahoma, Caston-Mountain Creek; Texas, Choctaw Creek; to the Committee on Public Works.

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. CELLER: Committee on the Judiciary. S. 3254. An act to amend sections 2072 and 2112 of title 28, United States Code, with respect to the scope of the Federal Rules of Civil Procedure and to repeal inconsistent legislation; with amendment (Rept. No. 2153). Referred to the Committee of the Whole House on the State of the Union.

Mr. GARMATZ: Committee on Merchant Marine and Fisheries. S. 2102. An act to protect and conserve the North Pacific fur seals, to provide for the administration of the Pribilof Islands, to conserve the fur seals and other wildlife on the Pribilof Islands, and to protect sea otters on the high seas; with amendment (Rept. No. 2154). Referred to the Committee of the Whole House on the State of the Union.

Mrs. GRIFFITHS: Committee on Ways and Means. H.R. 14363. A bill to amend the Internal Revenue Code of 1954 to provide rules relating to the deduction for personal exemptions with respect to the children of divorced parents and to make related amendments; with amendment (Rept. No. 2155). Referred to the Committee of the Whole House on the State of the Union.

Mr. LENNON: Committee of conference. Conference report on H.R. 16559. An act to amend the Marine Resources and Engineering Development Act of 1966 to authorize the establishment and operation of sea-grant colleges and programs by initiating and supporting programs of education and research in the various fields relating to the development of marine resources, and for other purposes (Rept. No. 2156). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BOGGS:

H.R. 18074. A bill to authorize the construction of bridges across the Harvey Canal and the Bayou Segnette in Jefferson Parish, La.; to the Committee on Public Works.

By Mr. BROCK:

H.R. 18075. A bill to amend title II of the Social Security Act to provide for cost-of-living increases in the benefits payable thereunder; to the Committee on Ways and Means.

By Mr. CORMAN:

H.R. 18076. A bill to prescribe penalties for certain acts of violence or intimidation, and for other purposes; to the Committee on the Judiciary.

H.R. 18077. A bill to amend the Social Security Act to establish a national system of minimum retirement payments for all aged, blind, and disabled individuals; to the Committee on Ways and Means.

By Mr. FINO:

H.R. 18078. A bill to amend the Railroad Retirement Act of 1937 to provide that an individual's entitlement to retirement benefits under that act or the Social Security Act while he or she is entitled to dependent's or survivor's benefits under the other such act shall not operate to prevent any increases in his or her benefits under the 1937 act which would otherwise result under the so-called social security minimum guarantee provision; to the Committee on Interstate and Foreign Commerce.

By Mr. GILLIGAN:

H.R. 18079. A bill to establish a self-supporting Federal reinsurance program to protect employees in the enjoyment of certain rights under private pension plans; to the Committee on Ways and Means.

By Mr. HARSHA:

H.R. 18080. A bill to amend the Railroad Retirement Act of 1937 to provide for the payment of widow's and widower's annuities (on an actuarially reduced basis) at age 50; to the Committee on Interstate and Foreign Commerce.

By Mr. HENDERSON:

H.R. 18081. A bill to amend title 18 of the United States Code to prohibit travel or use of any facility in interstate or foreign commerce with intent to incite a riot or other violent civil disturbance, and for other purposes; to the Committee on the Judiciary.

By Mr. JOELSON:

H.R. 18082. A bill to amend the Internal Revenue Code of 1954 to allow teachers to deduct from gross income the expenses incurred in pursuing courses for academic credit and degrees at institutions of higher education and including certain travel; to the Committee on Ways and Means.

By Mr. LIPSCOMB:

H.R. 18083. A bill to amend the Internal Revenue Code of 1954 to allow teachers to deduct from gross income the expenses incurred in pursuing courses for academic credit and degrees at institutions of higher education and including certain travel; to the Committee on Ways and Means.

By Mr. MICHEL:

H.R. 18084. A bill to amend the Internal Revenue Code of 1954 to allow teachers to deduct from gross income the expenses incurred in pursuing courses for academic credit and degrees at institutions of higher education and including certain travel; to the Committee on Ways and Means.

By Mr. MILLS:

H.R. 18085. A bill to amend title II of the Social Security Act to reduce from 1 year to 6 months the period for which an insured individual's wife or stepchild (not otherwise qualified) must have occupied that status in order to qualify as his "widow" or "stepchild" for benefit purposes; to the Committee on Ways and Means.

By Mr. MIZE:

H.R. 18086. A bill to provide for the issuance of a special postage stamp in commemoration of Dr. William C. Menninger for his pioneering work in the field of mental health; to the Committee on Post Office and Civil Service.

By Mr. MULTER (by request):

H.R. 18087. A bill to amend section 5155 of the Revised Statutes of the United States relating to the establishment and operation of branches of national banks; to the Committee on Banking and Currency.

By Mr. ROGERS of Colorado:

H.R. 18088. A bill to prescribe penalties for certain acts of violence or intimidation, and for other purposes; to the Committee on the Judiciary.

By Mr. RUMSFELD:

H.R. 18089. A bill to amend the Internal Revenue Code of 1954 to allow teachers to deduct from gross income the expenses incurred in pursuing courses for academic credit and degrees at institutions of higher education and including certain travel; to the Committee on Ways and Means.

By Mr. ST. ONGE:

H.R. 18090. A bill to prescribe penalties for certain acts of violence or intimidation, and for other purposes; to the Committee on the Judiciary.

By Mr. SCHMIDHAUSER:

H.R. 18091. A bill to revise the Federal election laws, and for other purposes; to the Committee on House Administration.

By Mr. STRATTON:

H.R. 18092. A bill to amend title 18 of the United States Code to prohibit travel or use of any facility in interstate or foreign commerce with intent to incite a riot or other violent civil disturbance, and for other purposes; to the Committee on the Judiciary.

By Mr. WIDNALL:

H.R. 18093. A bill relating to the carryover of net operating losses of certain railroad corporations; to the Committee on Ways and Means.

By Mr. FULTON of Tennessee:

H.R. 18094. A bill to amend title 38 of the United States Code so as to increase to $25,000 the amount of servicemen's group life insurance which may be carried by members of the Armed Forces; to the Committee on Veterans' Affairs.

By Mr. KUPFERMAN:

H.R. 18095. A bill to amend the Internal Revenue Code of 1954 to allow an incentive tax credit for a part of the cost of constructing or otherwise providing facilities for the control of water or air pollution, and to permit the amortization of such cost within a period of from 1 to 5 years; to the Committee on Ways and Means.

By Mr. MOSHER:

H.R. 18096. A bill to provide for the admission into the Union, on an equal footing with the original States, of the Commonwealth of Puerto Rico; to the Committee on Interior and Insular Affairs.

By Mr. STAGGERS:

H.R. 18097. A bill to amend the International Travel Act of 1961 to provide for Federal regulation of the travel agency industry; to the Committee on Interstate and Foreign Commerce.

By Mr. WILLIS:

H.R. 18098. A bill to amend title 18 of the United States Code to prohibit travel or use of any facility in interstate or foreign commerce with intent to incite a riot or other violent civil disturbance, and for other purposes; to the Committee on the Judiciary.

By Mr. TUNNEY:

H.R. 18099. A bill to authorize the Secretary of the Interior to waive the acreage limitations in section 1(b) of the act of June 14, 1926, as amended, with respect to public lands that Riverside County, Calif., wishes to purchase for public recreational purposes; to the Committee on Interior and Insular Affairs.

H.R. 18100. A bill to extend preferential postage rates to qualifying museums for the mailing of educational materials, loan exhibits, and other materials; to the Committee on Post Office and Civil Service.

By Mr. PERKINS:

H.R. 18101. A bill to provide for the appointment of one additional district judge for the eastern district of Kentucky; to the Committee on the Judiciary.

H.R. 18102. A bill to amend title II of the Social Security Act to increase all benefits thereunder by 15 percent and to provide that full benefits (when based on attainment of retirement age) will be payable to both men and women at age 60, and for other purposes; to the Committee on Ways and Means.

By Mr. WHALLEY:

H.R. 18103. A bill to amend title 18 of the United States Code to prohibit travel or use of any facility in interstate or foreign commerce with intent to incite a riot or other violent civil disturbance, and for other purposes; to the Committee on the Judiciary.

By Mr. DULSKI:

H. Con. Res. 1024. Concurrent resolution expressing the sense of the Congress with respect to certain proposed regulations of the Food and Drug Administration relating to the labeling and content of diet foods and diet supplements; to the Committee on Interstate and Foreign Commerce.

By Mr. CELLER:

H. Res. 1038. Resolution to provide funds for the Committee on the Judiciary; to the Committee on House Administration.

By Mr. McVICKER:

H. Res. 1039. Resolution to amend the rules of the House to provide for a report and question period at which heads of departments, agencies, and independent establishments in the executive branch of the Government are requested to appear and answer questions; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. POLANCO-ABRÉU:

H.R. 18104. A bill for the relief of Luis Tapia Dávila; to the Committee on the Judiciary.

By Mr. PUCINSKI:

H.R. 18105. A bill for the relief of Anastasios Zampathas; to the Committee on the Judiciary.

H.R. 18106. A bill for the relief of Miss Matrona Vafeiathou; to the Committee on the Judiciary.

By Mr. WOLFF:

H.R. 18107. A bill for the relief of Francena Davis; to the Committee on the Judiciary.

By Mr. ADDABBO:

H.R. 18108. A bill for the relief of Lorna Elaine Johnson; to the Committee on the Judiciary.

By Mr. COOLEY:

H.R. 18109. A bill for the relief of Yetvart Ohriker; to the Committee on the Judiciary.

By Mr. FLYNT:

H.R. 18110. A bill to provide for the conveyance of certain mineral rights in and under certain lands in Pike County, Ga.; to the Committee on Interior and Insular Affairs.

By Mr. O'NEILL of Massachusetts:

H.R. 18111. A bill for the relief of Mobile Structures, Inc.; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII,

434. The SPEAKER presented a petition of Edward McAlister, Fords, N.J., and others, relative to proposed Delaware Water Gap National Recreation Area and Reservoir project, which was referred to the Committee on Interior and Insular Affairs.