portance and utmost urgency. The June 5, 1972, grand jury of the District Court of the District of Columbia, the so-called Watergate grand jury, will expire on December 4, 1973, unless the Congress acts to extend its term.

The Watergate grand jury has been sitting for 16 months, receiving evidence and testimony related to the Watergate break-in and coverup. It has worked hard and compiled many pages of transcript. The grand jury is acquainted in detail with the many facets of the matters it has had under consideration. It would be extremely unfortunate if this grand jury were to expire and the country to lose its services.

The alternative to extending the Watergate grand jury is to let it go out of existence and to let another grand jury take up the Watergate break-in and coverup. This alternative course of action will result in a waste of time and resources. If the prosecutors do not recall the witnesses who previously testified, they will have to read or extensively summarize the transcripts of the witnesses' testimony. Considering the scope of the grand jury's work to date, either course of action will be needlessly time-consuming, costly, and inefficient.

H. R. 10937 will by statute extend the term of the Watergate grand jury until June 4, 1974, a period of 6 months. The District Court for the District of Columbia is empowered to extend the term for an additional 6 months if it finds that the grand jury will not have completed its business by June 4, 1973. Should the district court fail to extend the term, the grand jury is authorized to apply to the chief judge of the U.S. Court of Appeals for the District of Columbia Circuit for the extension. However, H.R. 10937 provides that in no event shall the term of the grand jury extend beyond December 4, 1974. The Committee on the Judiciary has been assured by the Justice Department prosecutors in charge of the Watergate matters that they will be able to complete all of their work by December 4, 1974.

H.R. 10937 will promote the just and efficient administration of justice. The legislation will permit a highly knowledgeable grand jury to continue to hear testimony and receive evidence. This will protect the interests of possible defendants, and interests of the prosecutors, and the interests of the public, for it will insure that people who are intimately acquainted with all the facts will be deciding whether to return indictments, and, if necessary, against whom to return them. This will, in turn, help restore public confidence in the efficacy and integrity of our judicial system. I urge the House to pass this legislation.

PERSONAL EXPLANATION

HON. MATTHEW J. RINALDO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 7, 1973

Mr. RINALDO. Mr. Speaker, in connection with the vote today on the previous question on the rule for the bill, H.R. 11104, the debt limit bill, I should like the RECORD to show that I intended to vote "nay." Because of trouble with the electronic voting machine, my vote was inadvertently recorded as "aye," and under the 15-minute rule there was unfortunately no time available to me in which to change my vote.

DEFICIT SPENDING

HON. MANUEL LUJAN, JR.

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 7, 1973

Mr. LUJAN. Mr. Speaker, once again I would like to address my colleagues about one of my pet peeves—the deficit spending practices of our Government.

The word "inflation" is on the tip of the tongue of every person in this country. Volumes have been written and spoken about the inflation problem but little, if anything, has been done to stop it.

I think it is long past due that the Congress be honest with itself and put the blame where it belongs—on the Congress and its apparent approval of the Government's deficit spending. The inflation is the direct result of more than 30 years of deficit spending.

The only way to begin an earnest battle against inflation is not more Government spending at the expense of increased taxes but less taxation and less Government spending.

It is a fact of life, Mr. Speaker, that there is no such thing as a free lunch either in Government or the private sector.

Our Government—with the approval of the Congress—is and has been spending $1 out of every $5 circulated in this country. That practice is not economically healthy. In fact, it is deadly.

It is not the individual earnings or the so-called tax structure causing our financial problems. The full blame must be put on the Government's policy of deficit spending. The present inflation is the price this Nation is paying for more than 30 years of unbalanced budgets. There are many Government economists who have elaborate explanations of its causes, but the explanation is very simple—for too long we have continued deficit spending, of never balancing the budget.

Yes, we can expect deficit spending during years of emergency, but our annual deficits are now greater than during wartime.

If a family or business spends more than it takes in, it soon goes broke, but the bureaucrats are trying to find a whipping boy to blame for the economic trouble—the taxpayer. I maintain that it will not work.

It is very simple to figure out that if Congress will stop deficit spending, the economy will right itself. But Congress must take the initiative.

We are obligated to every citizen and taxpayer of this country to do so. We can no longer afford, financially or morally, to continue this way. I urge every Member of the Congress to give serious thought to this problem and give it top priority in all decisionmaking. We must begin to mend our ways now—we cannot afford to wait.

HOUSE OF REPRESENTATIVES—*Thursday, November 8, 1973*

The House met at 12 o'clock noon.

The Reverend Monsignor Louis W. Albert, pastor of St. John the Evangelist Church, Silver Spring, Md., offered the following prayer:

FOR THIS DAY

Eternal God, we praise and thank You for your presence with us here and now.

From our preoccupation with fear, prejudice, and pain, we turn to You, everlasting God.

You give us life.

And beyond food to eat, water to drink, and air to breathe, You give us faith to bring us to the truth, hope to keep us going, and love to make it all worthwhile.

Create in us again this day and this hour the quality of life which is eternal, through Jesus Christ, our Lord. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate having proceeded to reconsider the joint resolution (H.J. Res. 542) entitled "Joint resolution concerning the war powers of Congress and the President," returned by the President of the United States with his objections to the House of Representatives, in which it originated, and that the said joint resolution pass, two-thirds of the Senators present having voted in the affirmative.

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

H.R. 5874. An act to establish a Federal Financing Bank, to provide for coordinated and more efficient financing of Federal and federally assisted borrowings from the public, and for other purposes.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 5874) entitled "An act to establish a Federal Financing Bank, to provide for coordinated and more efficient financing of Federal and federally assisted borrowings from the public, and

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for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. SPARKMAN, Mr. PROXMIRE, Mr. WILLIAMS, Mr. MCINTYRE, Mr. TOWER, Mr. BENNETT, and Mr. BROCK to be the conferees on the part of the Senate.

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

S. Con. Res. 55. Concurrent resolution authorizing the printing of the report of the proceedings of the 46th biennial meeting of the Convention of American Instructors of the Deaf as a Senate document.

THE REVEREND MONSIGNOR LOUIS W. ALBERT

(Mr. GUDE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GUDE. Mr. Speaker, it is my pleasure to welcome Monsignor Albert, pastor of St. John the Evangelist Church in Silver Spring, Md.

Before coming to St. John's 3 years ago, Monsignor Albert was the pastor of St. Mark's Church in Hyattsville, which he founded 17 years ago.

He was ordained in 1934 and was designated a monsignor by Pope Paul VI 2 years ago.

Monsignor Albert is a member of the diocesan board of consultors, and the priest's senate.

REQUEST FOR PERMISSION TO FILE CONFERENCE REPORT ON H.R. 8877, DEPARTMENTS OF LABOR, AND HEALTH, EDUCATION, AND WELFARE, AND RELATED AGENCIES, APPROPRIATIONS, 1974

Mr. FLOOD. Mr. Speaker, I ask unanimous consent that the managers may have until midnight tonight to file a conference report on the bill (H.R. 8877) making appropriations for the Departments of Labor, and Health, Education, and Welfare, and related agencies, for the fiscal year ending June 30, 1974, and for other purposes.

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

There was no objection.

CONFERENCE REPORT (H. REPT. NO. 93-626)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 8877) "making appropriations for the Departments of Labor, and Health, Education, and Welfare, and related agencies for the fiscal year ending June 30, 1974, and for other purposes," having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 1, 3, 8, 33, 34, 35, 38, 45, 55, 76, 77 and 78.

That the House recede from its disagreement to the amendments of the Senate numbered 2, 5, 6, 9, 13, 14, 22, 23, 36, 44, 49, 52, 53, 54, 56, 59, 60, 61, 64, 66, 69, 70, 71, 74 and 82, and agree to the same.

Amendment numbered 4: That the House recede from its disagreement to the amendment of the Senate numbered 4, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$70,408,000"; and the Senate agree to the same.

Amendment numbered 7: That the House recede from its disagreement to the amendment of the Senate numbered 7, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$815,975,000"; and the Senate agree to the same.

Amendment numbered 10: That the House recede from its disagreement to the amendment of the Senate numbered 10, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$853,280,000"; and the Senate agree to the same.

Amendment numbered 12: That the House recede from its disagreement to the amendment of the Senate numbered 12, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$134,565,000"; and the Senate agree to the same.

Amendment numbered 15: That the House recede from its disagreement to the amendment of the Senate numbered 15, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$12,000,000"; and the Senate agree to the same.

Amendment numbered 17: That the House recede from its disagreement to the amendment of the Senate numbered 17, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$551,191,500"; and the Senate agree to the same.

Amendment numbered 19: That the House recede from its disagreement to the amendment of the Senate numbered 19, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$302,915,000"; and the Senate agree to the same.

Amendment numbered 20: That the House recede from its disagreement to the amendment of the Senate numbered 20, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$45,565,500"; and the Senate agree to the same.

Amendment numbered 21: That the House recede from its disagreement to the amendment of the Senate numbered 21, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$159,447,000"; and the Senate agree to the same.

Amendment numbered 24: That the House recede from its disagreement to the amendment of the Senate numbered 24, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$176,778,000"; and the Senate agree to the same.

Amendment numbered 25: That the House recede from its disagreement to the amendment of the Senate numbered 25, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$130,254,000"; and the Senate agree to the same.

Amendment numbered 26: That the House recede from its disagreement to the amendment of the Senate numbered 26, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$41,631,000"; and the Senate agree to the same.

Amendment numbered 27: That the House recede from its disagreement to the amendment of the Senate numbered 27, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$133,472,000"; and the Senate agree to the same.

Amendment numbered 28: That the House recede from its disagreement to the amendment of the Senate numbered 28, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$710,795,000"; and the Senate agree to the same.

Amendment numbered 29: That the House recede from its disagreement to the amendment of the Senate numbered 29, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "($41,500,000)"; and the Senate agree to the same.

Amendment numbered 30: That the House recede from its disagreement to the amendment of the Senate numbered 30, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "($30,000,000)"; and the Senate agree to the same.

Amendment numbered 31: That the House recede from its disagreement to the amendment of the Senate numbered 31, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$2,121,893,000"; and the Senate agree to the same.

Amendment numbered 37: That the House recede from its disagreement to the amendment of the Senate numbered 37, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$152,404,000"; and the Senate agree to the same.

Amendment numbered 39: That the House recede from its disagreement to the amendment of the Senate numbered 39, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "($32,625,000)"; and the Senate agree to the same.

Amendment numbered 40: That the House recede from its disagreement to the amendment of the Senate numbered 40, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "($8,262,000)"; and the Senate agree to the same.

Amendment numbered 41: That the House recede from its disagreement to the amendment of the Senate numbered 41, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "($66,300,000)"; and the Senate agree to the same.

Amendment numbered 42: That the House recede from its disagreement to the amendment of the Senate numbered 42, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$614,903,000"; and the Senate agree to the same.

Amendment numbered 43: That the House recede from its disagreement to the amendment of the Senate numbered 43, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$1,889,414,000"; and the Senate agree to the same.

Amendment numbered 46: That the House recede from its disagreement to the amendment of the Senate numbered 46, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$500,000,000"; and the Senate agree to the same.

Amendment numbered 47: That the House recede from its disagreement to the amendment of the Senate numbered 47, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$488,500,000"; and the Senate agree to the same.

Amendment numbered 50: That the House recede from its disagreement to the amendment of the Senate numbered 50, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "($95,000,000)"; and the Senate agree to the same.

Amendment numbered 58: That the House recede from its disagreement to the amendment of the Senate numbered 58, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amend-

ment insert "$16,500,000"; and the Senate agree to the same.

Amendment numbered 63: That the House recede from its disagreement to the amendment of the Senate numbered 63, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$50,000,000"; and the Senate agree to the same.

Amendment numbered 65: That the House recede from its disagreement to the amendment of the Senate numbered 65, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$298,917,000"; and the Senate agree to the same.

Amendment numbered 67: That the House recede from its disagreement to the amendment of the Senate numbered 67, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$72,200,000"; and the Senate agree to the same.

Amendment numbered 72: That the House recede from its disagreement to the amendment of the Senate numbered 72, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$434,600,000"; and the Senate agree to the same.

Amendment numbered 73: That the House recede from its disagreement to the amendment of the Senate numbered 73, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$415,788,000"; and the Senate agree to the same.

Amendment numbered 80: That the House recede from its disagreement to the amendment of the Senate numbered 80, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$346,300,000"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 11, 16, 18, 32, 48, 51, 57, 62, 68, 75, 79 and 81.

DANIEL J. FLOOD,
WILLIAM H. NATCHER,
NEAL SMITH,
BOB CASEY,
EDWARD J. PATTEN,
DAVID R. OBEY,
GEORGE MAHON,
GARNER E. SHRIVER,
SILVIO O. CONTE
(except amendments No. 32 and No. 61),
Managers on the Part of the House.

WARREN G. MAGNUSON,
JOHN L. MCCLELLAN,
ALAN BIBLE,
ROBERT C. BYRD,
WILLIAM PROXMIRE,
JOSEPH M. MONTOYA,
ERNEST F. HOLLINGS,
THOMAS F. EAGLETON,
NORRIS COTTON,
MILTON R. YOUNG,
CLIFFORD P. CASE,
HIRAM L. FONG,
EDWARD W. BROOKE,
TED STEVENS,
RICHARD S. SCHWEIKER,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 8877) making appropriations for the Departments of Labor, and Health, Education, and Welfare, and related agencies for the fiscal year ending June 30, 1974, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

Amendment No. 1: The following provision in the opening paragraph of the Senate bill, "and shall be made available for expenditure except as specifically provided by law" was not agreed to by the conferees because it was deemed to be an unnecessary restatement of existing provisions of law. It was therefore deleted without prejudice.

The conferees draw attention to the comments on pages 5 and 6 of the Senate Committee report concerning the provisions of 31 U.S. Code 701(a)(2) and P.L. 93-52.

TITLE I—DEPARTMENT OF LABOR

Manpower Administration

Amendment No. 2: Deletes appropriation of $41,032,000 for "Salaries and expenses", proposed by the House.

Amendment No. 3: Deletes appropriation of $40,000,000 for "Manpower training services" proposed by the Senate.

The conferees are agreed that funds for carrying out Title IX of the Older Americans Act and for salaries and expenses of the Manpower Administration will be considered at a later date in connection with appropriations for the manpower training programs.

Occupational Safety and Health Administration

Amendment No. 4: Appropriates $70,408,000 for "Salaries and expenses" instead of $69,318,000 as proposed by the House and $73,400,000 as proposed by the Senate. This amount provides for support of a total of 800 positions for compliance inspection, instead of 691 provided by the House and 1,100 provided by the Senate.

Departmental Management

Amendments Nos. 5 and 6: Appropriate $23,322,000 for "Salaries and expenses" as proposed by the Senate instead of $23,225,000 as proposed by the House and provide that $941,000 shall be available for the President's Committee on Employment of the Handicapped, as proposed by the Senate instead of $844,000 as proposed by the House.

TITLE II—DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Health Services and Mental Health Administration

Amendments Nos. 7 and 8: Appropriate $815,975,000 for "Mental health" instead of $795,475,000 as proposed by the House and $845,475,000 as proposed by the Senate and provide that $15,000,000 shall remain available until June 30, 1975, for grants pursuant to Part A of the Community Mental Health Centers Act as proposed by the House, instead of $20,000,000 as proposed by the Senate.

The conferees are agreed that the amount in excess of the House bill is for alcoholism programs and includes $2,500,000 for training, $10,000,000 for project grants, and $8,000,000 for grants to States .

Amendment No. 9: Adjusts legal citation pertaining to "Health services planning and development" as proposed by the Senate.

Amendment No. 10: Appropriates $853,280,000 for "Health services delivery" instead of $832,030,000 as proposed by the House and $875,380,000 as proposed by the Senate. The conferees are agreed that the total appropriation includes $92,273,000 for project grants and $125,678,000 for grants to States for maternal and child health under Title V of the Social Security Act. The House bill included no funds for project grants and $217,951,000 for grants to States, and the Senate bill included $94,273,000 for project grants and $125,678,000 for grants to States. The amount in excess of the House bill includes $1,250,000 for migrant health grants, $2,000,000 for the National Health Service Corps, $3,000,000 for operation of the Public Health Service hospitals and clinics, and $15,000,000 for modernization of the hospitals. The conferees agreed to delete the $2,000,000 added by the Senate for pediatric pulmonary centers with the understanding that these centers will be funded at this level within the amount provided in the bill for the regional medical programs.

Amendment No. 11: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment which will provide that $15,000,000 of the amounts appropriated for the Public Health Service hospitals shall remain available until expended, instead of $25,000,000 as proposed by the Senate. The managers on the part of the Senate will move to agree to the amendment of the House to the amendment of the Senate. The conferees are agreed that no funds are to be used for the purpose of closing the Public Health Service hospitals.

Amendment No. 12: Appropriates $134,565,000 for "Preventive health services" instead of $127,080,000 as proposed by the House and $141,780,000 as proposed by the Senate. The conferees are agreed that the amount in excess of the House bill includes $585,000 for vaccination assistance, $200,000 for laboratory improvement, $900,000 for rodent control, $800,000 for the Arctic Health Research Center, and $5,000,000 for the construction, purchase and operation of fixed sites and mobile clinical facilities for the analysis, examination, and treatment of respiratory and pulmonary impairments in active and inactive coal miners.

Amendment No. 13: Appropriates $19,335,000 for "National health statistics" as proposed by the Senate instead of $22,821,000 as proposed by the House.

Amendment No. 14: Adjusts appropriation language for "Retirement pay and medical benefits for commissioned officers" as proposed by the Senate.

Amendment No. 15: Appropriates $12,000,000 for "Office of the Administrator" instead of $14,304,000 as proposed by the House and $7,304,000 as proposed by the Senate.

National Institutes of Health

The bill includes a total of $1,813,900,000 for the research institutes and divisions of the National Institutes of Health. These appropriations are covered by Amendments Nos. 16 through 27. This compares with the 1973 appropriation of $1,721,841,000, the 1973 operating level of $1,486,731,000, the budget estimate for 1974 of $1,531,776,000, the House bill of $1,741,271,000, and the Senate bill of $1,882,031,000. The conferees are agreed that, in general, the earmarkings included in the Senate Committee report should be used as a guideline in allocating the increases over the amounts proposed by the House, except in those instances where more specific instructions are contained in this statement.

Amendment No. 16: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment which will provide that $25,000,000 of the appropriation for "National Cancer Institute" shall remain available until June 30, 1975, instead of $50,000,000 as proposed by the Senate. The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendment No. 17: Appropriates $551,191,500 for "National Cancer Institute" instead of $522,383,000 as proposed by the House and $580,000,000 as proposed by the Senate.

Amendment No. 18: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate, which earmarks $4,500,000 of the amount appropriated for "National Cancer Institute" for the Norris Cotton Cancer Center.

Amendment No. 19: Appropriates $302,915,000 for "National Heart and Lung Institute" instead of $281,415,000 as proposed by the House and $320,000,000 as proposed by the Senate. The conferees are agreed that the increase over the amount proposed by the House includes $10 million for demonstrations of emergency medical care and that special emphasis should be given to high blood pressure and hypertension control pro-

grams in the allocation of the remainder of the increase.

Amendment No. 20: Appropriates $45,565,500 for "National Institute of Dental Research" instead of $44,131,000 as proposed by the House and $47,000,000 as proposed by the Senate.

Amendment No. 21: Appropriates $159,447,000 for "National Institute of Arthritis, Metabolism and Digestive Diseases" instead of $155,894,000 as proposed by the House and $163,000,000 as proposed by the Senate.

The conferees are aware that diabetes is a prime example of a disease which affects the work of many of the Institutes. It may afflict the eyes, heart, brain, and muscular structure. The conferees urge the NIH to establish mechanisms to assure a coordinated program of research by the Institutes concerned with the various aspects of diabetes.

Amendment No. 22: Appropriates $125,000,000 for "National Institute of Neurological Diseases and Stroke" as proposed by the Senate instead of $120,073,000 as proposed by the House.

Amendment No. 23: Appropriates $114,000,000 for "National Institute of Allergy and Infectious Diseases" as proposed by the Senate instead of $112,744,000 as proposed by the House.

Amendment No. 24: Appropriates $176,778,000 for "National Institute of General Medical Sciences" instead of $175,778,000 as proposed by the House and $183,500,000 as proposed by the Senate. The conferees are agreed that the increase over the amount proposed by the House shall be used for biomedical engineering and pathology centers. The conferees are also agreed that the MARC (Minority Access to Research Careers) program should be continued and expanded.

Amendment No. 25: Appropriates $130,254,000 for "National Institute of Child Health and Human Development" instead of $125,254,000 as proposed by the House and $135,254,000 as proposed by the Senate.

Amendment No. 26: Appropriates $41,631,000 for "National Eye Institute" instead of $36,631,000 as proposed by the House and $46,631,000 as proposed by the Senate. The conferees are agreed that in the allocation of the increase over the amount proposed by the House, special attention should be given to diabetic retinopathy and macular degeneration including central serous retinopathy.

Amendment No. 27: Appropriates $133,472,000 for "Research resources" instead of $133,322,000 as proposed by the House and $134,000,000 as proposed by the Senate. The conferees are agreed that the increase over the amount proposed by the House is to be used for the support of the primate colony at Holloman Air Force Base.

Amendment No. 28: Appropriates $710,795,000 for "Health manpower" instead of $706,841,000 as proposed by the House and $731,916,000 as proposed by the Senate. The conferees are agreed that the increase over the amount proposed by the House includes $500,000 for special project support of the Dartmouth Medical School, $2,000,000 for physician shortage area scholarships, $680,000 for family practice of medicine programs to provide a total of $10,000,000 for these programs, $2,350,000 for capitation grants for schools of nursing, $1,000,000 for nursing scholarships, and $2,200,000 for nurse traineeships. The conferees have also agreed to the Senate reduction of $4,776,000 in the amount proposed by the House for program direction.

Office of Education

Amendments Nos. 29, 30, and 31: Appropriate $2,121,893,000 for "Elementary and secondary education" instead of $2,105,393,000 as proposed by the House and $2,139,893,000 as proposed by the Senate; provide that $41,500,000 shall be for carrying out Title V, parts A and C of the Elementary and Secondary Education Act, instead of $38,000,000 as proposed by the House and $45,000,000 as proposed by the Senate; and provide that $30,000,000 shall be for carrying out Title III–A of the National Defense Education Act of 1958, instead of $25,000,000 as proposed by the House and $42,500,000 as proposed by the Senate. The conferees are agreed that the increase over the amount proposed by the House includes $8,000,000 for bilingual education programs, $5,000,000 for school equipment, and $3,500,000 for strengthening State departments of education.

Amendment No. 32: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment which will provide that the aggregate amounts made available to each State under Title I–A of the Elementary and Secondary Education Act for grants to local educational agencies within that State shall not be less than 90 per centum of such amounts as were made available for that purpose for fiscal year 1972, and the amount made available to each local educational agency under said Title I–A shall not be less than 90 per centum nor more than 115 per centum of the amount made available for that purpose for fiscal year 1973.

The House bill provided that the aggregate amounts made available to each State under Title I–A for grants to local education agencies within that State shall not be less than such amounts as were made available for that purpose for fiscal year 1972, and the Senate bill provided that the amounts made available to each State and local education agency under Title I–A for grants to local education agencies within that State shall not be less than 90 per centum nor more than 110 per centum of such amounts as were made available for that purpose for fiscal year 1972. The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees agree that this should only be looked upon as an interim solution to a very complex problem. Deficiencies in the present formula under which eligibility is determined must be corrected. The managers are aware that new legislation is currently being developed in the authorizing committees, and urge early appropriate action.

Amendments Nos. 33, 34, 35 and 36: Appropriate $610,000,000 for "School assistance in federally affected areas" as proposed by the House instead of $633,800,000 as proposed by the Senate; provide that $591,000,000 shall be for maintenance and operation of schools, as proposed by the House, instead of $614,800,000 as proposed by the Senate; that payments pursuant to Section 3(b) shall not exceed 68% of entitlement as proposed by the House instead of 73% as proposed by the Senate; and that not more than 50% of the amounts provided for school facilities shall be used for Section 5 of the Act, as proposed by the Senate, instead of 65% as proposed by the House.

Amendment No. 37: Appropriates $152,404,000 for "Education for the handicapped" instead of $143,609,000 as proposed by the House and $159,069,000 as proposed by the Senate.

The increase over the amount proposed by the House includes $4,795,000 for centers for deaf-blind children, and $4,000,000 for the training of teachers for the handicapped.

Amendments Nos. 38, 39, 40, 41, and 42: Appropriate $614,903,000 for "Occupational, Vocational, and Adult Education" instead of $600,641,000 as proposed by the House and $651,558,000 as proposed by the Senate, including $444,682,000 for parts B and C of the Vocational Education Act of 1963, as proposed by the House instead of $468,000,000 as proposed by the Senate; $32,625,000 for consumer and homemaking programs under part F, instead of $25,625,000 as proposed by the House and $40,000,000 as proposed by the Senate; $8,262,000 for work-study programs under part H, instead of $6,000,000 as proposed by the House and $10,524,000 as proposed by the Senate; and $66,300,000 for the Adult Education Act of 1966, instead of $61,300,000 as proposed by the House and $70,000,000 as proposed by the Senate.

Amendments Nos. 43, 44, 45, 46, and 47: Appropriate $1,889,414,000 for "Higher education" instead of $1,808,914,000 as proposed by the House and $2,025,914,000 as proposed by the Senate; provide that $210,300,000 for supplemental education opportunity grants shall remain available through June 30, 1975, as proposed by the Senate; earmark $25,000,000 for veterans cost-of-instruction payments as proposed by the House, instead of $50,000,000 as proposed by the Senate; and earmark $500,000,000 for basic opportunity grants instead of $440,500,000 as proposed by the House and $600,000,000 as proposed by the Senate, of which $488,500,000 shall remain available through June 30, 1976, instead of $429,000,000 as proposed by the House and $588,500,000 as proposed by the Senate. The conferees are agreed that the increase over the amount proposed by the House includes $59,500,000 for basic opportunity grants, $20,000,000 for State student incentive grants, and $1,000,000 for foreign language and area studies.

Amendment No. 48: Reported in technical disagreement. The managers on the part of the House will move to recede and concur in the Senate amendment, which provides that amounts for basic opportunity grants shall be available only for full-time students at institutions of higher education who were not enrolled as regular students at such institutions prior to April 1, 1973.

Amendment No. 49: Deletes citation of Title II of the Library Services and Construction Act, as proposed by the Senate.

Amendment No. 50: Earmarks $95,000,000 of the amount appropriated for "Library resources" for Title II of the Elementary and Secondary Education Act instead of $90,000,000 as proposed by the House and $100,000,000 as proposed by the Senate.

Amendment No. 51: Reported in technical disagreement. The managers on the part of the House will move to recede and concur in the amendment of the Senate with an amendment which will appropriate $171,709,000 for "Library resources" instead of $176,209,000 as proposed by the House and $176,709,000 as proposed by the Senate, and delete language proposed by the House, which would have provided $9,500,000 for public library construction, to remain available through June 30, 1975. The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendments Nos. 52, 53, 54, 55, and 56: Insert citation of Title IX of the Elementary and Secondary Education Act, as proposed by the Senate, and earmark $48,660,000 of the appropriation for "Educational development" for part D of the Education Professions Development Act, as proposed by the Senate, instead of $53,660,000 as proposed by the House, $2,100,000 for part E as proposed by the House instead of $5,100,000 as proposed by the Senate, and $11,860,000 for part F, as proposed by the Senate, instead of $6,900,000 as proposed by the House.

Amendment No. 57: Reported in technical disagreement. The managers on the part of the House will move to recede and concur in the Senate amendment with an amendment which will appropriate $157,170,000 for "Educational development" instead of $161,110,000 as proposed by the House, and $163,670,000 as proposed by the Senate. The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate. The following table sets forth the conference agreement and other pertinent statistics:

EDUCATIONAL DEVELOPMENT

[Dollars in thousands]

Activity	1973 appropriation	1973 operating level	1974 budget request	1974 House allowance	1974 Senate allowance	1974 conference agreement
Education professions development:						
(a) Teacher corps	$37,500	$37,500	$37,500	$37,500	$37,500	$37,500
(b) Long-term training	5,930	5,930				
(c) Elementary and secondary development	54,660	54,660	30,875	53,660	48,660	48,660
(d) Vocational education	11,860	11,860		6,900	11,860	11,860
(e) New careers in education	500	500		300	300	300
(f) Higher education	8,000	8,000	2,100	2,100	5,100	2,100
Subtotal	118,450	118,450	70,475	100,460	103,420	100,420
National priority programs:						
(a) Educational technology demonstrations:						
(1) Educational broadcasting facilities	13,000	13,000	13,000	13,000	20,000	16,500
(2) Sesame Street-Electric Company	7,000	6,000	3,000	3,000	5,000	3,000
(b) Drug abuse education	12,400	12,400	3,000	12,400	3,000	6,000
(c) Right to read	12,000	12,000	12,000	12,000	12,000	12,000
(d) Environmental education	4,000	3,180		4,000	2,000	2,000
(e) Nutrition and health	2,500	2,000		2,000	2,000	2,000
(f) Dropout prevention	10,000	8,500	4,000	4,000	4,000	4,000
(g) Ethnic heritage studies					5,000	2,500
Subtotal	60,900	57,080	35,000	50,400	53,000	48,000
Data systems improvement:						
(a) Educational statistics:						
(1) Surveys and special studies	$6,900	$4,250	$7,400	$4,250	$4,250	$4,250
(2) Common core of data			500			
Subtotal	6,900	4,250	7,900	4,250	4,250	4,250
(b) National achievement study	7,000	6,000	7,000	6,000	3,000	4,500
Total	193,250	185,780	120,375	161,110	163,670	157,170

Amendment No. 58: Provides that $16,500,000 of the appropriation for "Educational development" shall be for educational broadcasting facilities instead of $13,000,000 as proposed by the House and $20,000,000 as proposed by the Senate.

Amendment No. 59: Appropriates $1,000,000 for "Educational activities overseas (special foreign currency program)" as proposed by the Senate instead of $2,000,000 as proposed by the House.

Amendment No. 60: Appropriates $86,747,000 for "Salaries and expenses" as proposed by the Senate instead of $83,118,000 as proposed by the House.

National Institute of Education

Amendment No. 61: Appropriates $75,000,000 for "National Institute of Education" as proposed by the Senate instead of $142,671,000 as proposed by the House.

Social and Rehabilitation Service

Amendment No. 62: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment which will appropriate $12,853,279,000 for "Grants to States for Public Assistance" instead of $12,891,048,000 as proposed by the House and $12,864,279,000 as proposed by the Senate. The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate. The conferees are agreed that the change from the amount proposed by the House includes a reduction of $41,769,000 for maintenance assistance and an increase of $4,000,000 for child welfare services.

Amendment No. 63: Earmarks $50,000,000 for child welfare services instead of $46,000,000 as proposed by the House and $61,000,000 as proposed by the Senate.

Amendment No. 64: Appropriates $340,443,000 for "Work incentives" as proposed by the Senate instead of $384,434,000 as proposed by the House.

Amendment No. 65: Appropriates $298,917,000 for "Social and rehabilitation services" instead of $291,717,000 as proposed by the House and $307,217,000 as proposed by the Senate. The conferees are agreed that the increase over the amount proposed by the House includes $5,200,000 for nutrition programs for the elderly, and $2,000,000 for training programs in the field of aging.

Amendment No. 66: Deletes appropriation of $2,000,000 proposed by the House for "Research and training activities overseas (special foreign currency program)".

Amendment No. 67: Appropriates $72,200,000 for "Salaries and expenses" instead of $78,800,000 as proposed by the House and $70,000,000 as proposed by the Senate. The conferees are agreed that the increase of $2,200,000 over the amount proposed by the Senate may be used to support up to 200 of the 725 additional positions proposed in the budget and the House bill.

Social Security Administration

Amendment No. 68: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment, which permits an agreement between the United States and the United Kingdom relating to the administration of the social insurance programs of the two countries.

Special Institutions

Amendment No. 69: Appropriates $3,975,000 for "Model Secondary School for the Deaf" as proposed by the Senate instead of $3,962,000 as proposed by the House.

Amendment No. 70: Appropriates $10,599,000 for "Gallaudet College" as proposed by the Senate instead of $10,492,000 as proposed by the House.

Amendment No. 71: Appropriates $58,784,000 for "Howard University" as proposed by the Senate instead of $57,873,000 as proposed by the House.

Office of Child Development

Amendments Nos. 72 and 73: Appropriate $434,600,000 for "Child development" instead of $419,100,000 as proposed by the House and $450,100,000 as proposed by the Senate, and earmark $415,788,000 for Head Start instead of $400,288,000 as proposed by the House and $431,288,000 as proposed by the Senate.

Office of the Secretary

Amendment No. 74: Appropriates $107,898,000 for "Departmental management" as proposed by the Senate, instead of $120,198,000 as proposed by the House.

Amendment No. 75: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment, which provides that not to exceed $10,000,000 may be transferred to the appropriation for "Departmental management" as reimbursement for reductions in funds for public affairs activities. The conferees will expect that the Department will consult with appropriate congressional committees prior to discontinuing any publications.

General Provisions

Amendment No. 76: Deletes Section 210 proposed by the Senate which would have provided for a contract with the District of Columbia to continue the Upward Mobility College. The General Accounting Office originally ruled that existing law prohibits contracts between the Federal Government and the D.C. Government; however, it later made an exception to permit the Upward Mobility program to continue for one more year, with the expectation that a change in the D.C. law would be sought. The problem addressed by the Senate language no longer exists for fiscal year 1974 and, therefore, the Senate language has been deleted without prejudice.

Amendment No. 77: Deletes Section 211 proposed by the Senate which would have prohibited the use of funds for appropriations other than the appropriation for "Departmental management" to support the activities of "Departmental management" and would have provided that no funds contained in the appropriation for "Departmental management" may be used to support Federal positions in excess of the aggregate number of such positions authorized in the bill.

Amendment No. 78: Deletes Section 212 proposed by the Senate which would have prohibited the use of funds to pay compensation of persons in any of the Department's regional offices for carrying out duties of the Office of Education carried out in Washington, D.C. prior to June 1, 1973, unless prior approval is obtained from Congressional committees. The Senate amendment reflected concern about the Office of Education's actions in "regionalizing" the administration of education programs and restricted the payment of salaries to persons employed in carrying out regionalization plans. The conferees have determined that, at this time, barring the payment of such salaries is not an appropriate mechanism for countering massive regionalization and reorganizations which have not been discussed in advance with Congress. However, the Office of Education should take note of these concerns and refrain from regionalizing or reorganizing the administration of education programs without prior consultation with both the authorization and appropriation committees of both houses of Congress.

TITLE III—RELATED AGENCIES

Corporation for Public Broadcasting

Amendment No. 79: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment which will appropriate $50,000,000 for "Payment to the Corporation for Public Broadcasting" instead of $55,000,000 proposed by the Senate. The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Office of Economic Opportunity

Amendment No. 80: Appropriates $346,300,000 for "Economic opportunity program" instead of $333,800,000 as proposed by the House and $358,800,000 as proposed by the Senate.

Given the role of OEO as an experimental and demonstration agency for developing innovative approaches to solving the problems of poverty and recognizing that no Sec. 232 R&D monies are appropriated, the conference would call the Director's attention to his flexibility under Sec. 616 for these purposes.

TITLE IV—GENERAL PROVISIONS

Amendment No. 81: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment which inserts Section 409 providing that funds for payment of consultants shall not exceed the fiscal year 1973 level and requires a semi-annual report on payments to consultants in excess of $25,000.

Amendment No. 82: Inserts Section 410 proposed by the Senate to prohibit the use of funds for publicity or propaganda to influence legislation pending before Congress except in presentation to Congress itself.

CONFERENCE TOTAL—WITH COMPARISONS

The total new budget (obligational) authority for the fiscal year 1974 recommended by the Committee of Conference, with comparisons to the fiscal year 1973 amount, the 1974 budget estimate, and the House and Senate bills follows:

New budget (obligational) authority, fiscal year 1973	$33,639,371,260
Budget estimates of new (obligational) authority, fiscal year 1974	31,549,953,000
House bill, fiscal year 1974	32,816,467,000
Senate bill, fiscal year 1974	33,396,379,000
Conference agreement	32,926,796,000
Conference agreement compared with:	
New budget (obligational) authority, fiscal year 1973	−712,575,260
Budget estimates of new (obligational) authority, fiscal year 1974	+1,376,843,000
House bill, fiscal year 1974	+110,329,000
Senate bill, fiscal year 1974	−469,583,000

DANIEL J. FLOOD,
WILLIAM H. NATCHER,
NEAL SMITH,
BOB CASEY,
EDWARD J. PATTEN,
DAVID R. OBEY,
GEORGE MAHON,
GARNER E. SHRIVER,
SILVIO O. CONTE
(except amendments No. 32 and No. 61),
Managers on the Part of the House.

WARREN G. MAGNUSON,
JOHN L. MCCLELLAN,
ALAN BIBLE,
ROBERT C. BYRD,
WILLIAM PROXMIRE,
JOSEPH M. MONTOYA,
ERNEST F. HOLLINGS,
THOMAS F. EAGLETON,
NORRIS COTTON,
MILTON R. YOUNG,
CLIFFORD P. CASE,
HIRAM L. FONG,
EDWARD W. BROOKE,
TED STEVENS,
RICHARD S. SCHWEIKER,
Managers on the Part of the Senate.

REQUEST FOR PERMISSION TO FILE CONFERENCE REPORT ON H.R. 8916, DEPARTMENTS OF STATE, JUSTICE, AND COMMERCE, THE JUDICIARY, AND RELATED AGENCIES, APPROPRIATIONS, 1974

Mr. SLACK. Mr. Speaker, I ask unanimous consent that the managers on the part of the House may have until midnight tonight to file a conference report on the bill (H.R. 8916) making appropriations for the Departments of State, Justice, and Commerce, the Judiciary and related agencies for the fiscal year ending June 30, 1974.

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

There was no objection.

CONFERENCE REPORT (H. REPT. 93-625)

The Committee of Conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 8916) "making appropriations for the Departments of State, Justice, and Commerce, the Judiciary, and related agencies for the fiscal year ending June 30, 1974, and for other purposes," having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 1, 7, 14, 15, 19, 20, 21, 38, 47, and 49.

That the House recede from its disagreement to the amendments of the Senate numbered 2, 4, 6, 12, 13, 16, 17, 18, 22, 23, 25, 28, 29, 31, 32, 33, 34, 35, 43, and 54, and agree to the same.

Amendment numbered 3: That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$1,200,000"; and the Senate agree to the same.

Amendment numbered 5: That the House recede from its disagreement to the amendment of the Senate numbered 5, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$200,000,000"; and the Senate agree to the same.

Amendment numbered 8: That the House recede from its disagreement to the amendment of the Senate numbered 8, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$1,700,000"; and the Senate agree to the same.

Amendment numbered 9: That the House recede from its disagreement to the amendment of the Senate numbered 9, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$49,800,000"; and the Senate agree to the same.

Amendment numbered 10: That the House recede from its disagreement to the amendment of the Senate numbered 10, and agree to the same with an amendment, as follows: Restore the matter stricken by said amendment, amended to read as follows: "of which not less than $2,000,000 shall be used for payment in foreign currencies which the Treasury Department determines to be excess to the normal requirements of the United States"; and the Senate agree to the same.

Amendment numbered 11: That the House recede from its disagreement to the amendment of the Senate numbered 11, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$6,700,000"; and the Senate agree to the same.

Amendment numbered 36: That the House recede from its disagreement to the amendment of the Senate numbered 36, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$341,642,000"; and the Senate agree to the same.

Amendment numbered 40: That the House recede from its disagreement to the amendment of the Senate numbered 40, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$83,450,000"; and the Senate agree to the same.

Amendment numbered 41: That the House recede from its disagreement to the amendment of the Senate numbered 41, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$16,500,000"; and the Senate agree to the same.

Amendment numbered 42: That the House recede from its disagreement to the amendment of the Senate numbered 42, and agree to the same with an amendment, as follows: In lieu of the sum named in said amendment insert "$1,000,000"; and the Senate agree to the same.

Amendment numbered 44: That the House recede from its disagreement to the amendment of the Senate numbered 44, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$7,735,000"; and the Senate agree to the same.

Amendment numbered 45: That the House recede from its disagreement to the amendment of the Senate numbered 45, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$5,700,000"; and the Senate agree to the same.

Amendment numbered 48: That the House recede from its disagreement to the amendment of the Senate numbered 48, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$43,000,000"; and the Senate agree to the same.

Amendment numbered 51: That the House recede from its disagreement to the amendment of the Senate numbered 51, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$7,100,000"; and the Senate agree to the same.

Amendment numbered 52: That the House recede from its disagreement to the amendment of the Senate numbered 52, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$196,000,000"; and the Senate agree to the same.

Amendment numbered 53: That the House recede from its disagreement to the amendment of the Senate numbered 53, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$6,000,000"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 24, 26, 27, 30, 37, 39, 46, and 50.

JOHN J. ROONEY,
JOHN M. SLACK,
NEAL SMITH,
JOHN J. FLYNT, JR.
(except as to Nos. 5, 45, and 48),
ROBERT L. F. SIKES
(except as to Nos. 5, 45, and 48),
GEORGE MAHON,
E. A. CEDERBERG,
MARK ANDREWS,
WENDELL WYATT,
Managers on the Part of the House.

JOHN O. PASTORE,
JOHN L. MCCLELLAN,
MIKE MANSFIELD,
ERNEST F. HOLLINGS,
WARREN G. MAGNUSON,
THOMAS F. EAGLETON,
J. W. FULBRIGHT,
ROMAN L. HRUSKA,
HIRAM L. FONG,
EDWARD W. BROOKE,
NORRIS COTTON,
MILTON R. YOUNG,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the Bill (H.R. 8916) making appropriations for the Departments of State, Justice, and Commerce, the Judiciary, and related agencies for the fiscal year ending June 30, 1974, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

Amendment No. 1: The following provision in the opening paragraph of the Senate bill, "and shall be made available for expenditure except as specifically provided by law" was not agreed to by the conferees because it was deemed to be an unnecessary restatement of existing provisions of law. It was therefore deleted without prejudice.

TITLE I—DEPARTMENT OF STATE

Administration of Foreign Affairs

Salaries and Expenses

Amendment No. 2: Appropriates $302,800,000 as proposed by the Senate instead of $282,500,000 as proposed by the House.

Representation Allowances

Amendment No. 3: Appropriates $1,200,000 instead of $1,125,000 as proposed by the House and $1,263,000 as proposed by the Senate.

Acquisition, Operation, and Maintenance of Buildings Abroad

(Special Foreign Currency Program)

Amendment No. 4: Appropriates $5,138,000 as proposed by the Senate instead of $5,038,000 as proposed by the House.

International Organizations and Conferences

Contributions to International Organizations

Amendment No. 5: Appropriates $200,000,000 instead of $202,287,000 as proposed by the House and $185,357,750 as proposed by the Senate. The reduction of $2,287,000 from the budget request shall be applied to the contribution to the International Labor Organization.

Missions to International Organizations

Amendment No. 6: Appropriates $5,725,000 as proposed by the Senate instead of $5,525,000 as proposed by the House.

International Conferences and Contingencies

Amendment No. 7: Appropriates $4,500,000 as proposed by the House instead of $4,800,000 as proposed by the Senate.

International Trade Negotiations

Amendment No. 8: Appropriates $1,700,000 instead of $1,500,000 as proposed by the House and $1,743,000 as proposed by the Senate.

Educational Exchange

Mutual Educational and Cultural Exchange Activities

Amendment No. 9: Appropriates $49,800,000 instead of $47,800,000 as proposed by the House and $51,800,000 as proposed by the Senate.

Amendment No. 10: Provides that not less than $2,000,000 shall be used for payments in excess foreign currencies instead of $2,500,000 as proposed by the House.

Center for Cultural and Technical Interchange Between East and West

Amendment No. 11: Appropriates $6,700,000 instead of $6,500,000 as proposed by the House and $6,860,000 as proposed by the Senate.

Other

Payment to International Center, Washington, District of Columbia

Amendment No. 12: Appropriates $2,200,000 as proposed by the Senate.

Payment to the Republic of Panama

Amendment No. 13: Deletes provision in the bill as passed the House making availability of funds contingent upon enactment of authorizing legislation.

General provisions—Department of State

Amendment No. 14: Deletes Senate provision making availability of funds in title I contingent upon the enactment of authorizing legislation.

Amendment No. 15: The language of the Senate was deleted without prejudice.

TITLE II—DEPARTMENT OF JUSTICE

Legal Activities and General Administration

Salaries and expenses, General Administration

Amendment No. 16: Appropriates $15,834,000 as proposed by the Senate instead of $19,100,000 as proposed by the House.

Amendment No. 17: Provides $2,800,000 for the Watergate Special Prosecution Force as proposed by the Senate.

Salaries and Expenses, General Legal Activities

Amendment No. 18: Appropriates $50,111,000 as proposed by the Senate instead of $47,200,000 as proposed by the House.

Salaries and Expenses, Antitrust Division

Amendment No. 19: Appropriates $13,019,000 as proposed by the House instead of $14,019,000 as proposed by the Senate.

Salaries and Expenses, Community Relations Service

Amendment No. 20: Appropriates $2,818,000 as proposed by the House instead of $3,818,000 as proposed by the Senate.

Federal Bureau of Investigation

Salaries and Expenses

Amendment No. 21: Deletes Senate provision relating to exchange of identification records inasmuch as the language contained in Public Law 92-544 is still in effect. The Conferees understand that this matter is before the Judiciary Committees of the House and the Senate and urge expeditious consideration thereof.

Immigration and Naturalization Service

Salaries and expenses

Amendment No. 22: Deletes language in the bill as passed the House relating to detention of alien enemies.

Law Enforcement Assistance Administration

Salaries and Expenses

Amendment No. 23: Appropriates $870,675,000 as proposed by the Senate instead of $866,000,000 as proposed by the House.

Drug Enforcement Administration

Salaries and Expenses

Amendment No. 24: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate appropriating $107,230,000.

Bureau of Narcotics and Dangerous Drugs

Salaries and Expenses

Amendment No. 25: Deletes entire paragraph as proposed by Senate due to reorganization plan.

General Provisions—Department of Justice

Amendment No. 26: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which places a dollar ceiling on reimbursement by the District of Columbia to the United States of expenditures for the offices of the U.S. attorney and the U.S. marshal for the District of Columbia.

TITLE III—DEPARTMENT OF COMMERCE

General Administration

Administration of Economic Development Assistance Programs

Amendment No. 27: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate appropriating $19,000,000.

Social and Economic Statistics Administration

Periodic Censuses and Programs

Amendment No. 28: Appropriates $17,800,000 as proposed by the Senate instead of $14,800,000 as proposed by the House.

Consideration should be given by the Office of Management and Budget to placing future requests for appropriations for special information and censuses in the budget of the Department or Agency requesting the information such as the Department of the Treasury and the Department of Agriculture.

Economic Development Administration

Amendment No. 29: Inserts heading.

Development Facilities

Amendment No. 30: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment appropriating $159,000,000 and deleting the following proviso: "*Provided further*, That none of the above amounts shall be subject to the restrictions of the last sentence of section 105 of the Public Works and Economic Development Act of 1965, as amended".

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Industrial Development Loans and Guarantees

Amendment No. 31: Appropriates $5,000,000 as proposed by the Senate.

Planning, Technical Assistance, and Research

Amendment No. 32: Appropriates $20,000,000 as proposed by the Senate.

Regional Action Planning Commissions

Regional Development Programs

Amendment No. 33: Appropriates $42,000,000 as proposed by the Senate.

Domestic and International Business Administration

Salaries and Expenses

Amendment No. 34: Appropriates $49,000,000 as proposed by the Senate instead of $48,500,000 as proposed by the House.

Amendment No. 35: Provides that $15,212,000 shall remain available for international business activities until June 30, 1975 as proposed by the Senate instead of $15,033,000 as proposed by the House.

National Oceanic and Atmospheric Administration

Operations, Research, and Facilities

Amendment No. 36: Appropriates $341,642,000 instead of $340,368,000 as proposed by the House and $342,916,000 as proposed by the Senate.

Coastal Zone Management

Amendment No. 37: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment appropriating $12,000,000 instead of $15,000,000 as proposed by the Senate.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Science and Technology

Scientific and Technical Research and Services

Amendment No. 38: Deletes language as proposed by the Senate placing a limitation on the funds available for direct support of the Office of Telecommunications Policy. The conferees are agreed that all the funds for that Office should be budgeted in one item.

TITLE IV—THE JUDICIARY

Supreme Court of the United States

Care of the Building and Grounds

Amendment No. 39: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate providing that not to exceed $75,000 of fiscal year 1973 funds continue available until June 30, 1974.

Courts of Appeals, District Courts, and Other Judicial Services

Salaries of Supporting Personnel

Amendment No. 40: Appropriates $83,450,000 instead of $83,372,000 as proposed by the House and $83,522,000 as proposed by the Senate.

Representation by Court-Appointed Counsel and Operation of Defender Organizations

Amendment No. 41: Appropriates $16,500,000 instead of $15,500,000 as proposed by the House and $17,500,000 as proposed by the Senate.

Amendment No. 42: Provides that not to exceed $1,000,000 of the funds contained in this title shall be available for compensation and reimbursement of expenses of attorneys appointed by judges of the District of Columbia Court of Appeals or by judges of the Superior Court of the District of Columbia instead of $2,000,000 as proposed by the Senate. The conferees are agreed that any subsequent funding for this purpose shall be by the District of Columbia.

TITLE V—RELATED AGENCIES

American Battle Monuments Commission

Salaries and Expenses

Amendment No. 43: Corrects printing error.

Arms Control and Disarmament Agency

Arms Control and Disarmament Activities

Amendment No. 44: Appropriates $7,735,000 instead of $6,935,000 as proposed by the House and $7,935,000 as proposed by the Senate.

Commission on Civil Rights

Salaries and Expenses

Amendment No. 45: Appropriates $5,700,000 instead of $5,566,000 as proposed by the House and $5,814,000 as proposed by the Senate.

Commission on the Organization of the Government for the Conduct of Foreign Policy

Salaries and Expenses

Amendment No. 46: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment appropriating $1,050,000 instead of $1,100,000 as proposed by the Senate. The House amendment will also delete language of the Senate providing not to exceed $6,000 for official reception and representation expenses.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Equal Employment Opportunity Commission

Salaries and Expenses

Amendment No. 47: Provides not to exceed $1,700,000 for payments to State and local agencies as proposed by the House instead of $4,600,000 as proposed by the Senate.

Amendment No. 48: Appropriates $43,000,000 instead of $40,000,000 as proposed by the House and $46,934,000 as proposed by the Senate.

Marine Mammal Commission

Salaries and Expenses

Amendment No. 49: Appropriates $412,000 as proposed by the House instead of $825,000 as proposed by the Senate.

Amendment No. 50: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate providing that not to exceed $1,725 shall be available for expenses incurred in fiscal year 1973.

Tariff Commission

Salaries and Expenses

Amendment No. 51: Appropriates $7,100,000 instead of $7,000,000 as proposed by the House and $7,300,000 as proposed by the Senate.

United States Information Agency

Salaries and expenses

Amendment No. 52: Appropriates $196,000,000 instead of $202,000,000 as proposed by the House and $190,077,500 as proposed by the Senate.

Salaries and expenses (special foreign currency program)

Amendment No. 53: Appropriates $6,000,000 instead of $7,008,000 as proposed by the House and $5,208,000 as proposed by the Senate.

Acquisition and construction of radio facilities

Amendment No. 54: Appropriates $1,000,000 as proposed by the Senate instead of $6,000,000 as proposed by the House.

Conference total—with comparisons

The total new budget (obligational) authority for the fiscal year 1974 recommended by the Committee of Conference with comparisons to the fiscal year 1973 amount, the 1974 budget estimate, and the House and Senate bills for 1974 follows:

New budget (obligational) authority, fiscal year 1973	$6,779,093,850
Budget estimates of new (obligational) authority, fiscal year 1974	[1] 4,522,901,000
House bill, fiscal year 1974	4,152,946,000
Senate bill, fiscal year 1974	4,459,478,250
Conference agreement	4,466,012,000
Conference agreement compared with—	
New budget (obligational) authority, fiscal year 1973	−2,313,081,850
Budget estimates of new (obligational) authority, fiscal year 1974	−56,889,000
House bill, fiscal year 1974	+313,066,000
Senate bill, fiscal year 1974	+6,533,750

[1] Includes $267,821,000 in budget amendments not considered by the House.

JOHN J. ROONEY,
JOHN M. SLACK,
NEAL SMITH,
JOHN J. FLYNT, Jr.
(except as to Nos. 5, 45, and 48),
ROBERT L. F. SIKES
(except as to Nos. 5, 45, and 48),
GEORGE MAHON,
E. A. CEDERBERG,
MARK ANDREWS,
WENDELL WYATT,
Managers on the Part of the House.

JOHN O. PASTORE,
JOHN L. MCCLELLAN,
MIKE MANSFIELD,
ERNEST F. HOLLINGS,
WARREN G. MAGNUSON,
THOMAS F. EAGLETON,
J. W. FULBRIGHT,
ROMAN L. HRUSKA,
HIRAM L. FONG,
EDWARD W. BROOKE,
NORRIS COTTON,
MILTON R. YOUNG,
Managers on the Part of the Senate.

FOREST AND RANGELAND ENVIRONMENTAL MANAGEMENT ACT OF 1973

(Mr. RARICK asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. RARICK. Mr. Speaker, yesterday I introduced H.R. 11320 the "Forest and Rangeland Environmental Management Act of 1973."

Joining with me in introducing this legislation were our colleagues Mrs. HANSEN, Mr. SIKES, Mr. EVANS of Colorado, Mr. GUNTER, Mr. BERGLAND, Mr. WYATT, Mr. BAKER, Mr. THONE, Mr. SYMMS, Mr. SISK, and Mr. HICKS.

The distinguished Senator from Minnesota HUBERT HUMPHREY introduced similar legislation as an amendment in nature of a substitute to S. 2291.

As you know, Mr. Speaker, the President's Advisory Panel on Timber and the Environment has made numerous recommendations concerning management of our forests and rangelands. Among the most publicized of these recommedations are a call for increased timber harvests on our Nation's forest lands and a better program of forest management that recognizes "the long-term nature of forestry" which is "based upon sound economic concepts of intensive forest management."

This legislation is designed to give the Forest Service of the Department of Agriculture the tools and means of accomplishing the announced goals set forth by the President's Panel on Timber and the Environment. The thrust of the legislation is toward the establishment of a comprehensive system of long-range planning which will place "the renewable resources of the National Forest System in an operating posture whereby all backlogs of needed treatment for their restoration shall be reduced to a current basis and the major portion of planned intensive management procedures shall be installed and operating on an environmentally sound basis" by the year 2000.

Mr. Speaker, our Nation's forest system is, as you know, extremely important to our well-being, both economically and as a source of recreation and inspiration. We do, in fact, need to achieve maximum timber production; however, we must not allow this to occur without taking the necessary steps to protect our environment and preserve our heritage.

This legislation will be a major step toward this goal of maximum timber production while protecting our forests and rangeland environment as a source of recreation.

I urge our colleagues to join with us in support of this worthwhile legislation.

THE MILITARY ALL-VOLUNTEER CONCEPT—NINTH SEGMENT

(Mr. MONTGOMERY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MONTGOMERY. Mr. Speaker, to

continue my 1 minute on the Reserve Forces and the volunteer concept, it would seem to me that the Committees on Armed Services in both Houses and the Pentagon should send a representative group to study the Reserve and National Guard programs of Israel, Egypt, Jordan, and Syria.

I am more familiar with the Reserve Forces of Israel. In 3 days Israel went from a standing army of 11,500 to calling up 275,000 reservists, which in effect, turned the tide of the battle.

I know that there are studies which are being made in the Pentagon to reorganize the Reserve Forces, and we, of course, need to update our military forces on a continuous basis.

Mr. Speaker, it makes sense to me that it is necessary to go where the action is and to find out the latest use of the citizen soldier.

MEETING THE GOALS MADE NECESSARY BY THE FUEL CRISIS

(Mr. WRIGHT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WRIGHT. Mr. Speaker, the President is to be congratulated upon recognizing the serious import of the energy shortage. I am sure that Congress will do all those things which are necessary to make possible the realization of the broad goals enunciated in his broadcast last night.

In fact, Congress already is well along in the enactment of remedial legislation.

Last April we enacted legislation authorizing the President to exercise mandatory allocation of fuels. He now is acting under that authority.

Both Houses have passed the Alaska pipeline bill. That legislation will be on the President's desk in a matter of days.

Both Houses have passed legislation authorizing public mass transportation on facilities to receive operating subsidies, and it is hoped that the President will sign that bill.

In the highway bill we provided $3 billion in matching funds for capital investments in mass transportation.

In that bill we also provided encouragement for the States to reduce speed limits, for purposes of energy conservation as well as safety.

The Committee on Public Works for several years has been working on legislative authorizations for deep-water ports in the Gulf of Mexico to permit supertankers to off-load oil from friendly countries for domestic refineries.

As our colleague, the gentleman from California (Mr. HOLIFIELD), chairman of the Committee on Government Operations, will explain, that committee is busily engaged right now in drafting legislation that will create a special agency to give coordinated emphasis to energy needs.

In these and other ways, Congress has been active in promoting legislation to meet the Nation's energy requirements.

MEETING THE ENERGY CRISIS

(Mr. HOLIFIELD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HOLIFIELD. Mr. Speaker, yesterday the President had a meeting of the leadership of both Houses, and several additional Members were invited. I was privileged to attend this meeting.

The meeting lasted for 2 hours, and it had to do with the energy crisis. I remember the President said that what was considered a problem a few months ago has now turned into a crisis, and he gave the reasons for that.

He also covered several topics in his speech last night—and I listened to his speech very carefully; it covered a wide latitude of subjects in the energy field—and among those were the following words:

> Because of the urgent need for an organization that would provide focused leadership for this effort, I am asking Congress to consider my proposal for an energy research and development administration separately from any other organizational matters.

Such a bill has been before the Committee on Government Operations since June 29, 1973. We have been holding hearings on this subject, and in view of the increased urgency, advocated by the President yesterday. I want to pledge my intention to proceed with the consideration of this legislation on a priority basis.

The gentleman from Illinois (Mr. PRICE), the chairman of the Joint Committee on Atomic Energy, has also expressed to me an interest in moving ahead with this legislation, in view of the fact that it has a major impact on the present functions of the Atomic Energy Commission and the Joint Committee on Atomic Energy.

There will be complete coordination between the House Committee on Government Operations of the Joint Committee on Atomic Energy and other pertinent committees.

TRANS-ALASKAN PIPELINE LEGISLATION

(Mr. MELCHER asked and was given permission to address the House for 1 minute and to revise and and extend his remarks.)

Mr. MELCHER. Mr. Speaker, much of the time that was consumed in the meetings on and getting the Alaskan pipeline bill through the House Committee on Interior and Insular Affairs was in order to give consideration to the positions of the Department of the Interior and the Department of State. We gave them the courtesy of the added time because they came up with different ideas and different points at different times.

They were admittedly, by their own admission, responsible for much of our delay. I am not criticizing them for that because it seemed to be necessary as they did their own work, but after the conference committee had completed its meetings a couple of weeks ago objections were raised by several administration officials to several points in the bill. Again we attempted to accommodate where we could. That also took some consideration and time from the conference committee's work.

Yesterday the Senate wanted the bill to pass, and it was in session for that very purpose. However, because of the prerogative of the House of having the right to have a motion to recommit offered on the minority side, the House conferees resisted and refused the Senate request.

When we asked for unanimous consent to consider the bill on yesterday we did not get it, nor did we get unanimous consent to consider the bill today.

I think the President's criticism of the Congress last night on nationwide television concerning the trans-Alaskan pipeline bill was unwarranted. I think it would be better before he makes a blanket criticism of that nature, which, after all, reaches into all of the congressional districts of this country, whether they be Republican or Democrat, it would behoove the President and his White House staff to communicate his strong desires to all of the Members of the House and in particular to those on his own side, the Republican Members of the House.

CONFIRMATION OF GERALD FORD CALLED FOR AS SOON AS POSSIBLE

(Mr. SISK asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SISK. Mr. Speaker, maybe I was just a bit premature yesterday in commending the Committee on the Judiciary—and I do not mean to be critical now—but I was urging then expeditious action in connection with the confirmation of the nominee for Vice President.

Again today I want to urge expeditious action on this matter. I do not mean that he should not be properly investigated and handled in an orderly manner, but it seems to me this is a matter that should be handled this month.

I was quite concerned to understand that there was some discussion about a delay until December. I do not see the necessity of that. It seems to me in view of the actions of the other body this is a matter that we should handle this month, and I certainly hope before we go home for a Thanksgiving Day recess.

PERMISSION FOR COMMITTEE ON WAYS AND MEANS TO HAVE UNTIL MIDNIGHT FRIDAY TO FILE REPORT ON H.R. 11333, SOCIAL SECURITY BENEFITS

Mr. ULLMAN. Mr. Speaker, I ask unanimous consent that the Committee on Ways and Means may have until midnight Friday, November 9, 1973, to file a report on the bill, H.R. 11333, to provide a 7-percent increase in social security benefits beginning with March 1974 and an additional 4-percent increase beginning with June 1974, to provide increases in supplemental security income benefits, and for other purposes, along with any separate and/or minority views.

CONGRESSIONAL RECESS

(Mr. PEYSER asked and was given permission to address the House for 1 minute, to revise and extend his re-

marks, and to include extraneous matter.)

Mr. PEYSER. Mr. Speaker, I understand a recess is being proposed for the Thanksgiving holiday. As much as I should like to be back in my own district, I feel, for a number of reasons that will be stated today, that we should not recess at this time. One of the reasons is the fact that the Elementary and Secondary Education Act is still in our committee, and we are now working daily to get this vital bill to the floor. This bill will affect the future education of young people in our country for years to come, and we should not leave until we have concluded this and other important legislation. I hope that we will not have a prolonged recess at this time and that we can continue the work of the House.

CONGRESSIONAL RECESS

(Mr. LUJAN asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. LUJAN. Mr. Speaker, the leadership of the House has proposed a 10-day recess for the Thanksgiving holiday. I think that such a proposal is completely out of order when there is still so much important work to be done.

Last night, President Nixon addressed the country on the energy crisis facing us. If you will recall, the President forewarned us here in Congress of this problem last April 19 and we have been personally aware of it too.

The President has asked Congress to act on a number of legislative proposals that he has submitted, which are desperately needed if we are to improve our long-term energy situation.

To date, what have we done? Very little. Yet, there is consideration given to a 10-day recess.

Mr. Speaker, I cannot raise my voice loud enough to say that we do indeed have a serious energy crisis at hand and that we must act now on some of these important legislative matters.

The Alaskan pipeline, Natural Gas Supply Act, deepwater port facilities, and the funding of R. & D. money are what we—here in the House—should be considering, instead of a 10-day recess.

Mr. Speaker, every day that goes by, every day that passes without congressional decision in regards to the energy crisis, only brings us closer to more troubled times. If we are ever going to show this country that we have its best interest at heart—we must act now.

I do believe the energy crisis can be solved but only when this body takes the leadership of acting on the proposals that are now before us.

Mr. Speaker, I will oppose a motion to adjourn for 10 days.

CONGRESSIONAL RECESS

(Mr. HASTINGS asked and was given permission to address the House for 1 minute, to revise and extend his remarks, and to include extraneous matter.)

Mr. HASTINGS. Mr. Speaker, I join with my two colleagues who have previously addressed the House in relation to the proposed or rumored recess. I should like to take this opportunity to commend the gentleman from West Virginia (Mr. STAGGERS), who has, in response to the President's energy message of last evening, scheduled full committee hearings of the Committee on Interstate and Foreign Commerce for next week, Tuesday, for consideration of the proposal to provide for daylight saving time on a 2-year trial basis, on Wednesday for the consideration of emergency fuel shortage legislation—that will be considered next week at hearings—and a markup is scheduled for Thursday.

With this in mind, I find that a 10-day recess the following week, with the Committee on Interstate and Foreign Commerce commendably having taken such action, is completely unacceptable. If that motion to recess is made, I will join with many others to oppose a recess for 10 days with this important legislation pending.

CONGRESSIONAL RECESS

(Mr. FREY asked and was given permission to address the House for 1 minute, to revise and extend his remarks, and to include extraneous matter.)

Mr. FREY. Mr. Speaker, I join with many of my colleagues in their concern over the press of business. I know that Members on both sides of the aisle are deeply concerned about the important unfinished business. As a matter of fact, I think we are so deeply concerned about this that we would rather stay here and tend to the business at hand than be at home over a recess.

For instance, we are moving rapidly on the social security legislation. I think this is great. But to put this off any longer would be a disservice to the many senior citizens around our Nation. I, of course, have a great many of these people in Florida. I do not want to go home and tell these senior citizens that we took 10 days off to relax and enjoy ourselves and let their legislation sit. If any such recess proposal is made, I intend to oppose it, and I hope that many of my colleagues on both sides of the aisle will join in this effort. It is time we put the Nation's needs in front of our convenience.

ENERGY CRISIS DESERVES IMMEDIATE CONSIDERATION

(Mr. McCOLLISTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. McCOLLISTER. Mr. Speaker, those of us who have been demanding direction from the administration on the energy crisis for many months were grateful for the President's message last night. He has spelled out specific steps which Congress can take to implement a nationwide conservation program.

It is urgent that we keep the Thanksgiving recess short so we may act on the following proposals without waiting for bad weather to paralyze some section of the country.

He has asked for—

Reinstatement of daylight saving time;

The authority to ration gasoline and fuel oil;

A national highway speed limit of 50 miles per hour;

Limiting of outdoor electrical advertising and ornamental lighting such as Christmas displays;

Imposition of energy conservation fees or taxes on those who use more than a stipulated amount of natural gas or electricity;

Reduction of commercial operating hours;

Authority to increase oil production from reserves in California; and

Authorization through the Environmental Protection Agency to exempt factories and other stationary sources of pollution from Federal and State air and water quality laws.

All of these suggestions deserve our immediate consideration without a lengthy vacation period delay.

AMERICAN PEOPLE DEMAND CONGRESSIONAL ACTION

(Mr. HEINZ asked and was given permission to address the House for 1 minute, and to revise and extend his remarks and include extraneous matter.)

Mr. HEINZ. Mr. Speaker, we have all heard that the House leadership will propose a 10-day recess over the Thanksgiving holidays. Rumors of such a recess continue despite the fact that Congress has been inundated by constituent outcries that we get busy and do something to relieve the present crisis of confidence in Government. A 10-day recess is an incredible affront to the American people's demand for congressional action on the confirmation of a Vice President, establishment of an independent prosecutor, and extension of the life of the Watergate grand jury, the energy crisis, budget reform, and pension reform.

Pension reform is just one example of pressing public business that cannot be delayed just for convenience of Congress. For too long tens of millions of American workers have been victimized by pension programs that have been financially unsound, miserly in their coverage and grossly unfair in their application. In 1972 alone, 20,000 workers saw their pension plans abruptly ended.

Today I learned that the Ways and Means Committee has set aside pension reform to take up other legislation. While no one disputes the importance of other matters, equitable pension reform must be enacted without delay if we are to relieve the public's crisis of confidence in the effectiveness of Government.

Now is certainly not the time to shove the interests of the American people to the back burner and relax the overdue drive to overhaul pension programs and protect America's workers.

Mr. Speaker, these troubled times and necessary public business such as pension reform and other matters demand more from us than a 10-day vacation with pay at the taxpayers' expense.

CRISIS OF NONCONFIDENCE MUST BE RELIEVED

(Mr. FRENZEL asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. FRENZEL. Mr. Speaker, I understand that the House today may consider either a unanimous-consent request or a motion to adjourn for an extended Thanksgiving vacation.

This Congress has been deluged with constituent outcries to "do something" to relieve the crisis of nonconfidence. Is not a 10-day, or a 9-day, or a 7-day recess a pretty casual response to a crisis?

Watergate-related legislation, energy bills, appropriation bills and the Vice Presidential confirmation lie incomplete in our committees. I do not believe this vital public business should have to wait while we rest.

Among the legislation on the must list prepared by the Speaker and the Senate majority leader is election reform. It is on my must list, too, as the principal congressional response to the problems of Watergate. A subcommittee of this House is now working on several election bills. It has already had attendance problems with Member witnesses. I believe an extended Thanksgiving recess will almost assure that we cannot pass an election reform bill this year.

In these times of multiple domestic and international crises, the country expects more from Congress than an extended recess. A recess now is worse than unseemly. It is almost insulting to the people. I shall oppose any move for a long recess.

THE COUNTRY DESERVES A VICE PRESIDENT

(Mr. KEATING asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. KEATING. Mr. Speaker, the American people have been most upset by the events of the last few months. For Congress to take a 10-day recess for Thanksgiving holidays when so much vital work demands to be done can only leave further ill feeling.

Our distinguished minority leader was named the Vice-Presidential-designee 4 weeks ago tomorrow. The pace we have been following in reviewing such nomination can best be described as extremely cautious.

The other body has already conducted hearings and I was informed that this morning their committee will conclude its deliberation on the nomination by the end of next week.

By contrast, the Judiciary Committee of this body has just scheduled hearings to begin next Thursday, November 15. Having had the benefit of the other body's hearings, our committee should be able to report the nomination to the full House prior to Thanksgiving.

We should be in session to consider the nomination immediately.

The country deserves a Vice President. We should fulfill our duty on the Vice-Presidential nomination.

Let us forgo the 10-day holiday until we have acted on this most important matter.

STOP FORCED BUSING AND HELP EASE ENERGY SHORTAGE

(Mr. HUBER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HUBER. Mr. Speaker, last evening the President of the United States made a very eloquent address to the people of the United States on the subject of the energy emergency. He called for various voluntary steps on the part of each American to help tide us over this trying period.

It occurred to me as I listened that one immediate step would save thousands of gallons of gasoline and millions of dollars for various school districts nationwide. By this I mean let us put a stop to forced school busing, which a recent poll shows that 95 percent of the American people oppose. Certainly the people in Prince Georges County, Md., Denver, Colo., Memphis, and Nashville, Tenn., Alexandria, Richmond, and Norfolk, Va., Indianapolis, Ind., and other places across the Nation where forced busing is taking place would rejoice. Those localities threatened with forced busing such as Ferndale, Mich., in my district would certainly heave a sigh of relief.

Logic would then dictate some action in this regard. Just as the President has asked the Congress for authority to relax some of our air pollution regulations in the interest of saving fuel, I feel the Congress and the President should explore the avenues of suspending existing and pending court action providing for school busing in order to save precious gasoline.

THANKSGIVING RECESS

(Mr. DERWINSKI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DERWINSKI. Mr. Speaker, I must take exception to the demands from a number of Members that we work over Thanksgiving. Let me point out, we were given notice approximately 3 weeks ago of a Thanksgiving recess. Many of us in good faith made appointments in our districts that we feel we should be keeping. For example, I have scheduled meetings with students, unions, chambers of commerce, and individual citizens in my district. I will be putting in longer days back home than I would be here in Washington.

I think that there is a positive development to have the Members go home to their districts for a working week and to have them get a good grasp of current public opinion. I can think of nothing more refreshing and stimulating than to get away from the artificial atmosphere of Washington. When we go back home for a week to find out what our constituents really think, it is much more informative for us than listening to the news in this "madhouse" called Washington, D.C.

I think the best thing in the world for the country would be a week's recess for Congress, so we could come back with our minds clear and, rearmed with an understanding of the views of our constituents, get the job done in a much more effective fashion than has been the case in this Congress.

THANKSGIVING RECESS

(Mr. ARMSTRONG asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ARMSTRONG. Mr. Speaker, like the gentleman just before me, I also have plans to go home over the recess. Yet I think the Members who suggest we take a 1-day recess instead of 10 long days are right. It is unseemly for Congress to be in recess for 10 days at a time of national emergency. There are many serious matters we could take up at this time. One such issue was brought to our attention by a group of concerned citizens yesterday in the Washington Post under the headline, "What is Washington Waiting For?" These citizens pointed out that 10 months ago we announced plans for budget reform. So far nothing has been accomplished.

These citizens are asking why we put it off another year. I think we should ask ourselves the same question and address ourselves to this and other matters during what would be otherwise an unproductive recess.

THANKSGIVING RECESS

(Mr. McCLORY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. McCLORY. Mr. Speaker, I just hate to disappoint my colleague from Illinois (Mr. DERWINSKI), with regard to his vacation plans for the proposed 10-day Thanksgiving recess. On the other hand, there is not going to be any recess for the Members of the House Judiciary Committee, no matter what this House decides to do. We have already scheduled sessions of the Judiciary Committee on the subject of the confirmation of the Vice President designate GERALD R. FORD for the 19th, 20th, and 21st of the month following next week's sessions on Thursday and Friday.

It would seem to me very disappointing to the American people as well as a source of great embarrassment to the Members of this House if we were to conclude our hearings and present for House consideration a recommendation with respect to the confirmation of Congressman GERALD R. FORD as Vice President only to find that Members are all at home and not here in Washington. What would the attitude of the American people be then?

It seems to me what they want us to do is to remain here on the job attending to our business and acting to confirm a new Vice President.

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

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

Mr. ADDABBO. If the hearings the gentleman mentioned are concluded on the 21st, is it conceivable a report can be made to the Congress by Thanksgiving or that Thursday? The committee could not

possibly report it the following day. It would take another week to file a report.

Mr. McCLORY. I thank the gentleman for his remarks. I would hope we could conclude the hearings before the 21st. The fact that the Senate has already held extensive hearings should enable our Committee to conclude before the 21st and I would hope that we could bring the subject to the floor of this House before then; but if we are gone, it will be a reflection on the Members of this House, it seems to me.

Mr. ADDABBO. If the gentleman will yield further, all are talking about 10 days. We have two weekends in there; to take 4 days off for Thanksgiving means a total of 5 days. We have not worked on any Fridays. That is two Fridays out. We had suspensions on election day. That takes care of the suspension Monday, November 19, and all we are getting is 2 days extra which can be profitably spent in our districts especially since we will be here till Christmas.

Mr. McCLORY. I thank the gentleman for his additional comments, but I believe the fact we have these hearings scheduled makes it important that the House be in session to insure attendance by the members of the House Judiciary Committee for these important hearings. Should we conclude these hearings it would seem most important for the House to be in session for the confirmation of the new Vice President.

THANKSGIVING RECESS

(Mr. FLOWERS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FLOWERS. Mr. Speaker, I would think that this is a unique opportunity we have. The Judiciary Committee will be working during Thanksgiving week, and, as a member of that committee, I would like to invite our colleagues, the gentleman from Florida, the gentleman from New Mexico, and other gentlemen who want so diligently to avoid a recess and work during that week, to join us. To work here or not to work, if that is the question, then these gentlemen will have a choice. We on the committee have our decision made for us.

We will be glad to have them here with us if they so choose and will be delighted to see them.

THANKSGIVING RECESS

(Mr. HANNA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HANNA. Mr. Speaker, I take this opportunity to congratulate the leadership for putting before the House the subject of this recess for what it has elicited here today.

Mr. Speaker, I did not realize that there was so much support for reforms of the various types that have been before this House over such a long period of time. It is refreshing to find how eager the Republican Members are to get on with the work that has been before us for so long. Curiously, in the very few times in which the Members have had an opportunity to express themselves on these matters, I was not aware that so many Republicans were so enthusiastic in their support for these measures.

Therefore, I believe that this has done one good and healthy thing for the House. I now see that there are greater friends for these measures than ever has before been established.

Mr. Speaker, I hope one other thing that we have established is an opportunity for those who were fearful about the election coming up, that they can say, "Well, we were not one of those do-nothing Congressmen," I am sure someone is going to generate a story of this type. Therefore, this allows them to get off the hook. Blessings on them.

Finally, Mr. Speaker, it is distressing to me to hear cynical comment to the effect that many of these Members flagellating the House over the proposed recess would prefer the hospitality of Washington, D.C. to the hostility of their constituency. I do not consider it kind to subscribe such rationale to the constructive political demagoguery we are hearing today.

THANKSGIVING RECESS

(Mr. DELLENBACK asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DELLENBACK. Mr. Speaker, I was particularly interested in hearing the remarks of the gentleman from California a few moments ago. Just in case it has failed to come to his attention, meetings of committees within this body are scheduled by the majority party. There has been an effort made by a series of Members of this House from our side of the aisle in the last few minutes this morning to make mention, not just of one isolated issue, but of a series of issues on which action by this body is long overdue. It is gravely wrong for us to recess for an extended period of time when so much that so badly needs to be done remains undone.

Let every Member of this body, and every reader of the CONGRESSIONAL RECORD, recall that it is the majority party that has the responsibility of calling and the power to call committee meetings and to schedule committee and floor action on bills. If it will expedite action on the above mentioned issues, we from this side of the aisle will be at the committee meetings and on the floor to vote. We hope the majority party will act at this time when otherwise a recess would be scheduled.

I join in opposition to such a proposed recess. I hope the leadership of the House will reconsider and keep the Congress in session through the week of November 19 on every day but Thanksgiving Day itself.

THANKSGIVING RECESS

(Mr. GROSS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GROSS. Mr. Speaker, I hope the gentleman from Illinois (Mr. DERWINSKI) who says he wants to go home to his district during the proposed week of Thanksgiving did not misspeak himself.

He goes to the trouble of sending me about every other week a "wish you were here" postal card from some distant country.

Mr. Speaker, what I really rose to speak of is the origin here today of a movement to do some needed reforming in the House. On the basis of what I have heard this morning from the younger Members of the House, and I compliment them, I will give consideration to the introduction of a resolution to abolish the T. and T. Club—the out on Thursday, back on Tuesday club, in an effort to expedite business.

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

Mr. GROSS. Yes; I am glad to yield to my friend, who has been so thoughtful in sending me so many cards.

Mr. DERWINSKI. Mr. Speaker, during this recess, which I think is going to be in the public interest, if the gentleman would go back to Waterloo, Iowa, and since I will be in Chicago, I will send him a card if the post office can find Waterloo.

Mr. GROSS. Mr. Speaker, I will say to the gentleman that, if I am not in Waterloo, Iowa, I will not be in Jamaica or some such place lapping up the sunshine and warmth.

UNDERSTANDING THE REPUBLICAN POSITION ON THE RECESS

(Mr. STARK asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. STARK. Mr. Speaker, I would urge my colleagues on this side of the aisle to sympathize with the plight of our Republican friends and colleagues across the aisle. If we were Republicans, we too would be afraid to go home during the Thanksgiving recess.

THE ISSUE OF RESIGNATION

(Mr. MICHEL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MICHEL. Mr. Speaker, Members of the House are quite well aware that we do not have a parliamentary system in this country where prime ministers rise and fall depending upon their popularity, the positions they espouse at any given time, or the number of call girls operating among their cabinet members.

Just because our Vice President saw fit to resign because of his problems, there is no good reason for our President to pursue that course of action, for the cases are not comparable. All of this talk of the President's resigning is ridiculous, and it is only serving to disrupt and confuse.

Our Constitution provides specifically for the removal of a President by way of impeachment, and the Committee on the Judiciary is currently in the process of considering the several impeachment resolutions which have been introduced.

I suspect that if an impeachment resolution were brought to a vote in this House today, it would be soundly defeated, which makes all of this talk with respect to resignation purely academic.

Mr. Speaker, yesterday's editorial entitled "Resignation" in the Washington Star-News, it seems to me, is very appropriate for the times, as is the article by Dick Wilson appearing in the same edition and entitled, "The Case Against Nixon's Resigning."

PERSONAL EXPLANATION

Mr. HUNT. Mr. Speaker, on October 31, 1973, I missed the vote on roll No. 556, which rejected a motion to delete section 817, Public Health Service hospitals, from the military procurement authorization. Had I not been detained in the doctor's office for treatment of a bad case of shingles, I would have voted nay.

LET'S GET ON WITH OUR WORK

(Mr. KEMP asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. KEMP. Mr. Speaker, in these troubled times, it is incumbent upon Congress to do much more than business as usual and to exert every possible effort to help restore faith and respect in the responsiveness of the American political system.

It would be the height of hypocrisy for the House of Representatives to approve a motion for a 10-day Thanksgiving recess at a time when there is urgent, critical legislative action pending for the American people.

At a minimum the current national situation requires that Congress continue its work and act on emergency and other critical energy legislation, social security cost-of-living increases, campaign spending and election reforms, the Elementary and Secondary Education Act extension, budget reform, confirmation of Vice-Presidential nominee GERALD R. FORD, sound minimum wage legislation, vital pension reform, and urgent appropriations bills, including that for the Department of Health, Education, and Welfare, as well as independent prosecutor legislation. The fiscal year is half gone and our schools in western New York and throughout the country are hampered by the failure to complete work on funding bills.

We adjourned the 92d Congress without enacting minimum wage legislation, and as we near the end of another year marked by sharp increases in the cost of living, we would be failing in our responsibility to the many thousands of marginal workers whose earning power has been seriously eroded by the wave of inflation over the past several years, if we were to recess without acting on a minimum wage increase. We must put political and personal considerations aside and act to provide this urgently needed relief.

Mr. Speaker, the nature of the times and our duty to the American people should impel us to defeat a motion for a lengthy recess which we can clearly ill afford.

AUTHORIZING THE DISTRICT OF COLUMBIA COUNCIL TO REGULATE AND STABILIZE RENTS

Mr. DIGGS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 4771) to authorize the District of Columbia Council to regulate and stabilize rents in the District of Columbia, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments as follows:

Page 3, line 16, after "Act" insert: ", except that any such rules so adopted to stabilize and regulate the amount of rent or benefits which a landlord is entitled to receive for the use or occupancy by any tenant of any residence shall provide means whereby increased costs incurred by such landlord and directly related to such residence shall be taken into consideration in determining the amount of such rents or benefits which such landlord is entitled to receive in connection with such use or occupancy under such rules".

Page 3, line 17, after "be" insert: "modified or".

Page 4, line 12, strike out all after "Council" down to and including "Columbia." in line 17 and insert: ", of whom four members shall be representative of solely the interests of landlords in the District of Columbia and four shall be representatives of solely the interests of tenants of the District of Columbia."

Page 4, line 20, strike out ", or for one year, whichever is shorter".

Page 6, after line 4, insert:

"(e) (1) Subject to such rules and regulations as may be adopted by the Commission, the Chairman shall have the power to hold such hearings, sit and act at such times and places within the District of Columbia, administer such oaths, and require by subpena or otherwise the attendance and testimony of such witnesses and the production of such books, records, correspondence, memorandums, papers, and documents as the Commission may deem advisable in carrying out its functions under this Act.

"(2) In the case of contumacy or refusal to obey a subpena issued under this subsection by any person who resides, is found, or transacts business within the District of Columbia, the Superior Court of the District of Columbia, at the request of the Chairman of the Commission, shall have jurisdiction to issue to such person an order requiring such person to appear before the Commission, there to produce evidence if so ordered, or there to give testimony touching the matter under inquiry. Any failure of any such person to obey any such order of the court may be punished by the court as a contempt thereof.

"(f) There is authorized to be appropriated such sum, not to exceed $85,000, as may be necessary to carry out the provisions of this section."

"Page 7, line 14, after "8" insert: "(a)".

Page 7, lines 16 and 17, strike out "date of enactment of this Act," and insert: "date that rules adopted by the Council pursuant to section (a) of this Act to regulate and stabilize rents in the District of Columbia become effective or, if no such rules are in effect on the date of expiration of the one-year period following the date of the enactment of this Act, such provisions, orders, and requirements shall terminate on the date of expiration of the one-year period following the date of the enactment of this Act,".

Page 7, line 18, strike out "expiration" and insert: "termination".

Page 7, after line 22, insert:

"(b) With respect to any such rules adopted pursuant to such section 3(a) to regulate and stabilize rents in the District of Columbia, the Council shall, on the expiration of six-month period following the effective date of such rules, conduct a hearing with a view to determining whether such rules should be modified or terminated by reason of a change in the situation which existed in the District at the time of the adoption of such rules and which was the basis for such rules. The provisions of the first sentence of section 3(b) of this Act shall be applicable with respect to such hearing held pursuant to this subsection.

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

Mr. GROSS. Mr. Speaker, reserving the right to object, I wish to ask the gentleman from Michigan just one question. Are all amendments to the bill germane?

Mr. DIGGS. I yield to the gentleman from Kentucky for a response.

Mr. MAZZOLI. I thank the gentleman from Michigan for yielding.

These are germane amendments, to answer the question of the gentleman from Iowa.

Mr. GROSS. I thank the gentleman and withdraw my reservation of objection.

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

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

REGIONAL RAIL REORGANIZATION ACT OF 1973

Mr. PEPPER. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 688 and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 688

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 9142) to restore, support, and maintain modern, efficient rail service in the northeast region of the United States, to designate a system of essential rail lines in the northeast region, to provide financial assistance to rail carriers in the northeast region, to improve competitive equity among surface transportation modes, to improve the process of Government regulation, and for other purposes. After general debate, which shall be confined to the bill and shall continue not to exceed two hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interstate and Foreign Commerce, the bill shall be read for amendment under the five-minute rule. It shall be in order to consider the amendment in the nature of a substitute recommended by the Committee on Interstate and Foreign Commerce now printed in the bill as an original bill for purpose of amendment under the five-minute rule, said substitute shall be read for amendment by titles instead of by sections, and all points of order against sections 911 and 912 of said substitute for failure to comply with the provisions of clause 7, rule XVI are hereby waived. At the conclusion of such consideration, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any Member may demand a separate vote in the House on any amendment

adopted in the Committee of the Whole to the bill or to the committee amendment in the nature of a substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER. The gentleman from Florida is recognized for 1 hour.

Mr. PEPPER. Mr. Speaker, I yield 30 minutes to the able gentleman from California (Mr. DEL CLAWSON) pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 688 provides for an open rule with 2 hours of general debate on H.R. 9142, a bill to restore, support and maintain modern and efficient rail service in the Northeast region of the United States.

House Resolution 688 provides that it shall be in order to consider the amendment in the nature of a substitute recommended by the Committee on Interstate and Foreign Commerce now printed in the bill as an original bill for the purpose of amendment and the substitute shall be read for amendment by titles instead of by sections.

House Resolution 688 also provides that all points of order against sections 911 and 912 of the substitute for failure to comply with the provisions of clause 7, rule XVI of the Rules of the House of Representatives—the germaneness provision—are waived.

H.R. 9142 would create a new agency, the Federal National Railway Association, to act as the principal planner and financing vehicle for the reorganization, rehabilitation, and modernization of six bankrupt railroads into a new for-profit carrier.

Mr. Speaker, the six bankrupt carriers covered by this bill employed more than a quarter of all the rail employees in the United States. This bill is the most acceptable alternative for a solution to the railroad crises in the Northeast. I urge adoption of House Resolution 688 in order that we may discuss and debate H.R. 9142.

Mr. DEL CLAWSON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, House Resolution 688 provides for the consideration of H.R. 9142, Regional Rail Reorganization Act of 1973, under an open rule with 2 hours of general debate. In addition, the rule has several other provisions. It makes the committee substitute in order as an original bill for the purpose of amendment, provides that the bill be read by titles instead of by section, and waives points of order against sections 911 and 912 for failure to comply with clause 7 of rule XVI, which is the germaneness rule.

The bill establishes a Federal National Railway Association—FNRA—for planning and financing the new system. After studies are conducted, final determinations on the quantity and quality of rail service to be provided by the carriers will take form in a final system plan. The plan is to designate which properties of a bankrupt railroad are to be acquired on a mandatory basis by the new for-profit corporation, and which properties are to be acquired on a consensual basis by other railroads in the region, and which properties should be abandoned.

The planning process will take approximately 16 months, during which time $85 million will be available as interim assistance to the railroads in reorganization.

The bill creates a Federal Rail Corporation—FRC—to acquire, rehabilitate, and operate rail properties of the bankrupt railroads.

This bill also provides for the continuance of labor protection for employees of railroads going out of business, with displacement allowances or lump sum severance payment available to those employees not used by the new system.

Departmental letters were filed by the Department of Transportation, the ICC, the Comptroller General, the Department of Labor, and the SEC, objecting to numerous provisions. For example, the Department of Transportation, among other things, objects to the potentially high cost of the labor protection provisions.

Supplemental and additional views were filed by Members DEVINE, HARVEY, COLLINS of Texas, and HEINZ, indicating that they have serious reservations, but will not oppose the bill. For example they object that H.R. 9142 leaves the final decision as to the value of transferred railroad properties, to be made subsequent to the conveyance. They object that this will result in very high property costs for the new corporation. One estimate places the value on these properties as high as $10 billion to $14 billion. These Members also doubt that $250 million authorized will be sufficient to cover the cost of the labor protection provisions.

The Committee on Interstate and Foreign Commerce reported the bill by a voice vote.

In a November 7, 1973, statement by Secretary of Transportation Claude S. Brinegar, attention is called to what he considers serious flaws in the bill. He states that it is unnecessarily expensive and, I quote:

The Nation's taxpayers should not be expected to shoulder such a heavy burden to protect what must eventually be looked upon as a private sector responsibility.

The Department has recommended, I understand, some fairly simple but corrective amendments that they believe are essential to avoid the risk of these unnecessary extra taxpayer costs.

The total amounts authorized in this bill are as follows:

$250,000,000 for labor protection costs. $10,000,000 for organizing a corporation. $26,000,000 for an association and its expenses. $500,000 for ICC planning. $85,000,000 for interim operating expenses. $50,000,000 per year for subsidizing losing lines. $1,000,000,000 in government guaranteed loan authority.

Mr. Speaker, I recommend adoption of the rule allowing the House to proceed with debate on H.R. 9142.

Mr. Speaker, I have no requests for time and I reserve the balance of my time.

Mr. PEPPER. Mr. Speaker, I have no requests for time.

Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. MONTGOMERY. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 393, nays 2, not voting 38, as follows:

[Roll No. 568]

YEAS—393

Abdnor	Conte	Gude
Adams	Corman	Gunter
Addabbo	Cotter	Guyer
Alexander	Coughlin	Haley
Anderson, Calif.	Crane	Hamilton
	Cronin	Hanley
Anderson, Ill.	Culver	Hanna
Andrews, N.C.	Daniel, Dan	Hanrahan
Andrews, N. Dak.	Daniel, Robert W., Jr.	Hansen, Idaho
		Hansen, Wash.
Annunzio	Daniels, Dominick V.	Harrington
Archer		Harsha
Arends	Danielson	Hastings
Armstrong	Davis, Ga.	Hawkins
Ashbrook	Davis, S.C.	Hays
Aspin	Delaney	Hechler, W. Va.
Badillo	Dellenback	Heckler, Mass.
Bafalis	Dellums	Heinz
Baker	Denholm	Helstoski
Barrett	Dennis	Henderson
Bauman	Dent	Hicks
Beard	Derwinski	Hinshaw
Bennett	Devine	Hogan
Bergland	Dickinson	Hollifield
Bevill	Dingell	Holt
Biaggi	Donohue	Holtzman
Biester	Dorn	Horton
Bingham	Downing	Hosmer
Boggs	Drinan	Huber
Boland	Dulski	Hudnut
Bolling	Duncan	Hungate
Bowen	du Pont	Hunt
Brademas	Eckhardt	Hutchinson
Brasco	Edwards, Ala.	Ichord
Bray	Edwards, Calif.	Jarman
Breaux	Eilberg	Johnson, Calif.
Breckinridge	Erlenborn	Johnson, Colo.
Brinkley	Eshleman	Johnson, Pa.
Brooks	Evans, Colo.	Jones, Ala.
Broomfield	Evins, Tenn.	Jones, N.C.
Brotzman	Fascell	Jones, Okla.
Brown, Calif.	Findley	Jordan
Brown, Mich.	Fish	Karth
Broyhill, N.C.	Fisher	Kastenmeier
Broyhill, Va.	Flood	Kazen
Burke, Mass.	Flowers	Keating
Burleson, Tex.	Flynt	Kemp
Burlison, Mo.	Foley	Ketchum
Burton	Ford, Gerald R.	King
Butler	Forsythe	Kluczynski
Byron	Fountain	Koch
Camp	Fraser	Kuykendall
Carey, N.Y.	Frelinghuysen	Kyros
Carney, Ohio	Frenzel	Landrum
Carter	Frey	Leggett
Casey, Tex.	Froehlich	Lehman
Cederberg	Fulton	Lent
Chamberlain	Gaydos	Litton
Chappell	Gettys	Long, La.
Chisholm	Giaimo	Long, Md.
Clancy	Gibbons	Lott
Clausen, Don H.	Gilman	Lujan
	Ginn	McClory
Clawson, Del	Goldwater	McCloskey
Clay	Gonzalez	McCollister
Cleveland	Goodling	McCormack
Cochran	Grasso	McDade
Cohen	Green, Oreg.	McEwen
Collier	Green, Pa.	McFall
Collins, Ill.	Griffiths	McKay
Collins, Tex.	Gross	McKinney
Conable	Grover	McSpadden
Conlan	Gubser	Macdonald

Madden	Randall	Stokes
Madigan	Rangel	Stratton
Mailliard	Rarick	Stubblefield
Mallary	Regula	Stuckey
Mann	Reuss	Studds
Maraziti	Rhodes	Sullivan
Martin, Nebr.	Riegle	Symington
Martin, N.C.	Rinaldo	Symms
Mathias, Calif.	Roberts	Talcott
Mathis, Ga.	Robinson, Va.	Taylor, Mo.
Matsunaga	Robison, N.Y.	Taylor, N.C.
Mayne	Rodino	Teague, Calif.
Mazzoli	Roe	Teague, Tex.
Meeds	Rogers	Thompson, N.J.
Melcher	Roncalio, Wyo.	Thomson, Wis.
Metcalfe	Roncallo, N.Y.	Thone
Mezvinsky	Rooney, Pa.	Thornton
Michel	Rose	Tiernan
Milford	Rosenthal	Towell, Nev.
Miller	Rostenkowski	Treen
Minish	Roush	Udall
Mink	Rousselot	Ullman
Mitchell, Md.	Roy	Van Deerlin
Mitchell, N.Y.	Roybal	Vander Jagt
Mizell	Runnels	Vanik
Moakley	Ruppe	Veysey
Mollohan	Ruth	Vigorito
Montgomery	Ryan	Waldie
Moorhead, Calif.	St Germain	Wampler
	Sandman	Ware
Moorhead, Pa.	Sarasin	Whalen
Morgan	Sarbanes	White
Mosher	Satterfield	Whitehurst
Moss	Scherle	Whitten
Murphy, N.Y.	Schneebeli	Widnall
Myers	Schroeder	Wiggins
Natcher	Sebelius	Williams
Nichols	Seiberling	Wilson, Bob
Nix	Shipley	Wilson, Charles H., Calif.
Obey	Shoup	
O'Brien	Shriver	
O'Neill	Shuster	Wilson, Charles, Tex.
Owens	Sikes	
Parris	Sisk	Winn
Passman	Skubitz	Wolff
Patten	Slack	Wright
Pepper	Smith, Iowa	Wyatt
Perkins	Smith, N.Y.	Wydler
Pettis	Snyder	Wylie
Peyser	Spence	Wyman
Pickle	Staggers	Yates
Pike	Stanton, J. William	Yatron
Poage		Young, Alaska
Podell	Stanton, James V.	Young, Fla.
Powell, Ohio		Young, Ga.
Preyer	Stark	Young, Ill.
Price, Ill.	Steed	Young, S.C.
Price, Tex.	Steele	Young, Tex.
Pritchard	Steelman	Zablocki
Quie	Steiger, Ariz.	Zion
Quillen	Steiger, Wis.	Zwach
Railsback	Stephens	

NAYS—2

Landgrebe	Latta

NOT VOTING—38

Abzug	Diggs	Mills, Ark.
Ashley	Esch	Minshall, Ohio
Bell	Ford, William D.	Murphy, Ill.
Blackburn		Nedzi
Blatnik	Fuqua	Nelsen
Brown, Ohio	Gray	O'Hara
Buchanan	Hammer-schmidt	Patman
Burgener		Rees
Burke, Calif.	Harvey	Reid
Burke, Fla.	Hébert	Rooney, N.Y.
Clark	Hillis	Waggonner
Conyers	Howard	Walsh
Davis, Wis.	Jones, Tenn.	
de la Garza	Mahon	

So the resolution was agreed to.

The Clerk announced the following pairs:

Mr. Rooney of New York with Mr. Murphy of Illinois.
Mr. Hébert with Mr. Reid.
Mr. Mahon with Mr. Davis of Wisconsin.
Mrs. Burke of California with Mr. Esch.
Mr. Howard with Mr. Conyers.
Mr. Blatnik with Mr. Hammerschmidt.
Mr. Ashley with Mr. Blackburn.
Mr. Diggs with Ms. Abzug.
Mr. O'Hara with Mr. Bell.
Mr. Rees with Mr. Buchanan.
Mr. Waggonner with Mr. Brown of Ohio.
Mr. Clark with Mr. Harvey.
Mr. Mills of Arkansas with Mr. Burke of Florida.
Mr. Fuqua with Mr. Hillis.
Mr. William D. Ford with Mr. Minshall of Ohio.
Mr. Gray with Mr. Nedzi.
Mr. Jones of Tennessee with Mr. Nelsen.
Mr. de la Garza with Mr. Walsh.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Mr. STAGGERS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 9142) to restore, support, and maintain modern, efficient rail service in the northeast region of the United States, to designate a system of essential rail lines in the northeast region, to provide financial assistance to rail carriers in the northeast region, to improve competitive equity among surface transportation modes, to improve the process of Government regulation, and for other purposes.

The SPEAKER. The question is on the motion offered by the gentleman from West Virginia (Mr. STAGGERS).

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 9142, with Mr. LANDRUM in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from West Virginia (Mr. STAGGERS) will be recognized for 1 hour, and the gentleman from Tennessee (Mr. KUYKENDALL) will be recognized for 1 hour.

The Chair recognizes the gentleman from West Virginia (Mr. STAGGERS).

Mr. STAGGERS. Mr. Chairman, I yield myself such time as I may use.

Mr. Chairman, our committee accounts for almost a quarter of the bills considered by the House each session. Today, I speak on behalf of the committee's bill, H.R. 9142, which I believe is one of the most important pieces of legislation we have considered in many years—and it certainly will be one of the most important bills this Congress will act on this year.

Few bills have received such extensive and thorough review in committee as this one. Our Transportation Subcommittee started public hearings back in early April.

The subcommittee held 21 sessions in public hearings and executive session before reporting the bill in late September. Our full committee met in executive session during the entire month of October, and we reported it out after 10 sessions. I think I heard only one or two dissenting votes.

It is a lengthy bill—covering 10 titles. It is as complex as any I have seen, since it deals with everything from bankruptcy laws, corporate restructuring and finance, to railway labor law.

I think it is a good—a historic bill—and I am proud of my committee in responding to the urgency of this crisis with a far-reaching but sound and considered approach.

Essentially, the bill is a reorganization plan for the six bankrupt railroads in the Northeast. It supplements section 77 of the Bankruptcy Act—which deals exclusively with railroad bankruptcy.

If the judges having jurisdiction over the bankrupt carriers want to use this act as a means of reorganization, they can do so. They are not forced to—but we feel sure that they will do so.

Briefly, the bill contains these provisions:

TEN POINT SUMMARY OF H.R. 9142

The Federal National Railway Association is created to be the principal planner and financing agency for the reorganization and modernization of the railroads.

A for-profit Federal Rail Corporation is created. It will exchange its common stock for properties of six bankrupt railroads and will operate pursuant to a master rail plan for the Northeast region.

The FNRA, Department of Transportation ICC and the public will devise, with congressional approval, the master plan for rail operations in the region, and designate which carrier will operate where, and what lines will be discontinued and abandoned.

Transfer of properties of bankrupt carriers to the new Corporation is mandatory so that essential service will not be interrupted. Provisions are in the bill to protect creditors' rights.

For uneconomical but essential lines which the planners decide not to include in the final plan, a yearly $50 million Federal fund is set up to cover the continued operation or purchase of those lines; provided States, localities, or regional authorities put up 30 percent of the losses.

The bill authorizes up to $250 million for labor protection costs associated with reductions and dislocations of the 120,000 Northeast rail work force.

The Federal Government is authorized to spend up to $36.5 million to organize and meet expenses of the association, the Corporation, and a new special office within the ICC, which will be a part of the planning.

There is a provision authorizing the Secretary of Transportation to grant up to $85 million to bankrupt carriers to meet operating expenses between the time this bill passes and the transfer of their properties to the new Corporation. This will be a period of about 20 months and is necessary to continue service, if the bankrupt carriers run out of cash.

The Federal Government will guarantee up to $1 billion in loans for the association to modernize the affected railroads, as well as to help pay for the properties to be conveyed to the Corporation.

The bill removes some exemptions for rail carriers from the Security Exchange Act, and adds language as to safety regulations concerning the transportation of explosives by rail.

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

Mr. STAGGERS. I yield to the gentleman from Georgia.

Mr. STEPHENS. Mr. Chairman, I would like to ask one or two questions since the gentleman has indicated that

at this point he is not going to take a great deal of time.

Mr. Chairman, as I understand section 911 of the bill, it would transfer to the Securities and Exchange Commission certain responsibilities which have traditionally and historically been responsibilities of the Committee on Interstate and Foreign Commerce.

Mr. STAGGERS. That is correct.

Mr. STEPHENS. Mr. Chairman, as I also understand, the ICC has had jurisdiction over railroads since about 1920 and over truck lines from about 1934.

Mr. STAGGERS. That is correct.

Mr. STEPHENS. Now, am I correct in my understanding that this bill attempts to transfer jurisdiction of railroads from under the ICC, but not transfer the same jurisdiction for truck lines or barge lines?

Mr. STAGGERS. It does not transfer the jurisdiction from the ICC. It makes it a joint jurisdiction with the SEC. These will still be under ICC, but SEC will be able to take a look at them. The reason for this is that if the SEC would have been looking at the securities of the Penn Central, I do not believe we would have been surprised by the collapse of the Penn Central, the New Haven and other railroads.

Mr. STEPHENS. Why is the jurisdiction transferred, this exemption eliminated in the case of railroad transportation companies, but not in the case of others? As I understand it, they would still be under ICC without being under FTC.

Mr. STAGGERS. The basic reason is that we are only dealing with railroads in this bill and we have not extended it to any other form of transportation in any way. This is one basic reason, and the other surface modes do have a little different situation than the railroad situation.

Mr. STEPHENS. If the gentleman will yield for another question, I wondered if he had had any hearings in the committee on this particular matter so far as railroads and other transportation companies are concerned so that they can express their views in the record?

Mr. STAGGERS. Mr. Chairman, I might say that the Subcommittee on Investigations has studied this particular subject for a period of 3 years and has come up with recommendations in the form of a bill, and that bill was incorporated into this bill by the subcommittee, by the motion of one member of the subcommittee.

Mr. STEPHENS. But in this particular bill here the gentleman does not have that before him?

Mr. STAGGERS. It is an appendix really by the full committee. They have been studying the project, and they did draft a bill, which the chairman dropped in the hopper, and a member of the subcommittee took that bill and incorporated it into this bill.

Mr. STEPHENS. Mr. Chairman, I understood that the gentleman had also introduced a bill dealing with this subject, and that is pending before his committee. That is a bill dealing with this subject alone?

Mr. STAGGERS. Mr. Chairman, this is the same bill that is incorporated here, essentially the same bill, and that is one reason why the truckers were knocked out. That was in my bill, but it was knocked out because this is a railroad bill, and we are probably going to have to take up the situation as it relates to truckers.

Mr. STEPHENS. Mr. Chairman, I thank the gentleman. I had hoped perhaps that we might consider it, although I will have no amendments to this. We should not have a delay of this matter because of its importance, and I wish we could have sufficient hearings on this matter so that the railroad companies and others could come in to testify.

Mr. STAGGERS. Mr. Chairman, I thank the gentleman for his comments.

Mr. KUYKENDALL. Mr. Chairman, I yield 5 minutes to the gentleman from Ohio (Mr. DEVINE).

Mr. DEVINE. Mr. Chairman, we are in a rather peculiar position today because of the content of H.R. 9142 having to do with the Northeast Railroad crisis.

The reason I say that we find ourselves in a difficult position is because there are a number of very objectionable features to the bill as it is now constituted. If the bill remains in this status, I am frank to say that I intend to vote against it.

It can be sanitized, it can be cured, because the gentleman from Tennessee has several very important amendments to offer which I think would make the bill ultimately acceptable. However, in its present form, I find that it is objectionable for reasons I will set forth in a moment.

Mr. Chairman, the problem is this: If we do not adopt legislation in this field, we are going to be in serious trouble, since we can hardly leave the Nation in a situation where the bankrupt railroads will be liquidated and wiped out and nobody remains in business.

I hope that these improvements will be made. I will ask all of the Members that when the gentleman from Tennessee offers his amendments they pay strict attention to them.

Mr. Chairman, this bill provides for approximately $1.4 billion to be devoted to the reorganization of the railroads in the Northeast part of the country, with $1 billion of the total being in the form of Government-guaranteed loans and the remaining $400 million coming from direct Federal expenditure. There are at least three areas in the bill that have convinced me that $1.4 billion will be nowhere near enough.

First, the manner in which the new corporation will acquire properties of the bankrupt estates is of such a nature that a higher price than the $200 million currently contemplated will probably ultimately be needed. This is due to the fact that valuation takes place after conveyance and opens up opportunities for the large insurance companies, banks and other elements of Wall Street that are the creditors of the bankrupt railroads to engage in extensive litigation to increase the price that will have to be paid for the properties. In committee we moved toward a compromise whereby conveyance would be in the context of a section 77 bankruptcy proceeding. The intent of the compromise was to allow the court to make a determination as to the disposition of the bankruptcy proceeding, limiting the claims that the creditors can make in subsequent legal proceedings. Our intent will not be realized, however, unless several amendments are adopted.

Another area of concern is the extensive benefits which are provided in the labor protection provisions. Virtually all members of the committee agree that protecting the well-being of the working man, that is, primarily the railroad employees, should be considered as a social cost payable by the Government rather than a burden on the new corporation. However, title VIII goes far beyond what is necessary to provide adequate labor protection.

The full Committee on Interstate and Foreign Commerce adopted language which was the product of a bargaining session involving representatives of railroad labor and some railroad management groups which is called a sweetheart deal where neither of them will have to pay for it but you, the taxpayers, will because it will be paid for with Government money.

The result of their agreement places the railroad employee in a far better position than his colleagues in other industries. For example, an employee with more than 5 years service can receive a monthly displacement allowance for the rest of his working life, which, in effect, amounts to a guaranteed annual income.

I think there is a general revulsion to that type of theory included in some legislation a few years back.

Such displacement allowances are figured on a unique compensation formula which permits an employee to inflate the benefits to which he is eligible far beyond that to which he is realistically entitled. As a result, the $250 million presently authorized for labor protection by the bill will be wholly inadequate to cover the costs that the Federal Government will incur. Again, amendments will be offered to correct these shortcomings, and I urge all of you to listen closely to them and adopt them.

Finally, the bill provides for extensive Federal subsidization for the purchase of nonprofitable lines that should be abandoned pursuant to the system plan. Again, the $50 million provided for these purposes is insufficient. Unless these provisions are modified, we will be called on in the near future to provide much more money. Perhaps some Federal assistance should be available to continue to operate a branch line which might be considered essential even though it is a money loser, I do not think that the taxpayers as a whole should be called upon to subsidize purchases of such lines. Corrective amendments to eliminate the mandatory application of Federal funds for the purchase of these branch lines will be offered, and I strongly urge their serious consideration and adoption.

H.R. 9142 is the result of extensive deliberations and compromise by both the members of the committee on Inter-

state and Foreign Commerce and particularly specifically the members of its Transportation and Aeronautics Subcommittee.

I would say to the Committee that one of the Members who joins me in the remarks that I am currently making is the gentleman from Michigan (Mr. HARVEY) who unfortunately found it impossible to be on the floor today. But I wanted to commend the gentleman from Michigan for the intensive work that he has put in on this bill, as well as the other members of the subcommittee, which include the gentleman from Tennessee (Mr. KUYKENDALL), the gentleman from Kansas (Mr. SKUBITZ), and the coauthor of the bill, the gentleman from Montana (Mr. SHOUP).

Mr. Chairman, we all realize the severity of the crisis. However, the changes I have mentioned must be made, in my opinion, if a disastrous financial impact on the American taxpayer is to be avoided.

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

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

Mr. GILMAN. Mr. Chairman, I rise in support of the statement made by the gentleman from Ohio (Mr. DEVINE).

Mr. Chairman, I rise in support of this measure. In considering this emergency rail proposal, providing for the reorganization and revitalization of the Northeast rail corridor, we should be mindful of a number of important factors.

Foremost in our minds should be the critical need for a total overhaul of rail operations servicing the most densely populated, industrialized section of our Nation. Without immediate Federal assistance to overcome the steady deterioration of Northeast rail operations, our Nation will be faced with severe economic, commercial, and environmental imbalances. The rash of bankrupt filings by Northeast railroads in recent years threatens to halt all of our rail service.

In supporting this rail legislation now before us—legislation which is the product of extensive hearings, debate, and deliberation, we will be adopting a proposal responding to our Nation's critical transportation needs.

H.R. 9142 applies immediate first aid assistance to those bankrupt railroads which, without this operating capital, would otherwise be required to terminate services. Of course, this is merely a band-aid solution—an interim remedy intended to assist the railroads in maintaining services while the major plan for reorganization is implemented.

The core system plan proposed by this bill and prepared by the Department of Transportation, the Interstate Commerce Commission and the Federal National Railway Association will require public hearings and will be subject to congressional approval. With the inclusion of these two provisions, the eventual core system has an excellent opportunity of responding to our needs for more adquate rail passenger and freight service. We must not merely create a skeleton system linking only major cities, but we must form a fully responsive system servicing all of those areas of the Northeast now dependent upon continuing rail operations.

A further important consideration which the committee wisely saw fit to include in this measure, provides for employment protection for our railmen. Although there is considerable controversy concerning the provisions of this section, no one can deny the need to afford our workers the opportunity for the financial security they are entitled to if their jobs are terminated as a result of the implementation of a plan for reorganization.

I am personally hopeful that rail employees will not be idled by any implementation of a core plan, but will, instead, thrive with the revitalization of a growing new system.

Faith in the future of rail services, an efficient form of transportation from the standpoint of natural resources and energy conservation, encourages optimism for improved rail operation resulting in growth; development and increased employment.

Accordingly, Mr. Speaker, I urge my colleagues, in the interest of improving our Nation's rail systems, to vote in support of H.R. 9142, the Regional Rail Reorganization Act of 1973.

Mr. STAGGERS. Mr. Chairman, before I yield to the gentleman from Washington (Mr. ADAMS) I just want to pay a special compliment to the gentleman from Washington (Mr. ADAMS) and to the gentleman from Montana (Mr. SHOUP) who are really the originators of the bill.

Mr. Chairman, I now yield 1 minute to the gentleman from Washington (Mr. ADAMS).

Mr. ADAMS. Mr. Chairman, this bill represents a compromise of many proposals as to how to deal with the Northeast railroad crisis caused by the bankruptcy of the six major railroads in the area. The bankruptcies now threaten the shutdown of rail service and the liquidation of major segments of the railroad net.

The six bankrupt railroads are presently in reorganization, under section 77 of the Bankruptcy Act. The judge in the major case involving the Penn Central Transportation Co., has stated that he would be required to close down this system unless some Federal solution was forthcoming because the railroad was operating at a continuing loss and the erosion of the assets of creditors would amount to a taking of property without due process under the fifth amendment. A number of the major creditors in that case have filed a motion to dismiss the section 77 proceedings and liquidate the railroad.

The trustees of that railroad have stated in their reports to the court that they cannot reorganize the railroad on an income basis as required by section 77 of the Bankruptcy Act. With this situation in mind the committee has spent many months trying to create a solution that would continue rail service in the area and at the same time meet the requirements of the Constitution that property cannot be taken without due process.

We have tried to forge a solution between the original position of the Department of Transportation which relied solely on an open-ended and voluntary negotiation between the DOT and the bankrupt estates for the railroad properties which might be profitable and the original position of many public officials and Members of Congress that the entire system should be nationalized. We rejected the DOT position because this would have meant an enormous disruption of service and massive unemployment possibly leading to a nationwide depression. We have also rejected nationalization through condemnation since the fair market value of the properties involved has been estimated to be $15 billion with more than $200 million losses per year. Thus nationalization would mean that the taxpayers would not only be bailing out the creditors and stockholders would also be buying a losing proposition.

The committee therefore moved to a plan to create a section 77 type reorganization using a new federally backed but private corporation. Based on the most recent decision of the Supreme Court in the New Haven Inclusion matter (399 U.S. 392 (1970)) we have created a provision which would in effect require the judges in each of six bankruptcy proceedings to promptly determine whether or not each railroad can be reorganized on an income basis and if it cannot be so reorganized—as is indicated by 5 of the 6 judges in these bankruptcy cases—the judge can either accept the statutory scheme of merger and reorganization as provided in this act or can liquidate the railroad. This provides a clear option for the judge and the creditors and we have provided an expeditious appeal proceeding of this determination. We thus wholly comply with the due process requirement of the fifth amendment. The proposed reorganization is patterned on the typical use of section 77 to "cram down" new securities for old when it is necessary to reorganize a property by having a new corporation formed and stock and other securities—if necessary—exchanged for railroad properties. This is a constitutional reorganization proceeding and is not a condemnation. The statutory reorganization system used in this bill follows that adopted by the Supreme Court in the New Haven Inclusion cases (399 U.S. 392 (1970)). First, the trustees and court have an option of whether to transfer properties in exchange for stock and securities of a new corporation. If this is decided then such bankrupt estates would have the proceedings for valuing the property consolidated in one court. This is necessary so that all of those who have rights in the railroad property that are necessary for public service in the Northeast, can be handled in one court. The remaining assets of the bankrupt estates remain in the original section 77 proceedings.

Other portions of this debate will outline in detail the system to be used for transfer of stock and securities for the property. The committee has always intended that the new-for-profit corporation which is formed will give stock for

the rail property selected as necessary for public service. The committee, however, has left available up to $200 million in loan guarantees in the FNRA originally or the consolidated court in its valuation proceedings in all cases to compensate those who have secured claims on the railroad properties to be transferred. We assume that the valuation proceedings will take many years as occurred in the New Haven Inclusion cases (ibid.) and, therefore, we have proposed in the bill that upon transfer of stock and such other securities that the Government, through a planning and financial corporation, FNRA, determines to be proper compensation to the consolidated court, then the properties will be transferred and service will be able to continue. Thereafter, hearings will be held on valuation in the regular course as in the New Haven Inclusion cases (ibid.). This was the type of system that was followed in that the merger took place and at one time the properties were transferred and thereafter the courts determined whether the valuation and compensation was fair and sufficient under the Constitution. That case also determined that liquidation value was all that was to be required to be paid to the creditors and we have done everything possible in the legislative history surrounding this bill to make certain that no more than the constitutional minimum for liquidation as defined by the Supreme Court will be paid by the new corporation for the properties obtained from the bankrupt estates. In addition, we have limited the amount of Government loan guarantees that can be used for acquisition so that taxpayers are protected both by legislative history guided by the determination of the Court and by an absolute limit on the amount of Government guaranteed loans that can be used.

I have taken this time to be certain that it is clearly understood that this bill merely utilizes the principles of existing merger and bankruptcy law through the creation of a new corporation to continue rail service in the Northeast.

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

Mr. ADAMS. I yield to the gentleman from Indiana.

Mr. DENNIS. Mr. Chairman, I am asking for information, and I would ask the gentleman from Washington whether I understand correctly that under the labor protection provision——

The CHAIRMAN. The time of the gentleman has expired.

Mr. STAGGERS. Mr. Chairman, I yield 2 additional minutes to the gentleman from Washington (Mr. ADAMS).

Mr. DENNIS. Mr. Chairman, if the gentleman will continue to yield, I am asking the distinguished gentleman from Washington (Mr. ADAMS), if I am correct that under the labor protection provisions of this measure that if I went to work for the Pennsylvania Railroad at 20 years of age, and this bill were passed, and the consolidation and reorganization went through, and I was laid off at the age of 25, that as long as I stayed on the extra board and was available I could draw these displacement benefits for the next 40 years?

Mr. ADAMS. No. What happens on this is that you are offered a job by the new company, and if you refuse to take it then you do not draw benefits. If, on the other hand, you are not offered a job, and you go out and work for another company, or in another system, then whatever you get is deducted from the protective allowance. There is a formula as to how much you get. The breaking point, as the gentleman states, is correct, it is 5 years. And this is paid through the Railroad Retirement System so that we have a profile on each man.

But it is not contemplated that a man can simply sit on the extra board and be paid, and it is not required that he do that. In fact, what this provides for the first time—and it has been a breakthrough in labor-management relations—is that since we have 6 railroads and people on these various properties, this is the first time that a man can be taken from one property, placed on another property, and shifted to a different location, so that the man will be absorbed. This is the system, and it is not contemplated that there will be, as the gentleman said, an extra board member who just sits at home and draws his money.

Mr. DENNIS. But as long as one is available and takes the job when he is called, he gets the difference made up; does he not?

Mr. ADAMS. Yes, if the management decides that they are going to keep this kind of board. We are certainly hopeful that the whole thrust of this is that the management is not going to keep that kind of practice, and they do not have to under this bill, because the regular labor agreements do not require that, and the second part is that they will negotiate new ones.

The CHAIRMAN. The time of the gentleman has expired.

Mr. STAGGERS. Mr. Speaker, I yield 2 additional minutes to the gentleman from Washington.

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

Mr. ADAMS. I yield to the gentleman from Kansas.

Mr. SKUBITZ. Mr. Chairman, I rise to ask the gentleman a question. Is the gentleman telling this Committee that all of the employees that are now employed will continue to be employed? That there will not be any displacements?

Mr. ADAMS. No; there will be displacement.

Mr. SKUBITZ. My colleague admits that there are going to be certain employees with 5 years of service who will be displaced.

Mr. ADAMS. There certainly can be some. What I am stating to the gentleman is that, since he mentioned the extra board and the management just keeping somebody in there and paying him for doing nothing, that is not part of this.

Mr. SKUBITZ. What then happens to the protected employee who loses his job under this plan and who is not offered any job? Does he not receive his monthly wage so long as he is on furlough?

Mr. ADAMS. That can happen. I am just saying we are not going to start with the 5-year employees first. Management has to have some say-so.

The CHAIRMAN. The time of the gentleman has expired.

Mr. KUYKENDALL. Mr. Chairman, I yield to the gentleman from Indiana [Mr. HUDNUT] such time as he may consume.

Mr. HUDNUT. Mr. Chairman, the bill we are considering today, H.R. 9142, may very well be the most important one of this session. The entire U.S. economy is faced with a potential crisis because of the threatened liquidation of the Penn Central and five other carriers operating in the Northeastern part of the United States.

This legislation has been the subject of extensive deliberations for a period of 6 months before the full Interstate and Foreign Commerce Committe and the Transportation Subcommittee. While the deliberations have been enveloped in a significant amount of controversy, all of us on the Committee recognize the complexity of the issues involved and the severity and immediacy of a need for a solution to an evergrowing crisis.

Basically H.R. 9142 would—

Set up a nonprofit federally owned Federal National Railway Association whose leadership would carve out of the present rail system a core that would be turned into a profit-making railroad. The association would also provide financing to acquire and upgrade the new rail system. It would have authority to guarantee up to $1 billion in private loans to finance the arrangements.

Create a for-profit Northeast Rail Corp., which would own and operate the new railroad system. At the start, 100 percent of the corporation's stock would be owned by the creditors of the present bankrupt northeastern railroads. This would be the payment for acquisition of tracks and equipment from the bankrupt companies. Additional payment could be up to $500 million in loan guarantees.

Workers who are displaced from their jobs and not rehired by the new railroad would be given financial protection.

While I share the concern expressed in the supplemental and additional views of the committee report with reference to the potential costs—and hope that we may be able to adopt some effective amendments in regard to this aspect during floor debate as suggested by the Secretary of Transportation—on the whole I feel the bill brought out by the Committee embodies a realistic and practical approach for resolving the Northeast railroad problem and that it merits support.

The entire U.S. economy would suffer drastically if these northeast railroads were liquidated; and the impact on my own state of Indiana would be immediate and staggering, creating widespread industrial layoffs and disruption of essential transportation services.

One particular example involves a GM Chevrolet-Division plant in Indianapolis. This plant receives 34 loaded cars each

day and sends out 85 loaded cars per day. The service provided by the Penn Central is crucial to the operation of this plant as well as others operated by General Motors throughout the country. Any disruption in service, however temporary, will have a domino impact on the entire corporation and would result in complete cessation of all GM operations within a week. This would include even those in locations not served by the northeast system, whether in Georgia, Texas, California, or elsewhere.

In addition to the economic impact there would be other serious consequences involving the population in other ways. For instance, the president of the Indianapolis Water Co., Mr. Thomas W. Moses, has written me as follows:

Our White River water purification plant is served at the present time by the Penn Central Railroad. This plant provides approximately two-thirds of the public water supply for the metropolitan Indianapolis area. With a plant of this size, it is expedient and economical to utilize bulk rail or truck transport of chemicals. Unfortunately chlorine, which is essential in providing a bacteriologically safe water quality to the consumer, is only available by rail delivery. While our receipt of chlorine shipments is only at approximately monthly intervals, prompt delivery is critical.

We realize we are but one of many industries within the area which would be vitally affected by such railroad action. However, we felt you should be aware of the influence our situation would present to many of your constituents.

While I am under no illusion that this immediate legislation, as embodied in H.R. 9142, will be a complete solution to the problems experienced by the railroad industry in the United States, it will maintain essential services in an important region of the Nation. It is in the public interest that this bill be adopted to meet the urgent needs which prompted its consideration.

However, in my opinion, we must not feel our job has been completed with the passage of H.R. 9142. Rather, the Congress and the executive branch must fashion long range programs, including a viable national transportation plan. One essential step is to have a program for upgrading track and roadbed conditions much as we have done in the interstate highway program.

As I have pointed out previously, I feel we must have a balanced transportation system, with railroads playing an important part, if our economy is to continue to grow and prosper, and if we are to address ourselves to the energy crisis in a constructive way.

Mr. KUYKENDALL. Mr. Chairman, I yield myself such time as I may consume.

First, I also want to join with Mr. STAGGERS and Mr. DEVINE in congratulating Mr. SHOUP and Mr. ADAMS, Mr. JARMAN, and Mr. HARVEY, and the other members of the subcommittee, and the counsels, too, by the way—whom we give a hard time—for the unbelievable amount of work that has gone into this piece of legislation.

I am going to surprise some of the Members just a bit by spending the first couple of minutes talking about the strong points of this piece of legislation. The first of these strong elements of putting together a piece of legislation that will create a railroad that can survive as a free enterprise entity is the creation of the Federal National Railroad Association, which is the lending organization, to be sure that the new railroad has an adequate amount of money for modernization. This organization is created at the same time that the framework for the new railroad corporation is created. The Members will notice that I say "framework" because in the beginning that is all it is.

The second item—and this is very, very important, and this is important for the survival of the new railroad and important for the value of the stock in the new company—is that we are allowed what is called a selective taking, meaning that the new corporation is going to be given only those railroad lines which are probably going to be profitable. So the railroad itself is picking up the very best parts of the entire eastern railroad system comprised of part of seven present railroads.

Third, it is intended—and here is a place where there is a difference of opinion in the Committee as to whether the vehicle will work properly—that the bankrupt estates be given only stock, as the gentleman from Washington stated. One hundred percent of the stock in the corporation is to be given to the estates of the seven bankrupt railroads for 100 percent of the property in the corporation—for stock 100 percent; for ownership, 100 percent.

I shall introduce a minor amendment to correct what I believe is an error in the bill, which would allow a part of the $200 million allowed for acquisition to go to profitable railroads that are involved in the system in a very minor way.

Lastly, as far as the strong points of the bill are concerned, this corporation will go into being without any debt at all, except a maximum of $200 million for acquisition purposes.

Immediately it can acquire from FNRA $300 million approximately—this is not in the legislation—for operating capital and a minimum figure of a half billion which must be kept in reserve by FNRA if needed for modernization of the new railroad.

This is the key to the whole future success of this railroad, the fact that it will be modernized.

Let me speak, if I may, to three amendments which I consider essential for the long-range success of this whole operation and primarily, however, for protection of the taxpayer. In the past we in the Transportation and Aeronautics Subcommittee and in the Committee on Interstate and Foreign Commerce have said any time that management and labor will bring in an agreement that they themselves have arrived at, we will look upon it in a favorable way. In these negotiations, however, this is a three-way negotiation with the taxpayer involved in a very large way, and the taxpayer was not in these negotiations. So I do not believe we can accept this as a normal labor-management agreement. The labor people were in it 100 percent properly. They were represented by the same people who will represent them in the new railroad, taking care of them under the same circumstances that they will be taken care of under the new railroad. But management was not represented by the people who will be running the new railroad. The taxpayer was not represented at all.

I had intended, and it is in my separate views, that I would introduce an amendment against the expansion of the scope of FNRA to include connecting railroads. I shall not introduce that amendment because I have learned from the gentleman from Iowa (Mr. GROSS) about the conditions of the Rock Island. He has convinced me that this was brought about by the dalliance of the ICC and the delay of the merger proceedings. So I shall not introduce that even though I do object to FNRA broadening its scope this early in the game.

May I have the attention of the Members and I shall try to make the strongest point I can concerning one of the amendments. I shall direct no amendment at anyone who is left unemployed by this legislation. Every single employee of the railroads that are going out of business will have one of three things happen to him. He will either be severed with severance pay or retired. That is the first thing that will happen. A great many of them who will be near retirement will be offered early retirement. Those with less than 5 years of service will be given severance pay. The people the railroad does not have a job for but who have more than 5 years, service will be given furloughs. Thirdly, there are the people who are working regularly.

Neither of my amendments is directed, and in fact they carefully avoid it, at any contact with the people who are on furlough or the people who are being severed. My amendments only direct themselves to the people who are working for the new railroad. They will be working for the new railroad.

A major departure from the previous labor practice of determining what a year's pay is was arrived at in this agreement and is in the bill. Previously a year's pay—and this is what was in the Amtrak legislation and this is what was in the Pennsylvania-New York Central merger—has previously been going back to the last 12 months in which a man worked at all. If he did not work at all they skipped that month and went back to the 13th month.

There is a new formula here which goes back and picks up the last 12 months in which the man works more than half the time. It does not take into consideration a month which had a great deal of overtime. It may go back 13 or 14 or 15 months. In some cases we may have an annual pay here arrived at in the bill which is 20 to 30 percent more than the collective bargaining salary that the man working for the railroad will obtain.

My amendment will limit the taxpayer paid bonus.

Now, remember, the difference between this artificially arrived at salary and the salary arrived at by collective bargaining, that bonus which could be $2,000 a year in some cases will be paid for out of the taxpayers' pocket until age 65. In some cases it could be 30 years.

My amendment will limit that bonus to the workingman, not the unemployed,

the man who is working. My amendment will limit that bonus to 6 years.

This is a relocation allowance. He is moving. He has some inconvenience and, therefore, 6 years is deserved and is adequate. That is the amendment that I shall offer on the 6 years. This is the reason why.

To answer the gentleman from Indiana (Mr. DENNIS) on the question of the man who is on furlough, who is sitting there doing nothing, and say he is 30 years old. The way the system works is this. On a seniority rotation basis, the next job up in his classification bracket must be offered to him. If he refuses that job, regardless of the transfer, he is severed immediately. He does not get a continuing pay any longer.

Now, in the UTU Union, the operating unions, they are not long on employees. The operating unions are not long on employees. One of the unions, the Clerks Union, does have a lot of employees, so the social cost of picking up these younger people as they come up in the seniority, even though it is terribly expensive, is something that we necessarily have to face up to.

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

Mr. KUYKENDALL. I yield to the gentleman.

Mr. DENNIS. As I read the bill and understand it, anyone who qualified as a protected employee is entitled to a monthly displacement allowance, anyone who is a protected employee and has been deprived of employment or adversely affected in compensation is entitled to a monthly displacement allowance equal to the difference between his monthly earnings, if any, following the conveyance pursuant to the chapter and the former compensation is equal to that until he is 65 years old.

Mr. KUYKENDALL. He can only draw that until the time that his name turns up in the seniority circle and he must by the terms of this bill be offered employment. He could be transferred from Bethesda, Md., to Bangor, Maine, but he has to be accepted.

Mr. DENNIS. If he is fortunate enough not to be offered that employment, he is still eligible?

Mr. KUYKENDALL. Well, I will join with the gentleman from Washington on this. I think it is almost impossible to assume that seniority turnover will not get to those people, all of them, in a reasonable period of time, 5 to 6 years.

I know that the retirement alone on the other end will take care of the majority of those where they will definitely be off, but by law they have to be offered the next job.

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

Mr. KUYKENDALL. I yield.

Mr. DENNIS. If he is offered some employment after a few years, that it is not equal to what he had previously, does he still draw the difference?

Mr. KUYKENDALL. My amendment would limit an employee drawing it until he is 60 years old.

Mr. DENNIS. Under the bill he would draw the difference?

Mr. KUYKENDALL. In the bill he would draw the difference for his working life. This is what I am objecting to, because I cannot imagine anybody in the eastern region of this country wanting some C. & O. employee in their city working under exactly the same collective bargaining agreement drawing 15, 20, 25 percent more to do the same work. The C. & O. employee would be drawing that much less than the urban employee and the bonus would be paid out of the taxpayers' pocket. This is what my amendment strikes at.

It is only for the people that are now working. I do not want to get into the matter, as I mentioned in the beginning, of the person who is not employed. The person who is employed and drawing a bonus out of the taxpayers' pocket above his regular salary is about the most serious defect of this bill.

Mr. DENNIS. He can still draw that bonus up to what his previous salary was, the difference between what he is getting and what he was getting before. The taxpayer still picks that up until he is 65?

Mr. KUYKENDALL. In this bill, all severance pay or pay of furloughed employees, and this bonus of regular employees is paid by the taxpayer.

Mr. DENNIS. I am not arguing about a transfer, but it just seems to me a long time. They can run this thing maybe 40 years.

Mr. KUYKENDALL. I am saying that if the gentleman wishes to offer an amendment on that, he may. I think maybe the gentleman from Iowa may.

Mr. DENNIS. Mr. Chairman, I have one more question while I am on my feet, and then I will desist. This applies to people who are defined as protected employees?

Mr. KUYKENDALL. Yes.

Mr. DENNIS. I gather the protected employee belongs to the Brotherhood and is protected up to $30,000 a year. If he is unorganized, it is only $20,000. What is the reason?

Mr. KUYKENDALL. It is not true.

Mr. DENNIS. All right, then it is not true.

Mr. KUYKENDALL. May I explain, please?

Mr. DENNIS. Yes.

Mr. KUYKENDALL. The gentleman is talking about my amendment. The cutting back from 30 down to 20 is to prevent executive featherbedding. Only management and executive people are cut down. Non-organized people are covered exactly the same as organized people in this legislation, just exactly.

However, I worked as a manager for 16 years and I never had more than 30 days tenure in my life, but to give management and executive personnel guarantees to $30,000 a year I think is absolutely ridiculous.

Mr. DENNIS. What the gentleman is telling me is that if I am a track worker or something else, but I do not belong to the union——

Mr. KUYKENDALL. This has nothing to do with the union, but whether or not a person is a manager or executive.

Mr. DENNIS. If I am not a manager or executive but I am an unorganized worker, I can get $30,000?

Mr. KUYKENDALL. Right.

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

Mr. KUYKENDALL. I yield to the gentleman from California.

Mr. KETCHUM. Mr. Chairman, so that I have this clear, the gentleman's amendment will reduce this back to 6 years?

Mr. KUYKENDALL. That is right.

Mr. KETCHUM And only for those who are working?

Mr. KUYKENDALL. I leave it so long as they are employed.

Mr. KETCHUM. Would that not mean that if an individual were working and making $15,000, he could actually be making $15,000 more, or $7,500 more?

Mr. KUYKENDALL. The gentleman is talking about if he is not working for the railroad. Let me try to explain what I think is his misunderstanding. If a person has been drawing $15,000 a year, and is furloughed—and by the way, there are not going to be any $15,000 a year men furloughed because that means a lot of seniority and we will find that they are at lower pay than $15,000, so I do not think we will find hardly any $15,000 people furloughed. However, if they were, and this man could get a job making another $15,000 over and above his furlough pay, he would lose half of it, so the $15,000 a year man is probably on the formula if he goes to work on a union negotiated pay for $15,000 and will probably be paid a bonus of another $2,500 or $3,000 from the taxpayer. That is what I object to in the 6 years.

Mr. KETCHUM. Mr. Chairman, one further question. If this bill were not passed at all and we throw the railroads back to the wolves, so to speak, what happens to those employees?

Mr. KUYKENDALL. Well, the railroads are not going to be shut down. If there were such a thing, what I think we are fixing to ask here and one of the reasons I wanted to cut out executives and managers and limit those to 6 years, was that Ford Motor Co., when they shut down in Memphis, Tenn., there was not any such thing as all of this. These people happen to be working for essential transportation and turmoil caused in the Northeastern part of the United States by the shippers and all the politics in the world, would end up in nationalization. It would be a cost to the taxpayers of $10 billion.

This is what we would end up with, because they would not be shut down. The transportation worker by his very nature has an advantage over everybody because he is a part of an essential transportation industry.

However, I do not think we need to go that far. I think the fact is that a man who is working, who is employed, should not get this extra bonus for more than 6 years.

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

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

Mr. RUPPE. Mr. Chairman, am I correct in understanding that considering the categories of one who is either furloughed and cannot get a job and one who is furloughed and gets a job elsewhere, both of these categories of individuals will make more money in so doing, by getting laid off and getting a job

elsewhere, than they would get working for the railroad?

Mr. KUYKENDALL. Theoretically, the man who is not working will make more money than the man who is, because he will not be required to pay into the Railroad Retirement Fund, he will not have to pay for hospitalization insurance or any of those things, so in that way he will be getting more money. The original amount of the pay check will be the same.

Mr. RUPPE. He will be getting more money than he, himself, got before he was laid off, so he is in effect better off under this system, God help the taxpayer. If he were laid off or no matter what would happen, if he were not laid off and went to work elsewhere, he would receive better real wages than he had heretofore?

Mr. KUYKENDALL. I will make this clear.

Mr. Chairman, I have complete faith in the mechanism which will get practically all of these people off furlough in a very short number of years, because the law says that they have to be taken in order and taken off furlough just as soon as a position is open anywhere in the system.

Mr. RUPPE. Mr. Chairman, will the gentleman yield on another point?

Mr. KUYKENDALL. Yes, I yield to the gentleman from Michigan.

Mr. RUPPE. Mr. Chairman, when they are taken back, are they taken back across the board or are they taken back by various trades and crafts?

I ask this question, because, as I understand it, some trades are in short supply and some trades or crafts are in very long supply or are in surplus, and it could very well be, from my understanding, that some will find themselves in a pool that was not contemplated, and it could be a very great number of years before they are recalled.

Mr. KUYKENDALL. It is my understanding—I do wish to ask the gentleman from Washington this question later—it is my understanding that we do not cross craft lines.

If the gentleman wishes to volunteer that information, he may.

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

Mr. KUYKENDALL. I yield to the gentleman from Washington.

Mr. ADAMS. Mr. Chairman, the gentleman is correct. We do not cross craft lines, but this would not change the situation in the respect the gentleman is discussing.

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

Mr. KUYKENDALL. Yes, I yield.

Mr. RUPPE. Mr. Chairman, the employee would have no reason to go back to work, because if he went back to work he would lose money from his income. Under this situation, if he worked elsewhere or, in fact, did not work, he would do better than if he worked; he would be "hogtied on the finish line," so to speak, and if he were to take a job if he was not compelled, why should he do so?

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

Mr. KUYKENDALL. I yield to the gentleman from Washington.

Mr. ADAMS. Mr. Chairman, as I have previously stated, we have to rely on the fact that management is going to offer people jobs in the organization and we will organize this system so that people will work within it. If they all do work, as the gentleman pointed out, and are allowed to be called under the extra-board system and they do rotate on seniority in these various crafts, I am hopeful that we are going to have a good organization in this industry. If they do not, the system will not work, as the gentleman pointed out.

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

Mr. KUYKENDALL. I yield to the gentleman from Montana.

Mr. SHOUP. Mr. Chairman, am I correct that although in the subcommittee there was a great deal of difference in the particulars on the employee protection discussion and on this particular title, title A, there was unanimity among all of us that whatever went in, it would not be job protection, but, rather, employee protection?

Mr. KUYKENDALL. Mr. Chairman, the gentleman is correct.

This is aimed at the employee, and I will not deny for 1 second that the pay to the people who are unemployed is high. I will not deny for one single instant that it is expensive to the taxpayer.

The first amendment I will offer—and I will discuss it last—has to do with something which I will cover very quickly.

Everyone is concerned about what a court may order later on to be paid by the corporation in what might be declared to be a deficiency judgment. As long as you are dealing through the courts anything that you deal with may be appealable and ultimately go to the Supreme Court. So the only thing that is absolutely certain is the auction block. That is the only way you can be sure it will not be thrown back into your lap by the Supreme Court later on.

However, early in the bill there is a provision that requires the court to make a total decision as to whether, first, the railroads are truly hopelessly bankrupt or whether or not the railroads can be reorganized under the provisions of bankruptcy law or, third, whether to go forward under this bill.

This bill gives that court only 60 days to make that determination, which is no choice at all, really. We are afraid that if he is forced to make the choice between liquidation and accepting the offer under this bill, later on it will weaken our case in court on deficiency judgments.

So my amendment will require—and this particular copy has not gotten to the gentleman from Washington, and I am very sorry on that—that the judgment as to whether or not the railroads are truly bankrupt, which has already been made on six of the seven of them, is made in the initial 60 days.

The 300 days means that the court will get, along with the board, a copy of the first version of the plan itself. Then the court can look intelligently at the plan and get an idea as to whether this stock we are offering will be viable or not.

For instance, if the plan has a bunch of fat in it and has built-in losses in it because of excessive trackage, then the court knows full well that the stock will not be worth anything in the future. If the plan looks viable and profitable by having short trackage, the court knows that the stock will be worth something in the future. So within 60 days after that 300 days they will have had time to study the plan. At that time the court will decide whether to accept the bill, in other words, the shares of stock, or to liquidate. By doing that they can prevent condemnation and prevent a mandatory taking, and later on when the court tries the deficiency judgment that Department of Transportation and the railroads will have a great deal better chance to prove that the judge who accepted the offer had a true choice and time to study it.

The vehicle projected by the gentleman from Montana and the gentleman from Washington of requiring the court to make the decision, in my opinion, is a sound one. The only thing I am disagreeing on is the final decision between accepting the stock or liquidation should be made after the court has had 60 days to study the plan.

So acknowledgement of bankruptcy with the same 60 days that is in the bill and the determination as to whether to go the route of this bill, H.R. 9142, or to go by way of liquidation is made in 60 days.

Mr. SKUBITZ. Will the gentleman yield?

Mr. KUYKENDALL. I yield to the gentleman from Kansas.

Mr. SKUBITZ. The gentleman has pointed out that there is a proviso in this measure to take care of the Rock Island Railroad which finds itself in desperate straits.

Mr. KUYKENDALL. That is correct.

Mr. SKUBITZ. I am not opposed to the proviso, but what troubles me is the language of the proviso. Let me read it. In section 202(a) of the bill the proviso says:

> Provide assistance in the form of loans to any railroad which (A) connects with a railroad in reorganization, and (B) is in need of financial assistance to avoid reorganization proceedings under section 77 of the Bankruptcy Act.

Nowhere do we define the word "connect." I have made an inquiry about the MKT Railroad that goes through my State. The MKT is a joint owner of the same facilities with the Pennsylvania Railroad in St. Louis. I am sure there is an interchange of freight.

If there is joint ownership of the terminal and an interchange of freight and the railroad is in danger of becoming bankrupt, would the gentleman say that the railroad would be eligible for loans under the proviso.

Mr. KUYKENDALL. They would fall under the other definition, yes, they would.

Mr. SKUBITZ. I thank the gentleman.

Mr. KUYKENDALL. Mr. Chairman, I yield 5 minutes to the gentleman from Pennsylvania (Mr. WILLIAMS).

Mr. WILLIAMS. Mr. Chairman, I would like to compliment the Committee on Interstate and Foreign Commerce for reporting out a basically good bill.

It does have some defects, and I must

say that I am sure that some of the blame for the defects in the bill which, as I say, is a basically good bill, falls on me. I have some knowledge about railroading, and I told the gentleman from West Virginia (Mr. STAGGERS) that I would give the gentleman a report of what I thought should be done, but I never did get the report to the gentleman. So I cannot be critical of the gentleman.

Mr. Chairman, I have been utterly amazed at some of the questions and statements that were made here on the floor today. My distinguished colleague, the gentleman from Ohio (Mr. SAM DEVINE) talks about how unwise it would be to spend $1.4 billion. That is a totally incorrect statement, because we have been spending billions upon billions of dollars in subsidizing other forms of transportation.

Also I cannot understand my distinguished colleague, the gentleman from Michigan (Mr. RUPPE), who made quite a point about the pay of these employees who would be laid off because, as the gentleman from Tennessee (Mr. KUYKENDALL) has already explained, the gentleman is going to offer an amendment that would basically take care of that.

Mr. KUYKENDALL. Mr. Chairman, would the gentleman yield for just a moment?

Mr. WILLIAMS. I yield to the distinguished gentleman from Tennessee (Mr. KUYKENDALL).

Mr. KUYKENDALL. Mr. Chairman, I would like to correct one little misunderstanding, and that is that the gentleman from Ohio (Mr. DEVINE) did not object to the $1.4 billion; the gentleman regretted that it might not be enough. So the gentleman did not object to that.

Mr. RUPPE. Mr. Chairman, if the gentleman will yield, I think the gentleman from Pennsylvania is referring to my point that the employees who get laid off in this instance will make more money than they would have made if they had stayed on the job.

The other point I was trying to make is that there are dozens and hundreds of my people, located in my district in Michigan who, when they get laid off each day they go down to the unemployment office to take care of their problems whereas in this particular situation we are giving a group of people tremendously federally financed benefits, the like of which we have never seen in any negotiated or legislative settlement in labor-management negotiations in a long time.

Mr. WILLIAMS. Apparently the gentleman from Michigan has missed my major point, and that is that the gentleman from Tennessee (Mr. KUYKENDALL) has already stated that he is going to offer an amendment which will take care of that to a very great extent.

Mr. Chairman, I do not see why it should be any surprise to anyone today for us to be talking about saving the railroads, because for many, many years we have been doing our best to put the railroads out of business. We have spent a fabulous number of billions of dollars in building the Interstate Highway System. I go home to my district almost every weekend, and in driving on Interstate 95 from just beyond Baltimore to Philadelphia, I pass, going both ways, the equivalent of about five huge freight trains of trucks carrying business that normally would go to the railroads.

They are riding on the interstate system which has been built and which is being maintained by tax money. Also every year we spend hundreds of millions of dollars in making grants to municipalities for airports. Every commercial plane that we have today that is being produced in any volume at all is a direct outgrowth of a military-type aircraft for which the military paid billions of dollars for the research and development, design, and then building the prototype.

The 707, as an example, a commercial airliner that is in use all over the world today, is an adaptation from the Air Force tanker plane. Then from the 707 we got the 727, the 737, and ultimately the 747. But it was the Federal Government through the Department of Defense that spent billions of dollars, that the airlines would never have been able to afford, to develop these airplanes.

The CHAIRMAN. The time of the gentleman has expired.

Mr. KUYKENDALL. I yield the gentleman from Pennsylvania 2 additional minutes.

Mr. STAGGERS. I yield the gentleman 2 additional minutes.

Mr. WILLIAMS. I thank the gentlemen for yielding additional time.

Mr. Chairman, the point I am making is that this Congress has been taking action to put the railroads down the drain. A lot of this, of course, has been due to some rather stupid management on the part of the railroads.

After the merger of the Pennsylvania with the New York Central, the president, Mr. Saunders, started to build up a conglomerate. One of the best railroadmen in the country, Mr. Pearlman, the vice president, was not even consulted. Mr. Saunders did not even speak to him. I had a chance to hear Mr. Saunders testify before the gentleman's committee, and his testimony was pathetic.

However, we must remember this, that when the Penn Central was permitted to go into bankruptcy—and it never should have been permitted to go into bankruptcy—Judge Fullam of the eastern district of Pennsylvania, appointed four trustees: Jervis Langdon, an attorney who had been president of the Baltimore and Ohio Railroad, which railroad escaped bankruptcy by merging with the C. & O. Then Jervis Langdon went with the Rock Island, which is in very, very bad shape today. The second trustee was a Harvard professor named Baker who never had 5 minutes of actual experience in railroad work. The third man was Richard Bond, whose family owns the Wanamaker's Stores. Richard Bond is regarded as a Philadelphia socialite. They also made one good appointment, Willard Wirtz, who knew, at least, how to deal with labor.

Willard Wirtz walked off of the job over a year ago when the recommendations made by the trustees were totally ignored. If the ICC got a petition for a raise or a decrease in rates, it took them a year or a year and a half to respond to it. If a line was operating at a loss, and perhaps the corporations had moved away that were manufacturing the goods which the railroad was carrying, the railroad was ordered to continue that service until the ICC reached a conclusion, and sometimes it took a year to a year and a half. At no time did anybody consider putting in a real management team of people expert in the operation of railroads.

Make no mistake about it, the railroads can be operated at a profit. Before the merger of the Pennsylvania Railroad and the New York Central, the Pennsylvania Railroad was a profitmaking corporation and had been for many, many years. However, in addition to Congress subsidizing other forms of transportation, and in addition to some rather stupid management on the part of the railroad executives, they had labor to deal with, and railroad labor has adopted the most asinine set of working rules one can imagine.

Let us just take the example of a freight train crew that was supposed to pick up a freight train at a terminal at a certain hour, and the train was 4 hours late. For 4 hours they were sleeping in the terminal or perhaps playing cards. Then they took over the railroad train, and all those 4 hours counted toward the 12 hours that they could work maximum. Eight hours later, regardless of where that freight train is, it is stopped. It is up to the railroad company to get another crew out there.

A railroad man who works a split shift, such as on a commuter service in a major metropolitan area, works 4 hours in the morning and for that he receives a full day's pay. When he comes back for 4 hours work in the afternoon he gets paid at a rate of time and half time.

A railroad crew gets a day's pay for taking a freight train 100 miles or a passenger train 150 miles. With today's equipment if he does twice that distance he gets paid 2 days' pay.

So what we have here is a situation which we have helped to create and which the railroad employees have helped to aggravate, and we cannot afford to let the railroads go out of business.

When we are talking about $1.4 billion, or $4 billion, I can tell the Members that once these railroads are put back in operating condition they can be profitmaking. In just the first 3 months of this year the Penn Central lost $27 million, because of an insufficiency of freight cars. Once we make the equipment available to them, they can be profitmaking.

What we have got to do is correct our own mistakes, and we are the major culprits, the Congress of the United States. At the same time we have to correct the mistakes of railroad management and railroad labor.

Under no circumstances can we afford to let the railroads go out of business.

It is my intention to vote for the amendments to be offered by the gentleman from Tennessee (Mr. KUYKENDALL) and to vote for this bill.

Again I do commend the Committee on Interstate and Foreign Commerce for the fine job they have done.

Mr. STAGGERS. Mr. Chairman, I yield to the gentleman from Pennsylvania, Mr. FLOOD) such time as he may consume.

Mr. FLOOD. Mr. Chairman, simply stated the bill now before this body is absolutely crucial to the future economic survival of the Northeast United States, and especially northeast Pennsylvania. I will not herein review the litany of delay and confusion which has accompanied all attempts to come to grips with the sad condition of the railroads in the Northeast—they are all too well known by all of us. What I wish to briefly point out is that this legislation is a first step that must be taken; a step which the Congress has carefully examined and found to be necessary.

All eyes are now on the Congress. The railroads have attempted to solve their own problems and now look to the Congress. The rail labor unions are in a precarious position and now look to the Congress. The Interstate Commerce Commission has attempted to come up with a solution and now looks to the Congress. The U.S. Department of Transportation is deeply concerned with this situation and now looks to the Congress. The Federal courts have before them numerous litigation to rescue some of the parties in the crisis and now look to the Congress. But first, and foremost, the people have their eyes on the Congress. They know that the rail system is as crucial to their economic survival as is their own circulation system to their physical well being. Without the benefit of rail service—and believe me if this bill does not pass intact there will be a serious question as to whether or not they will have service—without that service, the people of the Northeast will suffer a serious slowdown of the delivery of vitally needed goods and services. The potential impact of the closing of the so-called branch lines is even more devastating, for with such closures will come—and I absolutely assure each and every one of you that this is so—with the closure of the branch line will come the shutting down of scores of plants, industries, and other businesses.

Eliminate the branch lines and you eliminate the economic means of transporting crucially and vitally needed materials which are used in the plants and businesses throughout the Northeast. Now I ask you—if we make no provision for maintenance of the branch lines, if we forsake our responsibility to deal fairly with the very people whose economic survival is at stake here—will we have solved the problem? Or will we have instead forsaken these people to go it on their own. I maintain that if the Federal Government is to become involved in the running of the railroads in the Northeast—and that we are doing here today—that the very minimum concern must be complete equity for those people who will be affected by our actions. It is patently unjust to even consider the withdrawal of support at this time for the branch lines.

For these reasons, I wish to commend the House Interstate and Foreign Commerce Committee, ably and brilliantly led by its chairman, the gentleman from West Virginia (Mr. STAGGERS). The bill which that committee has reported out to this body, a bill bearings the concerted expertise of the gentleman from Montana (Mr. SHOUP), the gentleman from Washington (Mr. ADAMS), and scores of others, has been carefully and judiciously written to provide the maximum amount of equity to all who will feel the impact of the bill.

These gentlemen have spent countless hours studying and investigating and drafting and redrafting this bill until they came up with what most consider a good program. No one is prepared to say that this bill is the be-all and cure-all and end-all of the difficulties we collectively face in the Northeast; but those of us who have strived to seek a solution after careful reflection feel that this is the best solution at this time.

Former Governor of Pennsylvania William Scranton, a man all here present will acknowledge as possessing the qualities of leadership and high intellect for which he has been long admired, has lent his time to organize and represent many of the concerned citizens in the northeastern region of Pennsylvania who are closely affected by this legislation. By volunteering his time and energies, Governor Scranton has assisted in the creation of a plan which will not forsake the people of the Northeast—and such a plan is H.R. 9142, the bill before us today.

Countless groups and organizations have spent and invested their time to this proposal so as to guarantee that the Northeast will economically survive the rail crisis. The can-do group in Hazleton, Pa.; the Economic Development Council of Northeastern Pennsylvania; and scores of other interested parties in my congressional district have lent me their expertise in coming up with a solution which meets their needs while at the same time is not contrary to the needs of the Nation as a whole. That solution is H.R. 9142 as it stands now before us.

That this bill is far-reaching is true. But the problem calls for a far-reaching solution. By organizing the bankrupt Northeastern railroads into one self-sustaining corporation to provide public service while preserving competitive private railroads is the answer. The protection of the railway labor unions, whose members may suffer severe dislocations otherwise, is the answer. The establishment of a Federal National Railway Association and the for-profit Federal Rail Corp., is the answer. Mr. Chairman, the answer to our problem is here in this bill before us today—the courts, and the unions, and the ICC and the Department of Transportation, and the States, and the municipalities, and the businessmen, and the consumers need seek no further.

Mr. STAGGERS. Mr. Chairman, I yield such time as he may consume to the gentleman from Massachusetts (Mr. BOLAND).

Mr. BOLAND. Mr. Speaker, I rise today in support of H.R. 9142, the Regional Rail Reorganization Act of 1973.

I would like to commend the prodigious efforts of the gentleman from Washington (Mr. ADAMS) and the gentleman from Montana (Mr. SHOUP) in drafting this legislation and working so hard for its passage.

I also wish to commend the distinguished gentleman from West Virginia, the chairman of the Interstate and Foreign Commerce Committee, Mr. STAGGERS, for his help in bringing this truly crucial legislation to the floor with all deliberate speed.

H.R. 9142 offers the only realistic approach to the problems of six bankrupt railroads that serve the Northeastern United States.

The bill would create a Federal Rail Corporation which would operate the reorganized railroads as one system on a profit-making basis.

A Federal National Railway Association similar to the highly successful Federal National Mortgage Association would finance the corporation with an up-to-$1 billion guaranteed loan authority.

The bill contemplates the development of a final system plan for the Northeast, which would delineate the services to be offered and the lines to be used in the new rail system.

While this process is going on, Federal funds will be made available in the form of operating subsidies to keep the bankrupt lines in operation.

Thus, when the final system plan is eventually approved by the Congress, it can be implemented without a shutdown of the lines involved.

Further, protection will be extended to both the creditors of the railroads and to railway employees. The investments of the former will not be jeopardized in the event of mandatory transfer of rail assets. Employees of the six railroads who may not be offered jobs under the new system will receive benefits to compensate for the loss of their jobs.

The great advantage of H.R. 9142 over other means of railroad assistance is that it treats the problems of these bankrupt lines comprehensively.

Factors, such as the community impact, and employment levels are considered, along with the economic profitability of various sections of track to the whole system.

The plan that results from this exhaustive study should reflect all of the realities of the railroad situation in the Northeast today.

The end result, if there has been competent planning and sufficient investment on the part of Government, should be a self-sustaining, profitable corporation that can provide public service and preserve competitive private enterprise in the rail industry.

Mr. Chairman, the six bankrupt railroads in the Northeast are part of the economic bloodstream of New England.

If they fail—as it seems they must without massive assistance such as is offered by H.R. 9142—New England will be indeed hard hit.

New England is particularly dependent on two bankrupt railroads, the Penn Central and the Boston and Maine for rail service.

Many heavy commodities produced in or imported into the region could not be transferred to other types of transportation if these railroads were to fail.

Even if shifts could be made, costs would skyrocket.

Moreover, a recently published study of the Boston and Maine shows that the demise of this railroad alone would result in loss of up to 50,000 jobs in New England.

Let me emphasize, however, how important the Northeast railroads are to the rest of the United States.

A New England rail disaster would be a national rail disaster as well.

Statements made before the Senate Commerce Committee at its hearings of the Penn Central problem stressed that it is a mistake to think that only New England or the Northeast would be affected by a curtailment of rail service that would result if the Penn Central or other Northeast railroads were to go under.

Information presented at those hearings indicated that economic activity in the Northeast would drop 5.2 percent by the eighth week of a shutdown, and by 4 percent in the entire Nation.

This statistical data suggests that the "instant recession" which a shutdown of major railroads would cause in the Northeast would "roll through" the rest of the country almost immediately, as factories closed for lack of parts, raw materials, and markets, and farms found themselves cut off from a large portion of the eastern market.

Mr. Chairman, I do not think that more compelling reasons exist for the passage of H.R. 9142 than the continued economic prosperity of our Nation.

I urge all of my colleagues to support this legislation. As an indicator of the impact that failure to pass this bill will mean to the country, I am appending several tables to my remarks which give a picture of the rail shipments to and from the Northeastern States.

I invite each of my fellow Members of the House to consider the tonnage involved in shipments to and from his home State in making a decision on his vote today.

TABLE I.—RAIL SHIPMENTS FROM NON-NORTHEASTERN STATES TO THE NORTHEAST

State	Annual tons	Cars per day
Alabama	4,967,900	300.2
Arizona	884,300	76.6
Arkansas	2,447,900	154.1
California	7,941,700	641.3
Colorado	1,047,000	84.8
Florida	5,177,100	377.8
Georgia	5,449,700	368.3
Idaho	1,633,900	123.4
Kansas	2,506,900	183.3
Louisiana	5,780,900	310.5
Minnesota	46,047,100	520.8
Mississippi	2,017,900	155.5
Montana	1,316,400	78.5
Nebraska	1,327,800	145.6
North Carolina	4,792,000	324.5
North Dakota	650,100	37.6
New Mexico	1,003,300	46.1
Nevada	261,800	11.0
Oklahoma	1,114,700	72.9
Oregon	3,801,700	245.6
South Carolina	2,171,700	153.0
South Dakota	327,100	32.7
Tennessee	3,926,000	285.2
Texas	8,077,600	429.2
Utah	409,100	22.3
Washington	3,019,400	210.5
Wisconsin	6,927,600	535.9
Wyoming	NA	NA

A listing of the 4 largest commodities received by the Northeastern states, shipped by rail from non-Northeastern states (only states shipping over one million tons annually to the Northeast are listed):

STATE AND COMMODITIES

Alabama: Metallic ores, Pulp-paper and allied products, lumber and wood products (except furniture), Primary metal products.

Arkansas: Metallic ores, Primary metal products, Paper-pulp and allied products, Stone-clay and glass products, Lumber-Wood products (except furniture).

Colorado: Metallic ores, Non-metallic minerals (except fuels), Primary metal products, Food and kindred products.

California: Farm products, Lumber and wood products (except furniture), Chemical and allied products, Food and kindred products.

Florida: Farm products, Food and kindred products, Chemical and allied products, Pulp-paper and allied products.

Georgia: Stone-clay and glass products, Pulp-paper and allied products, Lumber-wood products (except furniture), Non-metallic minerals (except fuels).

Idaho: Farms products, Food and kindred products, Lumber-wood products (except furniture), Pulp-paper products, Primary metal products.

Kansas: Farm products, Food and kindred products, Stone-clay and glass products, Petroleum and coal products.

Louisiana: Food and kindred products, Pulp-paper and allied products, Chemicals and allied products, Petroleum and coal products.

Minnesota: Farm products, Food and kindred products, Pulp-paper and allied products, Metallic ores.

Montana: Food and kindred products, Lumber-wood products (except furniture), Pulp-paper and allied products, primary metal products.

Nebraska: Farm products, Food and kindred products, Primary metal products.

New Mexico: Farm products, Food and kindred products, Chemicals and allied products, Non-metallic minerals (except fuels).

North Carolina: Pulp-paper and allied products, Lumber-wood products (except furniture), Stone-clay and glass products, Non-metallic minerals (except fuels).

Oklahoma: Food and kindred products, Stone-clay and glass products, Chemicals and allied products, Petroleum and coal products.

Oregon: Farm products, Food and kindred products, Lumber-wood products (except furniture), Pulp-paper and allied products, Chemicals and allied products.

South Carolina: Pulp-paper and allied products, Lumber-wood products (except furniture), Stone-clay and glass products, Chemicals and allied products

Tennessee: Pulp-paper and allied products, Stone-clay and glass products, Chemicals and allied products, Primary metal products.

Texas: Farm products, Pulp-paper and allied products, Chemicals and allied products, Petroleum and coal products, Primary metal products.

Washington: Farm products, Pulp-paper and allied products, Lumber-wood products (except furniture), Primary metal products.

Wisconsin: Food and kindred products, Pulp-paper and allied products, Stone-clay and glass products, Non-metallic minerals (except fuels)

Mississippi: Food and kindred products, Lumber and wood products (except furniture), Pulp-paper and allied products, Stone-clay and glass products.

TABLE 2.—RAIL SHIPMENTS FROM THE NORTHEAST TO THE FOLLOWING NON-NORTHEASTERN STATES

State	Annual tons	Cars per day
Alabama	4,352,300	246.5
Arizona	759,300	61.2
Arkansas	293,800	30.7
California	7,530,100	810.2
Colorado	1,341,300	144.0
Florida	2,849,700	275.7
Georgia	5,182,600	421.4
Idaho	214,500	14.7
Kansas	1,715,700	163.6
Louisiana	3,048,100	204.6
Minnesota	3,779,300	294.7
Mississippi	1,602,600	108.4
Montana	234,900	18.0
Nebraska	1,165,000	97.3
North Carolina	11,333,100	567.2
North Dakota	196,700	21.8
New Mexico	136,600	15.0
Nevada	88,900	9.2
Oklahoma	1,061,100	101.6
Oregon	768,600	83.6
South Carolina	1,393,100	91.4
South Dakota	121,800	12.9
Tennessee	10,522,300	562.5
Texas	7,309,100	679.0
Utah	607,700	86.8
Washington	1,284,600	197.3
Wisconsin	7,223,300	453.8
Wyoming	87,100	6.0

A listing of the major commodities received by each non-Northeastern state, shipped by rail from the Northeast (only states receiving over one million tons annually are listed.)

STATE AND COMMODITIES

Alabama: Farm products, Food and kindred products, Coal, Primary metal products, transportation equipment.

California: Food and kindred products, Chemicals and allied products, Primary metal products, Transportation equipment.

Colorado: Food and kindred products, Chemicals and allied products, Primary metal products, Transportation equipment.

Florida: Food and kindred products, Chemicals and allied products, Primary metal products, Transportation equipment.

Georgia: Food and kindred products, Chemicals and allied products, Primary metal products, Transportation equipment.

Kansas: Food and kindred products, Chemicals and allied products, Stone-clay and glass products, Primary metal products, Transportation equipment.

Louisiana: Farm products, Food and kindred products, Chemicals and allied products, Primary metal products, Transportation equipment.

Minnesota: Food and kindred products, Chemicals and allied products, Stone-clay and glass products, Primary metal products, Transportation equipment.

Mississippi: Farm products, Food and kindred products, Stone-clay and glass products, Primary metal products, Transportation equipment.

North Carolina: Farm products, Food and kindred products, Chemicals and allied products, Primary metal products, Transportation equipment.

Nebraska: Food and kindred products, Chemicals and allied products, Primary metal products, Fabricated metal products (except ordnance machinery and transportation), Transportation equipment.

Oklahoma: Food and kindred products, Pulp-paper and allied products, Chemicals and allied products, Primary metal products,

Fabricated metal products (except ordnance machinery and transportation), Transportation equipment.

Tennessee: Farm products, Food and kindred products, coal, Chemicals and allied products, Primary metal products, Transportation equipment.

Texas: Food and kindred products, Pulp-paper and allied products, Chemicals and allied products, Primary metal products, Transportation equipment.

Washington: Food and kindred products, Primary metal products, Ordnance, Fabricated metal products (except ordnance machinery and transportation), Transportation equipment.

Wisconsin: Coal, Chemicals and allied products, Stone-clay and glass products, Primary metal products, Transportation equipment.

TABLE 3.—RAIL FREIGHT TONNAGES ORIGINATING AND TERMINATING IN THE NORTHEASTERN STATES

State	Tons per day	Cars per day
Connecticut	19,501	481.9
District of Columbia	9,684	182.5
Delaware	17,859	401.4
Iowa	5,628	127.4
Illinois	589,904	9,963.8
Indiana	231,727	4,144.9
Kentucky [1]	51,178	989.3
Maine	37,551	872.1
Maryland	83,729	1,572.1
Massachusetts	48,195	1,292.1
Michigan	169,115	4,340.8
Missouri	43,332	1,161.4
New Jersey	109,441	2,795.3
New Hampshire	11,686	236.7
New York	221,992	4,856.4
Ohio	944,856	10,255.1
Pennsylvania	574,372	9,948.8
Rhode Island	4,438	134.2
Vermont	3,365	97.8
Virginia	346,155	5,093.2
West Virginia	328,004	4,423.0
Total	3,851,701	63,370.1

[1] Only partial data available.

Mr. STAGGERS. Mr. Chairman, I yield to the gentleman from Oklahoma (Mr. JARMAN), the chairman of the subcommittee, such time as he may consume.

Mr. JARMAN. Mr. Chairman, this legislation is perhaps one of the most important bills this House will consider this year. It has great importance to the economy of the entire Nation, and to the defense needs of this country.

First, I want to commend the Subcommittee on Transportation and Aeronautics, and the committee staff for their excellent work on this problem. As chairman of the subcommittee, I can say without reservation that these gentlemen worked exceedingly hard in an effort to reach the most equitable solution they could find for this very complex situation. We began hearings back in April of this year, and met more than 20 times before reporting the final product to the full committee in September.

These members had to grapple with such complexities as bankruptcy laws, creditors rights, grave constitutional issues, corporate finance, securities laws, regulatory practices and the host of issues which are interwoven into this one bill.

The full committee devoted an entire month to this bill. Every conceivable issue was raised, discussed and debated in an attempt to find the best solutions available. With such sharp divisions and sharp differences of opinions on many issues, I can report with great satisfaction that this committee handled its task in a most harmonious spirit, which I am confident helped to expedite the proceedings.

Mr. Chairman, I want to remind my colleagues of the urgency of this legislation. The courts have threatened cessation of services of the six rail carriers in bankruptcy in the Northeast. If these railroads were to close only temporarily, tens of thousands of persons would have to utilize other means of transportation. The cost to our economy in inflation and in shutdowns of our giant northern industries has been estimated to result in a 5-percent decrease in the gross national product. More than 100,000 persons would be thrown out of work. More than 50 defense installations would have to adopt alternative modes of transportation of strategic materials to and from their bases. The Penn Central—only one of the six railroads in the region—is alone the largest single carrier of U.S. mail in this Nation, and the disruption to the mail services throughout the eastern United States would be enormous.

H.R. 9142 is a historic piece of legislation. It attempts to find private enterprise answers to these complex problems, with a minimum of Federal intervention. The six courts involved in the bankruptcy cases now precipitating this crisis are unable to reorganize the entire rail system in the Northeast and, therefore, Congress must assist in that task. The alternative to this legislation is either liquidation of the carriers involved—which would mean immediate cessation of services—or nationalization. Nationalization would cost the taxpayers more than $10 billion. Not one country in the world which has nationalized its railroads is making a profit, nor even breaking even. Nationalization or anything closely resembling such a move would not only be expensive, but it would radically change the entire transportation picture of this Nation. We cannot allow such a thing to happen.

I personally have reservations about some of the provisions of this bill. However, in its larger context, it is a good piece of legislation, one which I am proud to have been a participant in developing, and I commend it to my colleagues and urge passage.

Mr. KUYKENDALL. Mr. Chairman, I yield to the gentleman from Kansas (Mr. SKUBITZ) such time as he may consume.

Mr. SKUBITZ. Mr. Chairman, no one will deny that rail transportation in the Northeast must be maintained. However, I would be derelict in my responsibility as a commmittee member who has been concerned with this issue for more than a year—and directly involved for at least 6 months in an attempt to hammer out a suitable bill—if I did not add cautionary comments.

It is important for the Congress and the American taxpayer to understand what is being proposed—to remedy a critical rail transportation situation in the most industrialized area of the United States.

First, the committee and the Congress has been required to act with a gun at its head; namely, the breakdown of rail transportation in this vital geographic area, coupled with a court threat to shut down operations entirely.

Under such conditions, a balanced view, a fair and equitable consideration of all issues, and the achievement of a result that does not assault the public purse and the public interest becomes a near impossibility.

The committee has been besieged, beleaguered, and persuaded by a combination of powerful interests, each looking to its own self:

The institutional creditors of the Pennsylvania Railroad and other bankrupt roads in the Northeast who now seek to be made whole or as nearly whole as a generous Federal Government will allow.

The management of and lawyers for other railroads, some of which sought a preferred position to feed on the carcasses of bankrupt roads, and others of which made sure the reorganization legislation would be tailored as they cut the cloth.

Government agencies, whose jealousy of each other's status has denied the committee the expertise, the knowledge, and the informed and combined legislative advice that the committee sorely required. Indeed, at least some of the circumstances that brought about this fiasco of the Northeast railroads might be laid at the door of one agency that by law has direct responsibility over the Nation's rail transportation.

Mr. Chairman, the administration opposes this bill in its present form because of the mandatory transfer provisions in this act—and the labor protection title.

The administration argues that a mandatory taking constitutes a taking by eminent domain. Hence the question of fair market value cannot be determined by the Congress as this bill provides but is a matter for the courts to finally determine.

Our committee ignored the argument of the administration and resorted to a constitutionally questionable legal vehicle by which the properties of bankrupt roads, to-be-bankrupt roads, and roads in reorganization, are to be molded into the new quasi-public Railroad Corporation, which the Congress would saddle upon the American taxpayer at costs that no one can fairly assess.

In one circumstance, these properties may be held to be worth upward of $12 to $14 billion, in another circumstance it may be much less. No one knows; no one can be sure.

But whether $1 billion or $14 billion, the ultimate drain on the public purse will be great.

The committee was assured that the new railroad corporation will be an economic success and its common stock a fiscal bonanza.

But no financial expert testified that such stock was marketable and no institution offered to float it to the public.

Indeed, the committee was warned

that Government-guaranteed debentures would have to be offered to "sweeten" the package.

What the Congress has been compelled to consider, in the case of the Pennsylvania Railroad, is a property that was stripped clean by incompetent management whose actions and inactions may border on gross malfeasance.

These actions, directly or indirectly, brought other railroads into bankruptcy and reorganization. Involved here also are institutional creditors whose actions differed only in degree from those that marked the railroad debacle of the 1930's, a situation brought on by the public peddling of securities far in excess of the real value of the rail properties.

Considered in that light, it may be argued that the committee achieved a miracle that it brought forth any plan at all—that might continue rail transportation in the Northeast.

With respect to legislation relating to labor protection—the administration recommended that this should be a matter of collective bargaining between the new corporation and labor.

The committee, fearful that such action could lead to strikes, bought a labor protection package, the like of which has never before been legally mandated.

Those provisions were the end result of conferences and discussions between rail labor representatives and the presidents of railroads not involved in, concerned with, or having any responsibility for the Northeast situation or its railroads.

These officials accepted in behalf of the new Government corporation separation costs, retirement benefits, and working conditions that do not exist on their own railroads nor are ever likely to, so long as they remain privately owned railroads.

The committee's official estimate of the cost of this labor package is $250 million—another authority puts the cost far higher.

The fact is that no one knows for certain what it will cost, but that is a small matter since the American taxpayer will foot the bill.

The Congress has, of course, in the past, laid down conditions that would protect displaced employees in the cases of other mandated mergers—such as that of the Western Union-Postal Telegraph merger. It is an appropriate and even necessary step.

Men who have given a lifetime to their craft, men who have been entrusted with the lives of passengers and the movement of the Nation's goods, men who now have little chance of becoming gainfully employed in other fields of endeavor—such men should not be thrown on the unemployment scrap heap nor made the object of welfare consideration.

But to freeze into law conditions that would burden the new corporation with hundreds of millions of dollars of unnecessary costs far into the future—to insure that white-collar executives, some of whom helped manage the carriers into bankruptcy, shall continue to receive up to $20,000 annually—to draft and recommend such provisions is to renege on congressional responsibility.

It might be well at this point to consider the origin of the idea that brought on the labor protective clause in this bill.

In the early 1950's the railroad experts came forth with the merger concept in dealing with railroads that were in difficulty.

It was argued that by combining two or more weak roads into one single road—more efficiency would result, costs would be reduced and the problems would be solved.

Apparently the experts did not take into consideration the pressures that would be brought to bear by shippers whose plants were located on lines that were to be abandoned, communities whose very lifeblood depended upon the employment provided by these industries—and by labor to protect, and rightly so, their membership through labor protection clauses gained through collective bargaining and considered a fringe benefit.

In 1968 the Pennsylvania-New York Central merger was completed—it provided a labor protection agreement similar to the one proposed here—a guaranteed salary for life for those who were furloughed.

Let me make one point crystal clear—I have no objection to a viable railroad accepting this sort of a protective clause but here we deal with six bankrupt lines that are to be funded with taxpayer's funds. The question is—how far should we go at the taxpayer's expense.

I do not recall a single railroad president who testified before our committee who did not express or imply that under no circumstance could a viable railroad be created without relieving the road of the costs of such labor protective agreements.

I shall offer an amendment which will give displaced employees the protection they deserve. It will limit the years that a protected worker will receive an unearned salary—but will maintain his rights to a pension under the railroad retirement act—the benefit he bargained for and is entitled to.

It will stop the new organization from playing games with a furloughed worker by resorting to transfers which if not accepted can result in a loss of job rights and benefits.

Another section of the bill provided that after the final system is devised, after other railroads have fed upon the carcass of the remains—subsidy payments in perpetuity are possible to maintain trackage that is not economically viable—the taxpayer to pay up to 70 percent of the losses on such lines.

The Senate took a different approach to the Northeast rail problem. It passed two interim measures that would keep the railroads going and provide a longer range study of the problem.

Thus, as is too often the case, the Congress now finds itself in a situation that whatever it does will be wrong.

The exigencies in the Northeast compel a legislative remedy—the remedy, in my judgment, is a hodge-podge that will please and serve only a number of special interests.

One might ask the question—if the taxpayer is to pick up the chip for furloughed employees—if other nonbankrupt roads are to pick up trackage at bargain prices—if subsidy payments are available to carry on the rest of the uneconomic lines—why this bill?

Why not let the lines in difficulty reduce the work force with the taxpayers picking up the chip—continue the uneconomic lines and let Uncle Sam subsidize them to the extent of 70 percent of their losses and scrap this idea of the Government going into business?

The bill—if enacted—is, I believe, a first and long step toward nationalization of the Nation's railroads.

Mr. STAGGERS. Mr. Chairman, I yield such time as he may consume to the gentleman from Illinois (Mr. METCALFE), a member of the committee.

Mr. METCALFE. Mr. Chairman, I rise in support of H.R. 9142, the Regional Rail Reorganization Act of 1973.

The Transportation and Aeronautics Subcommittee, of which I am a member, held 10 days of public hearings on the Northeast railroad crisis. The subcommittee, further, held 11 executive sessions before reporting the bill to the full committee.

I use the word crisis to describe the atmosphere in which the subcommittee was working. There was the distinct possibility that the Penn Central would be ordered to shut down to meet the demands of its creditors and to prevent further erosion of the assets of the creditors. Further, there are six other bankrupt railroads in the Northeast section. These railroads operate some 30,000 miles of freight and passenger service and their shutdown would have catastrophic ramifications for the economy of the country.

The subcommittee was confronted with the philosophical question of Government versus nongovernmental involvement. The first alternative was to pursue a course which would attempt to effect a solution to the problem with a minimum amount of Government involvement with a strong emphasis on accountability for private use of Government money. The other alternative was to have nongovernment involvement and hope that the private sector would be able to respond to the railroad crisis in the Northeast. This hope was analogous to prayer—because the crisis stemmed from the private sector's inability to respond to the crisis in the first place. While I am a strong believer in prayer, I thought more was demanded at this time. The subcommittee and the full Interstate and Foreign Commerce Committee opted for the positive, creative response to this problem. Their response took the form of the bill which is before us today, H.R. 9142. The administration, however, opted for prayer.

That the railroads are essential to the economy is beyond question. I do not intend to belabor this point. Nor do I intend to belabor the point that the private sector has been unable to respond to the problem. And the expenditure of money,

Federal money, is essential, if the railroads are to continue to run.

Because of some of the effects which will necessarily stem from establishing a core plan, the Federal Government will have to allocate Federal funds to meet what the committee report refers to as "social costs"—

It—the Committee—recognized the need for small areas, to be able to continue essential service which is not economical for the carrier. This was recognized as a social cost to be borne by the government. Likewise, the cost of displacement of thousands of employees of the affected carriers is also a social cost to be borne by the government.

Further, I think that those who look upon this as a "billion dollar bonanza" are using terms which are misleading to the American people. Title VI of the bill is concerned with financial arrangements and obligations of the association. Under this section the Federal Government will guarantee obligations of the association up to $1 billion. This will not be at any cost to the Federal Government. Under this title the Federal Government is guaranteeing loans, not granting subsidies.

Mr. Chairman, it is imperative that we pass this legislation now. I urge my colleagues to vote for H.R. 9142.

Mr. STAGGERS. Mr. Chairman, I yield 2 minutes to the gentleman from Texas (Mr. ECKHARDT), a member of the committee.

Mr. ECKHARDT. Mr. Chairman, I shall utilize my time to ask a few questions concerning the bill, with the hope of clarifying a few of its provisions.

I direct the first question to the distinguished chairman of the committee, who has served so well in bringing about this piece of legislation, which is one of great complexity, although it is, I think, a piece of legislation which is most desirable.

Mr. Chairman, on page 44 of the report, there is a reference to "profitable railroads" as those operating substantially within the States listed in section 102(9)(A). I think it would be correct to say, though, that the term "profitable railroads" includes both those listed in section 102(9)(A) and those listed in section 102(9)(B). Would that be correct?

Mr. STAGGERS. The gentleman is correct. "Profitable railroads" includes both those listed in section 102(9)(A) and those listed in section 102(9)(B). However, and this is an important point, only those railroads operating substantially in those States as defined in section 102(9)(A) of the definition can be considered profitable under the act as to those particular States. Therefore, it is possible that a railroad operating substantially within the area listed in section 102(9)(A) can acquire properties of other railroads throughout the entire region, since they operate substantially in area (A) and merely operate in area (B). But for those railroads which only operate in either area, without a substantial portion of their business being in such areas, then they can only be considered "profitable" under this definition in the 102(9)(B) area. The effect is that they cannot be exempt from the provisions of the Interstate Commerce Act in regard to acquisition of property in area 102(9)(A).

Mr. ECKHARDT. Yes; but now all railroads must have the approval of both the FNRA and the Interstate Commerce Commission.

Mr. STAGGERS. Yes; I would like to say further all railroads must have the approval of FNRA and the ICC before they can acquire rail properties under this act—and we intend an expedited review and determination by the ICC which will not delay nor impede the implementation of the final system plan.

Mr. ECKHARDT. Thank you very much, Mr. Chairman. Will the gentleman from Montana the coauthor of this bill clarify this point for me: As I read section 303(j) profitable railroads desiring to acquire properties under the system plan must apply to FNRA and ICC for permission to acquire such properties and will be allowed to do so if both these agencies determine that such acquisition will not materially impair the profitability of any other profitable railroad or the corporation. Will this delay the establishment of the final system plan?

Mr. SHOUP. No; that is the reason that section 303(j) provides that such determination will be made on an expedited basis.

Mr. ECKHARDT. Will the coauthor of the bill, the distinguished gentleman from Washington, respond as to whether or not he has the same view?

Mr. ADAMS. Yes. I agree entirely with Mr. SHOUP's answer.

Mr. ECKHARDT. There is another point in the report that I think needs clarification. On page 44 it is said that the railroads listed in subsection (A) of the definition for "profitable railroads" are exempt from the provisions of the Interstate Commerce Act under section 901 of this act.

Thus, when they acquire properties under the system plan, as I understand it, the type of administrative and judicial proceedings normally associated with a section 5 proceeding would not be contemplated. Now, as I understand it, this is not true only of "profitable railroads" defined in subsection (A) of the definition but also of "profitable railroads" under subsection (B) of the provision insofar as they are entitled to acquire properties under the system plan. Is this true?

Mr. ADAMS. Yes, "profitable railroads" include both those listed in (A) of the definition and (B) of the definition and hence both are exempt from the provisions of the Interstate Commerce Act under section 901 of this act. Of course, both would be required, before making acquisitions, to get both FNRA and ICC approval, but the latter would be the expedited procedure referred to in section 901.

Mr. ECKHARDT. Well then, if the carriers are required to apply to both FNRA and ICC for permission to acquire such properties, will this cause delay in the establishment of the final system plan?

Mr. ADAMS. No, in order to avoid having the ICC determination delay the whole time table for establishment of the final system plan, the statute contemplates that the ICC review and determination would be made as part of the administrative process leading to the establishment of a final system plan under section 309. It should be noted that the entire thrust of the act is to complete hearings and establish the system on an expedited timetable. For instance, the Office of the Commission at the ICC must under section 308 hold hearings on the preliminary system plan and, within 60 days after receipt of the preliminary system plan, the Director of the Office must submit to the executive committee of the association a summary of the recommendations of those who contributed comments.

Mr. STAGGERS. Mr. Chairman, I yield 4 minutes to the gentleman from New York (Mr. PODELL), a member of the subcommittee that marked up the bill.

Mr. PODELL. Mr. Chairman, I rise in support of H.R. 9142, the Regional Rail Reorganization Act of 1973. I was privileged to be a member of the Subcommittee on Transportation and Aeronautics, which has considered this crucial matter over the past 7 months. Exhaustive public hearings were held last spring and many hours were spent in executive session in an attempt to report a comprehensive and coherent bill which would have bipartisan support. I believe that we have been successful in this endeavor.

Under H.R. 9142, a nonprofit Federal National Railway Association would restructure a new northeast system from the remnants of the six bankrupt carriers, and would provide financial aid for the purchase and upgrading of rail facilities. A privately-held Federal Rail Corporation would operate the new system.

This legislation represents a middle ground between a completely private reorganization and Government operation of these lines. During the hearings, it became clear that any restructuring based solely on the profit motive would necessitate the abandonment of most of the service in the northeast.

The legislation further provides that the preservation of vital short-line railroads will be a major goal of the restructured system.

While the input for the final bill came from many sources, the House owes a special debt of gratitude to two members of the subcommittee—the gentleman from Washington (Mr. ADAMS) and the gentleman from Montana (Mr. SHOUP). Through their diligent work these members provided a bipartisan stewardship for this legislation, with the result that the bill has been endorsed by both rail management and rail labor, as well as by the overwhelming majority of the members of the Committee on Interstate and Foreign Commerce.

Last night the President addressed the Nation on the grave energy crisis which we are facing. The imminent shutdown of the bankrupt railroads poses the threat that millions of tons of railroad freight would be diverted to gasoline-powered trucks. From the standpoint of the energy crisis, from the standpoint of

the environment, from the standpoint of the countless shippers and passengers who rely on this essential service, H.R. 9142 must be enacted. I urge my colleagues to give prompt approval to this urgently needed legislation.

Mr. KUYKENDALL. Mr. Chairman, I yield 2 minutes to the gentleman from Michigan (Mr. RUPPE) and I understand that the gentleman from West Virginia (Mr. STAGGERS) is yielding the gentleman an additional minute.

Mr. STAGGERS. That is correct.

Mr. RUPPE. Mr. Chairman, I appreciate the importance of the legislation, and recognize that the Penn-Central affects Michigan and my own district, and I therefore understand the vital concern of the membership for this particular bill.

However, I have had a number of inquiries addressed to me with regard to the legislation, and I hope it will be possible to get answers to several of them.

Frankly, the first one is this: It has been asked of me whether or not Mr. Frank Barrett, who is the chairman of the Union Pacific Railroad, might have had a hand in or influence on this legislation, and if he did I would be very curious as to why he would have had such influence in view of the fact that his is a western railroad, and we are here dealing essentially with an eastern problem?

Mr. KUYKENDALL. I shall be happy to respond to it. I think Mr. SHOUP can also respond. The Association of American Railroads has a committee made up presently of three or more railroads whose job it is to continually negotiate with labor. Mr. Barnett was one of the members of this committee. Mr. Claytor of the Southern Railroad was another member of this committee.

Mr. RUPPE. The reason I am concerned is that I voted for the Lockheed proposition and received a certain number of complaints later on from my constituency. I would have to point out, if I voted for this, that Mr. Barnett is a director of the First National City Corp., which is the holding company for the First National City Bank in New York. That bank, I believe, is creditor in the amount of $120 million to Penn Central and is the lending bank for about $300 million in mortgage loans to the same railroad system or series of systems.

I am very happy to have the gentleman's explanation on the record. That concerns me, and, frankly, another thing that concerns me is that the creditors and the stockholders will not necessarily get just the amount of the money that will flow to the new corporation in stock. If I read page 27 of the legislation correctly, they are to get the fair and equitable value of the railroad properties involved. It is my understanding that this will lead, very likely, to a three-man judicial tribunal and a jury trial as to what fair and equitable value is. It may not be the ongoing value of the properties, as operating properties, but certainly is going to be, in my view, a great deal more than the liquidated value. For that reason I think the taxpayers of this country are going to take a terrible beating when the final determination of values is made. It will likely run into billions of dollars.

There is no indication in the bill or report as to what the exact amount of money is that will be involved, because fair and equitable value is anything that a jury can finally determine.

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

Mr. RUPPE. I yield to the gentleman from Tennessee.

Mr. KUYKENDALL. I thank the gentleman for yielding. The last sentence of this section says in comprehensive language that it shall be no more than the constitutional minimum. I want to offer an amendment that will strike only one sentence in that section, which I think will make it a little clearer, if the other side will accept it. I will offer an amendment taking out one sentence that might not be clear, but the fact that the section does say "no more than the constitutional minimum" means liquidation value.

Mr. RUPPE. I read page 27, line 19:

> If a district court or a jury determines that the value of those securities is less than such fair and equitable value, the association shall make such adjustments to the regional plan, as will cause the corporation's securities to have a value which is not less than the fair and equitable value of the rail properties conveyed to the corporation . . . .

The CHAIRMAN. The time of the gentleman has expired.

Mr. KUYKENDALL. Would the Chairman yield 1 additional minute to the gentleman.

Mr. STAGGERS. Mr. Chairman, I yield 1 minute additionally to the gentleman from Michigan.

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

Mr. RUPPE. I yield to the gentleman from Washington.

Mr. ADAMS. There is a specific limitation in the final bill which says no more than $200 million of Government loan guarantees can be used for acquisition in any event, so if the court in 5 to 10 years should come in with a higher value, the only judgment would be against this new corporation that is there.

Under the New Haven case the court was placed in this kind of position that if it loads up that new corporation with a debt structure by requiring it to issue additional bonds, it lowers the value of the common stock, which is what it is being paid for in terms of these assets.

Mr. RUPPE. Does it not have to deliver more stock? It seems to me from reading the language that we have to cause the corporation securities issued in payment of the properties to have a value which is a fair and equitable value as determined by the court.

Mr. ADAMS. That is correct, but that is this corporation's and not the taxpayers of the United States money.

Mr. RUPPE. We are going to have to bail out the new corporation if it does not not have the money or otherwise the new corporation will have to assume what well may be an intolerable debt load.

The CHAIRMAN. The time of the gentleman has expired.

Mr. KUYKENDALL. Mr. Chairman, I yield 1 minute to the gentleman from Montana (Mr. SHOUP).

Mr. SHOUP. I thank the gentleman for yielding.

Mr. Chairman, would the gentleman from Wisconsin check his bill? I find in the bill as presently distributed that there is no page 27. I am wondering if the gentleman has the right copy of the bill.

Mr. RUPPE. I will have to check that out to be sure I am accurate. I will read and confirm the language in question.

Mr. SHOUP. I thank the gentleman.

Mr. Chairman, I very proudly say my name is on the bill. I am, therefore, very thankful for having 1 minute to speak on it. However, I should like to thank everyone else here for interpreting the bill. I think they have done a very good job. I do take exception to some of the critique.

I would like to thank the chairman and the ranking minority member and the gentleman from Tennessee for the very kind words they have had for this bill, for the gentleman from Washington (Mr. ADAMS) and me.

I think, so we do not miss the point of their words, I should point out this is a truly bipartisan effort. In addition to that I would like to point out that as presented today in the copies that are now ready on the floor, in no way does this bill resemble any one of the original bills that was offered. Although it does carry the title H.R. 9142, it does not resemble too closely the original act.

My point is that not only is this a bipartisan effort but also it has been a period of compromise. I would be the first to admit, that I think a very rational assessment of the bill would have to admit it is not perfect. But, Mr. Chairman, if we would look at the alternatives I think this is the best we can come up with at the present time.

As the very able gentleman from Oklahoma, the chairman of the subcommitee, has said, this is a very complicated bill.

In my colloquy with the gentleman from the State of Washington (Mr. ADAMS), the gentleman had stated that the deficiency judgment provided for in section 502 of the bill would be limited to $200 million because the bill provides that FNRA may not issue obligations in an amount greater than $200 million for the purpose of acquiring rail assets. However, as the court would not be able to permit a bankrupt railroad to be paid any less than the fair and equitable value of the rail assets with which they parted, it would have to either issue deficiency judgment against the corporation itself or require that the assets be returned to the bankrupt railroad. Because a large deficiency judgment against the new corporation might place such a heavy burden upon it as to prevent it from becoming viable, the Congress could be called upon to authorize FNRA to issue obligations beyond the limitation set in this bill in whatever amount would be required to make up that deficiency judgment. Therefore the $200 million limitation on the issuance of obligations by FNRA is not an abso-

lute limitation on the amount of money the taxpayers may be called upon to finance this venture.

Mr. STAGGERS. Mr. Chairman, I yield to the gentleman from Massachusetts (Mr. BURKE) such time as he may consume.

Mr. BURKE of Massachusetts. Mr. Chairman, we have here today one of the most important pieces of legislation that has come before us this year, H.R. 9142, the Northeast rail transportation bill. I say important because failure to pass this legislation today will result in untold hardship for the 100 million people living in the Northeast and would have brutal repercussions for the entire economy. The economy of the Northeast as well as the Nation as a whole is intricately tied to the continued operation and reorganization of the six bankrupt railroads of the Northeast in question today.

The Northeast railroads handle approximately 45.5 million tons of originating and terminating freight each year. About 70 percent of this amount is carried by two major bankrupt railroads, the Boston & Maine and the Penn Central. The Boston & Maine has somewhere between 2,675 and 3,000 active shippers and the Penn Central is believed to handle somewhat beyond this amount for a total of at least 6,000 shippers. Thousands of shippers in the Northeast are dependent on these railroads. Once it is realized the great dependence that exists on the Northeast railroads in the 17-State Northeast region the impact of a shutdown becomes clearer.

Approximately three-fourths of all lumber and wood products are transported by rail. Large amounts of agricultural commodities and vast quantities of fuel for the entire regior are carried by rail. What does this mean for the Northeast? Higher housing costs, higher food costs, fuel shortages in an area already fraught with critically short fuel supplies. A 1969 Department of Transportation survey showed that railroads carried 3.8 million tons of freight per day in the Northeast including such vital products as coal, iron ore, heavy machinery, automobiles and parts, wood pulp and building materials. It is expected that just a shutdown of the Penn Central alone would affect the entire national rail system, glut the highways, and push waterways and air carriers beyond their capabilities.

In fact, the Northeast rail crisis is not a regional problem but goes well beyond, affecting the entire economy. Senator HARTKE in his statement in the CONGRESSIONAL RECORD of June 25 points out—

> If one of the bankrupt railroads in the Northeast ceased operations, the consequences could be disastrous to the more than 100 million people living in the region and the Nation as a whole. For example, a study has disclosed that if the Penn Central were to curtail activity for a period of 8 weeks economical activity in the Northeast would decline at a rate of 5.7%. Economic activity in the entire Nation would decline by a rate of 4% and the gross national product would decline by 2.7 percent.

In more human terms, thousands would be thrown out of jobs, widespread food shortages would occur and the health and safety of over 10 million threatened. And what about the farmer down South who ships his products North. Certain economic disaster would follow if he suddenly found that his market had disappeared.

It is incumbent upon the Government to maintain an active role in providing adequate rail service and I think the Shoup-Adams bill offers this opportunity in a highly sensible and constructive manner. The bill, in short, mandates consolidation of the bankrupt railroads, maintains Government expenditures at a minimum and vests control of the new system in a private corporation.

The Northeast and the Nation is heavily dependent on continued rail service in the Northeast. It is urgent that the House act at once on legislation that will keep the railroads going. I think that the Shoup-Adams bill, H.R. 9142, represents a comprehensive and balanced approach to the Northeast rail crisis and we in this body should waste no more time in passing this urgent legislation.

I think it is important to mention at this time provisions in the bill pertaining to the Northeast passenger corridor. The passenger corridor basically comprises the Metroliner route from Washington to New York and the Turbotrain link between New York and Boston. The improved passenger service is needed for several reasons. Passenger travel along the corridor is forecast to increase by a minimum of 3 percent per year. Air routes, as well as highways are reaching saturation point along the corridor and expected outlays for these two transportation modes far surpass the estimated cost of a high-speed passenger rail project. It is my firm conviction that action by this Congress to improve the Northeast passenger corridor will prove beneficial in terms of cost, safety, energy consumption, noise and pollution control and in view of our present energy crisis we can hardly afford to do otherwise.

In conclusion, I feel we owe a special debt of gratitude to the two Members of this body who have done the most to fashion this excellent legislation and guide it through Congress, Representatives BROCK ADAMS and DICK SHOUP. They have given unstintingly of themselves over the months, both in terms of time and a great deal of expertise in this area, and we, particularly in the Northeast, are very grateful for their efforts.

Mr. STAGGERS. Mr. Chairman, I yield 2 minutes to the gentleman from Pennsylvania (Mr. ROONEY).

Mr. ROONEY of Pennsylvania. Mr. Chairman, I appreciate the distinguished chairman of the committee yielding to me.

We, in Pennsylvania, are deeply concerned. As Members are well aware, Governor Shapp of our State was here yesterday and we had a meeting with him in which he expressed his concerns about the intent of the measure before us.

Mr. Chairman, I take this opportunity to congratulate the chairman of the full committee and the chairman of the subcommittee, the gentleman from Oklahoma (Mr. JARMAN), and especially my good friend on the other side (Mr. SHOUP), as well as Mr. ADAMS and our staff. We do not have a majority or minority staff on our committee. It is just our staff. They have been very helpful to me and I really appreciate it, because of the 17 States and the District of Columbia, which are involved in this bill, I know of no one State that is more involved in this than is the Commonwealth of Pennsylvania. I am sure that is one of the reasons why Governor Shapp made that hurried visit to our Nation's Capital yesterday.

Mr. Chairman, the Governor had asked me to relay to the Members some of the questions that he has regarding this bill and I might say I am going to support this bill this afternoon.

In the 10 years I have served on this committee, I know of no one bill that has received as much consideration and deliberation as this bill has had in the subcommittee and the full committee during the months in which we have had it under consideration. The committee has done an outstanding job. I want to ask some questions which I hope will clarify some of the Governor's objections.

First, does the review of the final system plan by the Congress include specific directions to Fannie Rae concerning the contents of the final plan as part of any rejection of the final plan by either House?

Mr. STAGGERS. Mr. Chairman, in response to that, either House of Congress can reject it, but I say if it comes to our committee, which it would, and we reject it, we would bring it to the House and we would say why we would do that and we would make recommendations as to what should be done.

Mr. ROONEY of Pennsylvania. Is it the intent of this legislation that all unprofitable branch lines shall be abandoned unless operated by a State or other public authority? Or is it the intent of this legislation that the criteria for the completed system shall be a line that operates overall in the black although some parts may not be profitable?

We can understand how one line may not be profitable when we take into consideration the overall line itself.

Mr. STAGGERS. I might respond to the gentleman in this way, that in section 303 of the bill there are eight criteria and one of them is unprofitability, so the others would be taken into consideration, too.

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

Mr. ROONEY of Pennsylvania. I yield to the gentleman.

Mr. KUYKENDALL. On this question the gentleman just asked, I think he will find that it mandates that such lines of the overall system be profitable and not that any particular line be profitable. This is certainly our intent.

Mr. ROONEY of Pennsylvania. What kind of help can we expect if we find an abandoned line must be restored to save jobs? How long can we expect the help?

Mr. STAGGERS. Section 701 takes care

of that. We have a subsidy agreement that will allow them to operate these lines and these agreements are renewable after 2 years.

Mr. ROONEY of Pennsylvania. We are deeply concerned that this measure will lead to less service, since this was the case with Amtrak. What kind of assurance do we have that this will not be the case with this consolidation of the bankrupt railroads?

Mr. STAGGERS. We have quite a lot of experience with Amtrak. Certainly this is quite a different bill. We expect there will be better service completely by this renovated system and we will be taking a continuing look at it. Today there are 6,000 miles of track that service cannot be maintained over ten miles an hour. We say that the association will be able to make available $500 million to renovate those tracks, equipment, and physical plant so we are getting to the heart of this thing at the very start. These are some of the things wrong with the railroads now.

Mr. ROONEY of Pennsylvania. In Pennsylvania, Mr. Chairman, we have numerous shippers, especially among smaller manufacturers. What can a manufacturer with 250 workers do for transportation if his plant is left without branch service?

Mr. STAGGERS. The first thing he can do is convince his locality, his State or regional authority, to apply for a subsidy agreement under section 701 of this title to keep that running. It is taken care of in the bill.

Mr. ROONEY of Pennsylvania. I have one final question. Who pays the costs of upgrading an abandoned line that a local authority, municipal government or State must operate to prevent loss of jobs and plants?

Mr. STAGGERS. The cost of upgrading these lines must be prorated over the life of the subsidy contract.

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

Mr. ROONEY of Pennsylvania. I yield to the gentleman from Rhode Island.

Mr. TIERNAN. I thank the gentleman for yielding.

Mr. Chairman, I want to say to the gentleman from Pennsylvania that in the report from the committee on page 48 it spells out that the planners must also consider the need and cost of rehabilitation and improvement of physical facilities and such items as cost of labor protection, employment impact studies, marketing studies, traffic evaluation, and financial studies.

The committee has been very, very concerned about the impact. I want to congratulate the chairman and the members of the subcommittee, the gentleman from Montana and the gentleman from Washington, for an outstanding job in putting this legislation together.

Mr. BAUMAN. Mr. Chairman, the bill now before the House represents the culmination of a century of efforts by the Federal Government to regulate the Nation's railroads. We have reaped a grim harvest. But at this stage, there is little that Congress can do except pass the bill, for the alternative is drastic reduction in rail service to the northeastern portion of the country, and severe economic dislocation.

Maryland's Eastern Shore would be hard hit if rail service were not continued there. Thousands of farmers, food processors, grain dealers, and manufacturers depend upon rail service for shipment of their products and receipt of their supplies. Railroads represent the only mode of transportation which can economically transport vast bulk commodities. The elimination of rail service to the Eastern Shore would have inevitable and disastrous consequences for the entire economy there.

We in Maryland had a brief and bitter taste of what it would be like to be without rail service earlier this year, when a ship struck the only rail bridge crossing the Chesapeake and Delaware Canal at Summit, Del., and put it out of commission. The disruption of rail service to the entire Delmarva Peninsula caused considerable hardship, and could have brought many businesses to the edge of financial collapse.

Local businessmen considered rail service so critical to their continued operation that last year when Hurricane Agnes wiped out a portion of track in Kent and Queen Annes Counties on the Eastern Shore, they got together and put up the money to repair the track when Penn Central refused to do so.

Among the areas dependent on rail service for their livelihood is the small shore community of Queenstown, Md. The major industry there, the S.E.W. Friel Co., is the largest employer in Queen Anne's County, with an annual payroll of almost $800,000. The Friel Co. is dependent on the rail service it receives from the Penn Central, and had to fight tooth and nail last year to keep that service when the railroad petitioned the ICC to discontinue service.

The Delmarva Power Co., which provides electrical power to a substantial portion of the Eastern Shore, relies entirely on rail transportation to bring in fuel supplies needed for power production. The Shore would face a serious power shortage problem, on top of the problems we already expect this winter, without rail service.

It is important to note through all of this that other forms of transportation simply cannot adequately replace the railroads. Barge transportation is slower, more costly, and inefficient. Trucks can pick up some of the slack over short routes, but for large bulk commodities, such as grain or other agricultural products, they are inadequate and too expensive over the long haul.

In short, Maryland, and in particular the Eastern Shore, will suffer serious economic hardship if rail service does not continue. That rail service will end if Congress does not act, because the courts will order liquidation of the Penn Central and other bankrupt railroads within a few months. I must therefore lend my support to this bill, although I regard it far from an ideal solution.

My examination of the provisions of the bill which deal with the possibility of discontinuing rail service leads me to the conclusion that there are adequate safeguards for the trackage located in Maryland. In essence the bill would require the organization of a system of railways which would be created only after a series of consultations and hearings in which local and State interests could be heard and protected. This process might consume a period of nearly 2 years only after which could any discontinuance of service occur.

This interval should give adequate time for local and State government, as well as private interests, to contemplate whether they wish to subsidize various parts of the railway system should discontinuance be ultimately proposed. In addition, any such subsidies could then be reimbursed by Federal funds to the maximum extent of 70 percent of the subsidy.

This hopefully provides an administrative mechanism which will afford protection to all interested parties and assure the continuation of rail service to those areas which have such great economic dependence upon Penn Central.

I am also pleased to note that the bill contains provisions which will allow funds to be used by the railroads in order to upgrade their track and equipment to meet the safety standards already imposed by the Federal Government. Only recently the Penn Central used these safety standards as a crass excuse to cut off service in many areas, including my district, for a 24-hour period before the Government allowed them a 1-month waiver of the standards. I believe that this display of mock compliance was a shame and excuse to close rail lines which Penn Central has been unable to abandon through the normal channels of the ICC. This is especially so because the Penn Central had received notice of these requirements 2 years before and had done nothing to comply with these safety requirements. Perhaps this safety funding provision of the bill will at least remove this excuse from Penn Central's arsenal of deception.

Mr. Chairman, it would be well for us to recall just how the Northeastern railroads were driven into bankruptcy, and to give serious consideration now to measures which would avert the need for the kind of desperation legislation presently before us for the rest of the Nation's railroads, at some future date.

America's railroads have been brought to the brink—or tossed over the brink—of financial disaster principally due to the absurd and irrational regulations promulgated by the Interstate Commerce Commission. Established when railroads were in their infancy, and cutthroat competition and/or price fixing were rampant, the ICC grew, as do all Federal agencies, into a bureaucratic monster which now regulates every facet of rail operation. The ICC, by holding rates at lower-than-market levels, by requiring railroads to continue operating unprofitable lines, and by generally prohibiting the railroads from making enough profit to allow upkeep, repair, and modernization, has driven dozens of railroads out of business, or to bankruptcy. Labor has done its share to destroy the rail indus-

try, by demanding "featherbedding" in the form of larger traincrews than are necessary, costing railroads hundreds of millions of dollars each year. But the ICC must still take most of the credit.

The legislation before us today is truly a desperation measure. With the courts ready to order liquidation of the Penn Central within a matter of months, something has to be done to allow continued rail service to Penn Central customers as well as those from other bankrupt lines. The creation of yet another Federal agency, the Federal Rail Corporation, if not outright nationalization, comes far too close to it for comfort.

Mr. Chairman, I do not want to see the rest of the Nation's railroads sent down the same dead-end track. We must decide now what the causes of the decline of the rail industry have been, and begin immediately to eliminate those causes. Chief among them, as I said earlier, are the regulatory policies of the ICC, and we should be looking for ways to change those policies in a major way, or even consider the possibility that heavy Government regulation of the rail industry ought to be reduced or eliminated. If the present direction of Government regulation is doing more damage than good, then we ought to send it into the roundhouse and turn the direction of Government involvement around.

The real, long-range answer to the rail industry's woes is not more Government regulation, or Government takeover. That will only cost the taxpayer more and more heavily as the years go by. The answer is the creation of an atmosphere in which railroads can operate as freely of Government constraints and regulation as is practicable, and in which they can respond to the needs of the market economy as efficiently as possible.

We cannot afford to wait any longer. For the Penn Central, and a number of other Northeastern railroads, it is already too late.

Mrs. GRASSO. Mr. Chairman, the Penn Central and other bankrupt railroads in the Northeast are essential to the continued economic stability and growth of 17 States and to the welfare of more than 100 million people in this country. Unless the Congress takes positive and effective action to save these railroads from liquidation, our Nation faces potential economic catastrophe.

The bill before us today—H.R. 9142, the Regional Rail Reorganization Act of 1973—is a comprehensive and balanced attempt to reorganize Northeast railroads within an acceptable framework.

By now we are all aware of the basic facts which necessitate the passage of H.R. 9142. The Penn Central, which alone accounts for 70 percent of the Nation's passenger service and 20 percent of its freight service, has been plagued with financial difficulties since its merger in 1968. The situation has eroded to such an extent that liquidation might be required to protect the constitutional rights of the railroad's creditors.

The Penn Central is essential to the economic health of Connecticut and the entire northeast region, and its liquidation would cause economic hardship throughout the Nation. A cessation of operations by the Penn Central would lead to an estimated 3-percent decline in national productivity and a 60-percent increase in the unemployment rate.

Alternative modes of transportation, primarily trucks, would be required to move the tons of freight daily carried by the railroads. During this energy crisis, the increased fuel consumption would prove counterproductive to our efforts to conserve our dwindling petroleum supplies.

In Connecticut, a shutdown of the Penn Central would be felt by every segment of the State's population. Many industries depend on the railroad to bring them raw materials and transport their finished products nationwide. Trains bring foodstuffs, grain to our dairy and poultry industries, and virtually all the necessities of life. Commuters within the State make 18 million trips each year.

Without the railroads, Connecticut's highways would become more congested, more precious gasoline would be needlessly wasted, many businesses would be forced to close, unemployment would rise, and the tax burden on our cities and towns would increase.

Multiply these consequences in a single State by all the States serviced by the bankrupt Northeast railroads and the need for immediate positive action to save and reorganize the Northeast railroad system becomes clear.

Mr. Chairman, the only alternative to the Regional Rail Reorganization Act is the shutdown of the Penn Central. Such action is unacceptable, for economic disaster would surely result.

I will support H.R. 9142, and urge my colleagues to approve this important legislation.

Mr. CONTE. Mr. Chairman, I rise in support of H.R. 9142. Railroads are vital to the economic health of my district in western Massachusetts. My support, however, goes far beyond parochial interests. I support the legislation because it is vital to the economic health of the entire Nation.

This is not a Massachusetts bill, a New England bill, or, even really, a Northeast bill. This is legislation that will keep the entire Nation's circulatory system flowing, legislation that will enable those for us in the Northeast quadrant of the Nation to continue to be customers and suppliers for the rest of the Nation.

Let me dispel any idea that this is legislation designed to "save" the Penn Central. It does not "save" the Penn Central Transportation Co. It disposes of it—properly. It will have the effect of doing the same thing to the Boston and Maine, the Erie-Lackawanna, the Lehigh Valley, the Central of New Jersey, the Reading Co., and the Ann Arbor Railroad up in Michigan. These are the corporations that, due to a multitude of circumstances, have to go. But the services they provide have to stay.

Are we to do this by simply nationalizing rail systems that are proven losers? Nationalization has not been proven to be a cure-all, you know. We look with envy at European railroads, their passenger service in particular, but we do not look very often at their freight rates or service. Freight rates in Europe are about double what they are here, and service is roughly twice as good here as it is there, despite our bankruptcies. What this bill is aimed at is the salvation of vital freight service that this Nation must have if it is to continue to prosper.

If open nationalization is not feasible at the moment, you might ask why we do not simply lend money to these struggling railroads so they can continue operations on an ad hoc basis. I can promise you, if we did that they would default on the loans and the Government would end up owning the property anyway. This is what is popularly termed "back-door nationalization." The railroads in the Northeast cannot operate as money-making ventures. They do not make money for private enterprise, and they will not break even for public operation.

This legislation leads to a workable solution of the problem. It takes the best of something bad and turns it into something good. There is, indeed, a potentially very healthy rail system attempting to crawl out of the wreck of the Penn Central and the other bankrupt properties. And H.R. 9142 will put that system together.

I am aware that the resultant system will probably be considerably shorter, in terms of track miles, than the present spiderweb of rusty rails that laces the Northeast. I accept the fact that in my district some of the lightly used branch lines might well not be included as part of the so-called core system. But this bill answers that problem, providing Government backing for the uneconomic lines, with both State and Federal Governments participating in the support. If those lightly used branch lines are, on the one hand, vital, I suspect there is a way to make them break even or perhaps show a little profit. And on the other hand, where there is no chance for them to be operated economically, then we should look to alternative modes of transportation.

I would hope that my colleagues study very carefully some of the arguments that are occasionally used in defense of the uneconomic rail lines. We read more and more every day that a diesel locomotive, on the average, produces many more units of transportation per gallon of fuel than a diesel truck. And in these times of increasingly severe fuel shortages, that is a good point to keep in mind. At the same time, however—and I count myself as a staunch environmentalist—I would much prefer to see one man with a 20-horsepower truck drive to the end of a branch line each week than see a 2,000-horsepower locomotive with a four-man crew go out and back each week to pick up one boxcar. Trains are efficient. They are one of the most efficient and ecologically acceptable modes of transportation we have. But locomotives, in and of themselves, consume more fuel sitting on the track idling than one truck does carrying a load of freight 10 miles.

My point is this—the legislation before us creates a new railroad, one that will work, one that will not lose money, one that will not lean on Congress for operating funds any more than do the Santa Fe, the Southern Pacific, the Union Pacific, the Southern Railway or any of the other solvent lines. Railroads have had their hands in the Federal till

less than any other mode of transportation over the past 50 years.

Second, the legislation allows for a rationalization of transportation. We will have railroads where we need them, and we can get rid of them where we do not need them.

Third, it does this within the private sector. It calls for no great and continuing influx of Federal funds. It pays for the initial costs that will be incurred during the transition from financial chaos to fiscal stability.

And most of all, it gets us started now. There is no question that this is the 11th hour. It is too important; the time is too late.

I urge my colleagues to support H.R. 9142 and fend off the chaos that is sure to result if nothing is done.

Mr. ANDERSON of California. Mr. Chairman, if the Penn Central Railroad were forced to close, it would take an additional 20,000 trucks to move the same goods daily—an impossible situation.

And the resulting effect on our national economy, our energy situation, and the environment would be disastrous.

First, since railroads carry an amount of freight exceeding that carried by truck, air, and barge combined, our economy—even on the west coast—would be severely affected. A shutdown of the rail carriers that would be reorganized under the proposal would result in a 5.2-percent decrease in the rate of economic activity in the Northeast and a 4-percent decrease for the rest of the Nation. After only 2 months, the gross national product would decrease by 2.7 percent and the national unemployment rate would rise by 3 percent.

Our largest industries on the west coast—aerospace and agriculture—are dependent on the rail systems in the Northeast to move these articles to the markets and a shutdown would cause delays and increase costs.

And let me give an example of the comparative costs of moving freight in the various fields of transportation: To move a ton of freight by air costs almost 22 cents a mile; by truck, the cost is over 7 cents a mile; but by train the transportation costs are only a little over a penny a mile.

Second, the energy situation, already critical, would be strained to the breaking point. For example, the coal which fires many of our hydroelectric plants moves almost exclusively by rail.

But specifically in the Northeast, if the rails were forced to close and the 20,000 additional trucks were needed to move freight, we would have an increase in fuel consumption by up to 24 million additional gallons per day of diesel fuel. This, in turn, would require a 20-percent increase in U.S. imports of oil.

Third, railrads are a relatively "clean" method of transportation—emitting only 600,000 tons of air pollution annually out of a total of 144 million tons emitted from all sources of transportation each year. If the Northeast rails were shut down, our national air pollution level would be increased by 0.2 percent, due to the increase in truck usage and the resulting emissions.

Mr. Chairman, our Founding Fathers united a confederation of States for the common good. They knew that separately we could not survive, but as a union we could meet any crisis.

Today the Northeast faces a serious crisis in transportation—a situation that would have national ramifications. It is our duty as Members of Congress to consider, of course, our local needs, but it is also our duty to rise above provincial interests for the national interest.

For these reasons, Mr. Chairman, I support this proposal. I urge my colleagues who may feel that their particular area may not be affected by a closure of Northeast railroads to also join with me in adopting this measure to reorganize the rails and permit them to stay in business.

Mr. BIAGGI. Mr. Chairman, I rise in strong support of this bill, H.R. 9142, the Regional Rail Reorganization Act of 1973, one of the most constructive pieces of legislation in the 93d Congress.

Today the major rail systems in the Northeastern United States are in dire straits. The largest transportation carrier in the entire United States, the Penn Central Railroad, has been flirting with economic disaster for years, and finally on June 21, 1970, succumbed to acute financial stress and announced plans to terminate service. In addition 5 smaller, but important rail lines encompassing 16 States, have also gone bankrupt.

In essence this legislation calls for a long overdue governmental reorganization of the bankrupt Northeastern railroads into one self-sustaining corporation that would continue to provide public service and preserve competitive private railroads.

The achieving of this new rail system will take place largely from the creation of the Federal National Railway Association. The FNRA will serve as the primary planning and financing vehicle for this restructured and reorganized rail system. Included in their plans will be the devising of a final system plan for the Northeast. This plan will designate and identify those carriers which will continue to operate, based on an ability to remain financially solvent. For those systems which are determined not to be financially healthy, the FNRA will have the additional responsibility to consolidate them into a new Federal Rail Corporation, who in turn will be responsible for the operation of the newly organized system.

However this bill does not only concern itself with long range solutions to the railroad crisis in the Northeast, but provides immediate relief to these beleaguered rail systems. H.R. 9142 specifically authorizes $85 million for interim relief of cash shortages for the bankrupt railroads.

I am particularly pleased with those sections of the bill which deal with protection of the railroad employee who might be displaced by the formation of the new system. According to the provisions of this legislation $250 million will go toward paying the costs of employee dislocation. Benefits would range between $1,600 to $2,500 a month depending on the seniority of the employee.

Finally, an additional provision of the bill, which I strongly support, is the establishment of a Federal subsidy program which will provide up to $50 million a year to assist States or other local agencies who wish to purchase abandoned rail properties.

I feel this bill provides a comprehensive and logical approach to this problem. With over half of the population of the United States living in the Northeast quadrant, the termination of major railroad service would have tragic consequences for these millions of Americans.

I feel it is the only method of assuring adequate freight and passenger rail service in the United States.

The long and illustrious history of the railroad in the United States cannot be overlooked in our consideration of this legislation. Even with the advent of the airplane, many businesses and industries, as well as millions of urban and rural commuters, still rely of the railroad to get them or their products to their proper destinations.

In addition, in light of the potentially grave energy crisis, it seems prudent that we strengthen our rail systems since the railroad remains one of the least energy-consuming methods of mass transportation available today. This bill has further significance and urgency in light of the President's call for the cutback, and even curtailment of airline flights because of a shortage of fuel. This action would serve to create a further transportation shortage in the Northeast.

This excellent bill represents an effective compromise worked out between the owners of the railroad and the unions which operate them. Not only do these groups stand to benefit from H.R. 9142, but more importantly it is the user of the railroad who stands to gain the most from the passage of this bill. I commend the committee and its distinguished chairman, Mr. STAGGERS, for reporting out this bill, and I urge its overwhelming approval by my colleagues.

Mr. KYROS. Mr. Chairman, I rise today in strong support of H.R. 9142, the Regional Rail Reorganization Act of 1973. As a member of the Interstate and Foreign Commerce Committee vitally interested in our Nation's transportation systems, I consider this bill to be unquestionably the most important transportation measure considered thus far by the 93d Congress—not only to my own State of Maine or to the Northeast, but to the entire Nation as well.

Mr. Chairman, none of us can doubt that the Northeast railroads are in desperate financial shape, nor can we deny that for too long they have been the stepchildren of our transportation systems. Action is needed now to protect this vital transportation mode—not only for the economic health of the Northeast but for the entire Nation. We have heard a great deal about the Penn Central and about the very real possibilities of its being shut down. But we must realize that a shutdown of the Penn Central would affect all contiguous lines, sending shockwaves throughout the Nation and the national economy. The Penn Central

must be kept running because the rest of the Nation's railroads must be kept running.

H.R. 9142 will keep the Penn Central operational. But even more important than that, it provides us with a needed, comprehensive blueprint for a reorganization of all the bankrupt lines in the Northeast so that they might once again become profitmaking ventures. Only in this way will we avoid nationalization, which very few of us really want.

Mr. Chairman, in Maine we have only about 50 miles of B. & M. track. Our other railroads, thank heaven, are solvent at this time. But a shutdown of the Penn Central alone would probably force a shutdown of those other lines within a few days. At least one-third of our State economy would be crippled. At the risk of becoming intolerably repetitious, I must stress once again that the currently bankrupt Northeast railroads must be revitalized or the entire Nation is to suffer.

Mr. Chairman, H.R. 9142 is the first necessary step toward revitalization of our Nation's railroads. It is not just another stop-gap emergency giveaway. It is a comprehensive piece of legislation hammered out over months of intensive consideration at the subcommittee and committee level. It satisfies both rail labor and rail management. And it is desperately needed.

Mr. Chairman, I earnestly solicit my colleagues' support for H.R. 9142.

Mr. DORN. Mr. Chairman, I support the Regional Rail Reorganization Act of 1973. May I commend Chairman STAGGERS and the members of his great Committee on Interstate and Foreign Commerce for their diligent work in reporting to the House a bill of this importance and complexity. This landmark bill would authorize the Government to reorganize bankrupt railroads of the Northeast into one self-sustaining corporation. This is a step forward toward a more stable financial basis for a basic transportation system in our Nation's most densely populated section. This bill has important national effect, since all sections of the Nation depend on reliable rail transportation to carry goods to and from the Northeastern United States. The bill is fair to the taxpayer, to employees and to management. It is essential to a healthy national economy that the Penn Central and the other rail lines of the area continue to operate. I support passage of the Regional Rail Organization Act of 1973 and urge its adoption by the Congress.

Mr. ROBISON of New York. Mr. Chairman, dependable railroad service is essential to the welfare and economic health of my congressional district, so I have taken some care to monitor the content and progress of all those proposals that have been introduced to Congress which attempt to stem the economic and physical deterioration of railroad service in the Northeast. When evaluating these proposals, I established several criteria which I felt were necessary to address the immediate concerns and long-term interests of the communities in the 27th District of New York.

First, recognizing that total nationalization of the railroads was not the answer, I felt that Federal intervention should be kept at a minimum. This bill creates a nine-member corporation, composed of presidentially appointed representatives of the railroad industry and individuals recommended by the National Governors Conference, the National League of Cities, and the AFL–CIO. In so doing, the bill removes the Federal Government from any direct participation in the day-to-day activities of the railroad industry, and provides for a cross section of the interests affected by reorganization in determining the direction of the new rail system.

Second, it is essential that Federal financial assistance be kept to a reasonable minimum. A long-term solution is required to provide for and safeguard the viability of the rails in the Northeast. To meet both the immediate and distant needs of the industry, a system of loan guarantees is provided for through the creation of a "Fannie Rae" corporation. The level of loan guarantees has been reduced from $2 to $1 billion. The House Interstate and Foreign Commerce Committee has established a sufficient number of controls to see that Federal funds are wisely allocated. Extensive Federal oversight and regulatory authorities are created to see that the money is properly disbursed and collected.

Third, in order to insure the continued viability of profitable railroads in my congressional district, the abandonment provisions of H.R. 9142 had to be strong enough to make cessation not only difficult, but totally avoidable. The discontinuation of marginal railroad lines could mean severe social and economic disruption for individuals, industries, and communities throughout the Northeast. Abandonment cannot be accomplished without adequate notice to Governors, State transportation agencies, shippers, local communities, and the Secretary of Transportation. In addition, both shippers and local authorities may block abandonment by offering to pay operating subsidies. However, the provisions of sections 202 and 203 should be strengthened—by Senate action if need be—so that profitable railroads in the Northeast are not threatened by the abandonment of the feeder lines on which they depend. It is my intention to see that the solvency and continued competitive posture of the small, but vital, railroads is guaranteed by this bill.

Fourth, to prepare the railroads to carry the projected loads of the future more efficiently and safely, it is essential that the present roadbeds and track be restored and rehabilitated. The Regional Rail Reorganization Act directs the Secretary of Transportation to see that the tracks and facilities are restored prior to service to a condition which permits trains to travel at a speed at least of 25 miles per hour. Track and roadbed improvements have been neglected in the past, resulting in greater wear on and damage to rolling stock, more accidents, and less efficient, slower service for the customers.

Fifth, so that protection be given to those workers who lose their jobs during the reorganization, I felt it mandatory that legislation insure that the necessary relief be provided. This bill more than adequately provides for the financial needs of displaced employees of abandoned railroads. H.R. 9142 creates the necessary funds and mechanisms to see that rail employees are either rehired under the new corporation or sufficiently compensated for the losses. This provision has the support of both labor and management, as a just and equitable program to address the potential hardships that the rail employees may face through restructuring.

Sixth, regulatory reform is an integral part of any proposal if it is to be effective. To reach the goals of updating and streamlining the railroad industry, the administrative ground rules which have greatly contributed to the present difficulties, must be made more responsive to the modern and growing needs of the industry. The proposed Federal Railroad Corporation and Federal National Railway Association are given the authorities necessary to develop a dynamic and effective framework to carry out the dictates of H.R. 9142.

Seventh, to enable the railroads to trim their expenditures, the industry should be exempt from State and local taxes on their rights-of-way. Section 905 of this bill calls for the elimination of any Federal, State, or local taxes on the railroads except for their real property values. This provision will save the industry an estimated $300 million, annually, making it easier for the railroads to cut costs and expend their income in more sorely needed areas.

The Regional Rail Reorganization Act of 1973 gives the industry hope for the future. Congress had the difficult task of developing an effective program in a relatively short period of time. This bill is a major step in enabling the railroad industry to help itself, thus solving the myriad of complex and conflicting problems contributing to the present crisis.

The railroads have served the country well throughout history, playing an important role in our expansion and development. I am in accord with H.R. 9142's basic aims and provisions. This act will enable the railroads to put present problems behind them and begin building a framework of operations which will make the industry profitable once again, and enable it to continue to be an essential element of our economic life.

Mrs. HOLT. Mr. Chairman, the continued operation of the Northeast rail system is of vital importance to the Nation both economically and environmentally. This transportation network must be preserved and strengthened in a manner that benefits railroad creditors, rail employees, and the American public.

The bill before us today, H.R. 9142, is designed to achieve these objectives. It is the product of comprehensive hearings, careful review, and meaningful compromise by the Interstate and Foreign Commerce Committee. It is highly unlikely that any piece of legislation of this complexity and magnitude can be

totally satisfactory to everyone, but on the whole, I feel that this bill is sound legislation.

Much concern has been voiced in this Chamber over the labor protection features contained in the bill as reported from committee. I would like, at this time, to express my strong support for these provisions and urge that they be retained intact.

The collapse of the Northeast rail system cannot be attributed to any one party. The responsibility for the financial failure of this system must be shared by management, regulatory commissions, and uncontrollable economic conditions as well as by organized labor. To remove the labor protection features from this bill would be tantamount to placing the entire burden for the collapse of the system on the shoulders of the railway employees.

It must also be remembered that these protective clauses are neither new nor revolutionary. The principle of employee protection has been customarily contained in mergers and consolidations in the railroad industry.

Mr. Chairman, the labor protection features are equitable to the railroad employee and are necessary to the successful reorganization of the Northeast system and its restoration as a profit-making private enterprise.

I strongly urge my colleagues to support the passage of H.R. 9142 without debilitating amendments.

Mr. DRINAN. Mr. Chairman, I am gratified to have the opportunity today to rise in support of one of the most important pieces of legislation to come before the 93d Congress. The passage of H.R. 9142, the Regional Rail Reorganization Act of 1973, is absolutely essential for the economy of New England and the entire Nation. Without this bill, we would run the grave risk that within a matter of weeks the six bankrupt railroads in the Northeast would be forced to severely limit service, with disastrous economic results, not only in the Northeast, but in the entire Nation as well.

In recent months I have spoken on many occasions on the Northeast rail crisis, and on the need for legislation to comprehensively restructure the threatened Northeast railroads into a self-sustaining, efficient rail network, competently serving the public interest. I have supported throughout, the bill before us today. This legislation proposes a responsible and workable mechanism to solve the Northeast rail crisis. I would like to take this opportunity again to express my congratulations and commendations to the two principal authors of this legislation, my colleagues DICK SHOUP and BROCK ADAMS, and I would also like to commend as well, the members of the Interstate and Foreign Commerce Committee, who have made such diligent and constructive efforts, the fruit of which is in this bill.

I believe that passage of this legislation would prevent an economic disaster that would be caused by termination of rail service in New England. In surveys of cities and towns in the Fourth Congressional District of Massachusetts, which I represent, I have found that thousands of jobs and hundreds of millions of dollars in economic activity are at stake in the continued operation of railroads serving the Northeast. While the Northeast rail system that will result from enactment of H.R. 9142 will have the result of limiting rail service in some ways, it will spare New England from severe economic trauma that would have occurred without such a workable and balanced bill as this.

I am particularly pleased that the bill before us today contains provisions that recognize the great economic importance of branch lines to local communities, and will allow for the continued operation of branch lines that would otherwise be abandoned as part of the railroad reorganization through the assistance of the Federal Government in a 70/30 Federal/State-local operating subsidy cost-sharing program. I hope that my colleagues will spurn all attempts offered to this bill which would weaken the Federal National Railroad Association and the Federal Rail Corporation, and I further hope that the Senate will promptly enact this bill, and that the President will recognize its merit and sign it into law.

Congress cannot delay any longer in providing a solution to the Northeast rail crisis. H.R. 9142, I believe, is the best hope for a workable solution and it deserves the wholehearted endorsement of the House of Representatives.

Mr. RIEGLE. Mr. Chairman, I would like to add my support to the Regional Rail Reorganization Act, H.R. 9142, now being debated before the House.

As you know, the bill would authorize the consolidation of parts of six bankrupt Northeast railroads into a for-profit nongovernmental corporation. A new agency, the Federal National Railway Association—FNRA—would act to plan and finance the reorganization of the rail system. Final responsibility for the operation of the railroads would be that of the Federal Rail Corporation established by this bill.

Many are hesitant to provide Federal funds to rehabilitate a railroad system which has such a serious history of failure and above all, graft and mismanagement. However, defeating this legislation would produce a devastating impact on the economy not only of the Northeast, but of the entire country. According to a study done by the Department of Transportation at the time of the Emergency Rail Services Act of 1970, a complete and abrupt shutdown of Northeast rail carriers would result in a 5.2-percent decrease in the rate of economic activity in the Northeast, a 4-percent decrease for the rest of the Nation, and a 2.7-percent decrease in the Gross National Product after only 2 months.

The impact that discontinuing the services of the Northeast railways would have on the economy of Michigan is staggering. For example, General Motors which depends heavily on rail transportation for necessary raw materials and shipment of automobiles would be seriously threatened. Nearly 78,000 employees of General Motors would be in danger of losing their jobs.

The problems of the Northeast railroads go far beyond mismanagement—there is no guarantee that liquidation of the bankrupt carriers under the proposed corporation would provide a lasting solution. However I feel very strongly that Congress cannot abandon efforts to reorganize and revitalize the railroads. In view of the serious socio-economic consequences faced by the Northeast and the Nation if this legislation is not passed, I urge my colleagues to join me in supporting the Regional Rail Reorganization Act.

Mr. HARRINGTON. Mr. Chairman, I rise in support of H.R. 9142, the Regional Rail Reorganization Act of 1973. This bill is crucial to the continued economic well-being of New England and the rest of our Nation. Without such legislation, Massachusetts stands to lose more than 38,000 jobs which depend on continued rail service, and an economic collapse would undoubtedly occur in my area of the country in the very near future.

Six Northeast railroads are bankrupt and undergoing reorganization in the bankruptcy courts. Two of these railroads, the Penn Central and the Boston & Maine, are especially important to Massachusetts. The railroads are in such weak financial condition, in fact, that it will be impossible to reorganize them into profitable companies without substantial Government assistance. The deteriorating cash-flow position of Penn Central makes it doubtful that this rail line will be able to continue operations for more than a few more months, if that long, for lack of funds to meet its day-to-day obligations. In addition, since initiation of bankruptcy proceedings, the value of the estate of Penn Central creditors has, according to bankruptcy Judge Fullam, declined by at least $500 million. This "erosion of the estate" raises the risk that Judge Fullam may attempt to order the railroads into liquidation, so as to avoid unconstitutional erosion of the creditors' estate, since the fifth amendment prohibits deprivation of property without adequate compensation and due process of law.

The problems of the Northeast railroads are compounded by the overbuilt rail system some of which is, frankly, no longer necessary in a time when the growth of light industry in the Northeast, and the development of the nationwide highway system, has contributed to shrinkage in rail utilization. Nonetheless, for many industries, firms and communities, railroads are necessary for financial health. The termination of rail service, which very likely will result from the current financial crisis if Government assistance is not forthcoming, would have damaging results not only for New England and the Northeast, but for the entire Nation.

It seems to me that the Government is, to a large degree, responsible for the present plight of the railroads; that railroads serve a vital public interest, and that the Government is fully justified in now assisting in the reorganization of the Northeast rail system. For years the

railroads have been the victims of what could be termed "benign neglect" on the part of Federal, State, and local government. Railroads have been victimized by discriminatory taxation, by excessive regulatory procedures—seriously limiting the ability of the railroads to keep pace with changing economic conditions—and especially by a scarcity of Government financial help. While all levels of Government spend approximately $21 billion annually supporting other modes of transportation—air, highway, and maritime—traditionally the railroads have received little if any assistance.

My sense of the rail situation is that a substantial Federal commitment to aid the Northeast railroads is not only necessary but desirable. The railroads cannot cure themselves without Government help, and the great national importance of continued rail service in the Northeast makes it imperative that Congress act to provide for a comprehensive restructuring of the Northeast railroads, with sufficient assistance to enhance the chances for long-run success of the new rail system, and to make the railroads self-sustaining.

The importance of continued rail service to the Northeast has been documented in a recently released, comprehensive study of the Boston & Maine Railroad, conducted by the Harbridge House consulting firm for the Massachusetts Department of Transportation. The study showed that at least 51,250 jobs in the six New England States depend directly on continued operations of the B. & M. alone, and that a shutdown of B. & M. service could endanger as many as 150,000 jobs in the region. In Massachusetts as a whole, the study estimates that at least 38,842 jobs depend on the B. & M., and that termination of B. & M. operations could cause a loss of more than $568 million to the Massachusetts economy.

In the three northern congressional districts of Massachusetts alone—fifth, sixth, and seventh—the Harbridge House study shows that more than 15,000 jobs depend on the continued operation of the Boston & Maine Railroad. In the Sixth Congressional District, which I represent, the study indicates that more than 22,500 jobs are to varying degrees significantly dependent on continued rail service, and that a total of 5,309 jobs would be lost without B. & M. freight service. Worse, B. & M. termination would deprive the Sixth Congressional District of more than $132 million in economic production.

Northern Massachusetts cannot stand an economic blow of the proportions that would be caused by a cessation of rail service in a region where recovery from the 1970 recession is still laggardly at best. The unemployment rate in the Sixth Congressional District continues to be extremely high—about 9 percent—and some communities have unemployment over 15 percent. The situation in my congressional district is by no means unique. It is duplicated in cities and towns throughout Massachusetts and the Northeast.

The Harbridge House study also shows that cessation of B. & M. service would increase the cost of many major consumption items by anywhere from 1 to 5 percent. This cannot be tolerated by any of us when the country is still suffering from persistent inflation.

The Northeast rail crisis has very profound implications for environmental decay and the already severe energy crisis as well. Railroads are the most efficient of all transportation modes in terms of energy use. Termination of rail service would dramatically increase the use of trucking as an alternate transportation mode, with a corresponding jump in the requirement for gasoline and diesel oil. President Nixon has estimated a nationwide energy shortfall this winter of approximately 15 percent. Yet, the Harbridge House study estimates that if B. & M. freight service were to end, an additional 26.1 million gallons of fuel oil—enough to supply the annual electricity requirements of more than 40,000 households—would be required for truck transportation. Clearly the difficult energy situation demands that our Government encourage energy-efficient modes of transportation, a need that makes H.R. 9142 especially necessary.

The Harbridge House study is very significant with regard to its analysis of branch lines and the question of abandonment. It has been argued by some that the primary cause of the financial difficulties of the railroads is the vast network of branch lines which, allegedly, constitute a continuing and massive drain on railroad finances. Thus, according to these arguments, the way to cure the railroads is to allow for wholesale abandonment of these branch lines. The Harbridge House study, however, seriously disputes such claims. It shows that if the B. & M. were to abandon 370 miles of branch lines, it would save $1.6 million annually. At the same time, this abandonment would cost the B. & M. more than $2.1 annually in lost revenues—a net loss to the railroad of $500,000. These branch lines are the originating source of a major portion of main line traffic, traffic that would not continue if the branch lines were abandoned. In other words, abandonment of branch lines may be more financially harmful to the railroads than beneficial. In addition, branch lines are often of critical economic importance to local communities, and there are many firms in Massachusetts which have stated that abandonment of certain branch lines would cause them either to cease operation or relocate. Clearly a reorganization of the Northeast railroads must take into account the local economic importance of branch lines as well as accurate judgments of the real costs and benefits of continuing branch line service.

In this connection, I am pleased that title III of H.R. 9142 contains a provision that resulted from a proposal which Congressman TIERNAN, Democrat, of Rhode Island, and I originated, and which was later advocated by the New England Congressional Caucus and my Massachusetts colleague Congressman MACDONALD. Section 303 of title III, which establishes the criteria upon which the Federal National Railway Association shall develop the final system plan for the restructured Northeast rail system, requires that a key goal in the rail plan be:

(8) the minimization of job losses and associated increases in unemployment and community benefit costs in areas presently served.

Two other provisions of H.R. 9142 are especially important to the question of branch lines and abandonment. While without doubt there will—and should—be substantial reductions in the total amount of track mileage operated, there are safeguards for local communities in the bill. It provides that before any line can be abandoned as part of the reorganization process, shippers, States, and local or regional authorities must be given an opportunity to continue operations of the line by making up the difference between the determined costs of maintaining service and the revenues generated by the line. Another provision authorizes $50 million for the Federal share of 70/30 Federal/State-local cost-sharing subsidies that will be used to keep open lines that would otherwise be abandoned. In addition, the $50 million can be used to provide assistance in financing outright purchase of branch lines by appropriate local agencies.

Title VIII of H.R. 9142, the labor-protection provision, is also essential to the success of any railroad reorganization. It has been estimated that 5,000 jobs will be terminated as part of the restructuring of the Northeast rail system. Insofar as this restructuring will be the result of Government action, the Government has a responsibility to bear the social costs for providing for the continued welfare of rail employees who will be laid off. Title VIII is the result of negotiations between rail management and labor unions. Any alteration of the provisions of this title might result in a breakdown of the agreements reached, and thus seriously jeopardize the success of Northeast rail reorganization. I urge my colleagues to reject all amendments to this title.

The basic goal of H.R. 9142 is sound. There is a demonstrable need for comprehensive restructuring of the Northeast rail system. H.R. 9142 provides that the Federal National Railway Association—FNRA—the planning and financing agency created by the bill, will be authorized to issue up to $1 billion in Government-guaranteed bonds. At least $500 million of the funds raised through these bonds will be used to upgrade and modernize rail facilities so that service can be improved, and hopefully so that the declining trend in rail traffic can be reversed. The intent of the bill, by separating the planning and financing agency, the FNRA, from the private, for-profit operating entity, the Federal Rail Corporation—FRC—is to free the FRC from the burden of debt service that has plagued the now-bankrupt railroads.

So as to keep the rail lines in operation while the overall reorganization plan is being formulated, the bill provides $85 million for direct emergency assistance. These funds will be used to meet the cash-flow needs of the bankrupt railroads, as necessary. As to the need to prevent further erosion of the creditors'

estate, the bill provides that the creditors' rail assets to be included in the Federal Rail Corporation system shall receive common stock issued by the FRC for the value of their assets. If it is determined by the courts that FRC common stock alone is not sufficient compensation, up to $200 million in federally guaranteed FNRA bonds could be used as "sweeteners" to compensation agreements. The bill also contains provisions mandating the conveyance of all rail assets to the FRC, so that the primary goal of continued rail service can be reached.

The bill promises to give the new FRC a clean start with access to critically needed capital assured in the form of FNRA bonds. This proposal, far short of the billions of dollars that would be required for nationalization, shows great promise of achieving the goal of a self-sufficient, if not profitable, Northeast rail system that serves the public interest.

I commend the members of the Interstate and Foreign Commerce Committee for their diligent work on this legislation, and I especially congratulate my colleagues Congressmen BROCK ADAMS and DICK SHOUP for their leadership in the rail issue. Our country needs this legislation urgently. Massachusetts and the rest of the Northeast can be spared economic chaos if H.R. 9142 is enacted. I urge my colleagues to give this bill their wholehearted support.

Mr. DONOHUE. Mr. Chairman, I earnestly urge and hope that this pending bill, H.R. 9142, the Regional Rail Reorganization Act of 1973, will be overwhelmingly approved by the House this afternoon.

Basically this measure is designed to prudently, efficiently, effectively, and equitably revive and strengthen, in accord with our private enterprise traditions, several of the faltering financial railroad enterprises in the Northeast, whose continued operation is absolutely essential to the health, safety, and economic well-being of a vitally important section of this country.

Mr. Chairman, the need for this bill is unquestioned and the urgency of action now, in view of an imminent court ruling affecting the further operation of the Penn Central Railroad, is obvious.

The fundamental provisions of this measure, to consolidate parts of the six presently bankrupt Northeast rail carriers into a new for-profit nongovernmental Federal Rail Corporation and to establish a new agency, the Federal National Railroad Association, to act as the principal planner and financing instrument for the reorganization and rehabilitation of the rail system, together with other provisions requiring Federal agency cooperation, reasonable railroad employee protection, matching funds for operating subsidies to State, municipal, and regional units to maintain certain essential railroad branch services that would otherwise be discontinued and congressional approval of a final system plan, may not comprise the absolutely perfect solution to an extraordinarily complex problem, but I believe they do represent the best and most sincere and studied legislative effort that has yet been offered in effective response to a unique regional emergency.

Mr. Chairman, the technical meanings and applications of the various sections of this measure have been patiently and thoroughly explained here by the very able and dedicated managers of the committee bill; the appropriations recommended are entirely within reason, especially in view of the tremendous public service involved; and the threatened human and economic disasters that will be sensibly contained by this measure vitally affect the whole national interest. Therefore, I again urge the House to resoundingly adopt this bill without extended delay.

Mr. HOGAN. Mr. Chairman, the illness of our railroads, the problem we face today, is a matter which does not do credit to our Nation. Railroads have been "regulated" longer than other utilities, in fact since 1887. Railroading, as a most important means of transportation, has representation in the President's Cabinet.

Many people do not realize that the regulatory commissions whether over communications, power, trade or transportation are in effect or extensions of the legislative branch of Government. Regulatory commissions were devised to provide rulemaking by experts who supposedly were better equipped to deal with highly technical matters than the lawmakers who created them.

I am concerned that the regulatory experts have not resolved this problem before reaching the crisis stage. We have seen the long haul railroad passenger traffic virtually disappear, taking with it much of the commuter traffic. Yet the airline industry, which now has most of this passenger business is not well financially. Nor is the need for short-haul transportation of people being met during these days of air pollution and shortages of gasoline and highways.

In short, our regulation—our extension of law making—has failed. It seems inconceivable that regulation would not have acted more effectively on the problems we face today. It makes one wonder whether the Federal Communications Commission or the Federal Power Commission or some other commission could lead us down another primrose path.

The railroads were the most financially successful segment of business in the last century. The street car and the bus companies were also highly successful institutions at the beginning of the century. Today the telephone and the power companies are financial successes. Their revenue dollars, that you and I pay, return in direct taxes from a fifth to a third. These revenues from utilities have been a great source of taxes to our Government. But let the financial failure of the railroads be a lesson to the regulatory commissions, the regulators, and the public. Let us have regulation that is forward looking by experts who are truly expert.

Unquestionably, we must salvage our railroads without nationalization and establish a requirement of efficiency. We must do it promptly.

My district is a small one geographically. It is 25 miles one way and 50 another. It is, however, a part of the Northeast corridor. It contains the insolvent Penn Central and the yet solvent B. & O.-C. & O. A large percentage of the goods destined for Washington is unloaded in my district. Efficient rail service is very important to my district's economy.

Also of considerable concern to me, is commuter travel for my constituents. Unfortunately, H.R. 9142 says virtually nothing about commuter services. It does deal briefly with Amtrak and the Boston-Washington corridor, but Amtrak is not concerned with commuters.

Commuter service has been left to local governments. In the instance of our Nation's Capital this means fragmented responsibility. However, my State of Maryland has been attempting to aid the Maryland commuter. It "expects" funding by the Urban Mass Transportation Administration on an 80/20 basis.

Already the State is scrounging for surplus Army railroad cars. It is also negotiating with the B. & O. and the Penn Central. But it is having difficulty. Where? With the insolvent Penn Central. In a very recent letter Maryland's Secretary of Transportation wrote:

> The committee has also held initial discussions with the Penn Central regarding its commuter service. However, little progress has been made to date for two reasons:
>
> (1) We do not feel the Penn Central's terms are reasonable (full costs plus 7½ percent rate of return) and
>
> (2) the financial condition of the railroad and pending Federal legislation lead us to question the advisability of a contractual arrangement until these matters are resolved.

So passage of H.R. 9142 may mean that we in Maryland can move ahead. That is, provided the new FNRA will be receptive to the needs of the public and will move rapidly.

Another problem of commuter service in and out of Washington is the excessive charge made by the Washington Terminal Co. for movement of railroad cars in and out of Union Station. The Washington Terminal Co. is owned jointly by the Penn Central and the B. & O. railroads. The Penn Central ownership is divided between two subsidiaries. I certainly hope ownership under H.R. 9142 or similar legislation will permit negotiation with commuter train operators so that these exorbitant charges can be eliminated. My recollection is that the charge is $40 per railroad car in and out of the station. This makes it virtually impossible to provide reasonable commuter rates.

I should point out that the most comprehensive study of rail commuter service in the Washington area, the so-called "Englund" study, indicates the future of Baltimore-Washington services lies with "an improved Penn Central." Track capacity problems of the B. & O. inhibit the possibilities of expansion of B. & O. service. This is another reason for acting on H.R. 9142 promptly.

In addition to my support of State activities I have supported or cosponsored commuter-oriented legislation. I introduced H.R. 10975 which would permit the Washington Metropolitan Area Transit Authority to include commuter service in the mass transit plan.

I also sponsored H.R. 9479, a bill which would study the feasibility of high speed

tracked vehicle operation from Washington to Annapolis. Also, I cosponsored H.R. 4742 for a study of the extension of Metro to Friendship and Dulles airports. While these bills do not directly tie in with H.R. 9142, they are related. There is the possibility of use of the Penn Central tracks to Friendship. The TACV could terminate at the Metroliner-Metro facility at New Carrollton.

H.R. 9142 should be passed so that passenger rail traffic planning can have a firm basis. Now is the time to expand the Penn Central commuter business. The 1,700 persons, who ride in the morning and the 1,600 who ride at night, can be increased by a substantial number at a time when because of our fuel shortage there is great need to reduce highway traffic.

I urge an "aye" vote.

Mr. HILLIS. Mr. Chairman, the time for decisive action on the Northeast railroad crisis is upon us—a Federal court is about to authorize a plan to liquidate the Penn Central, unless Congress takes action immediately. Such a liquidation would involve closing down more than 20,000 miles of rail lines, and cause an estimated loss in national economic activity of some 4 percent within 8 weeks of the shutdown.

Today we have before us a plan which represents decisive action and which could go a long way toward providing both short-term economic assistance and long-range reorganization assistance to the beleaguered Northeast rail system.

The reorganization plan is based on an administration suggestion that a Government-established corporation oversee the reorganization, with a large part of the operation remaining in private hands. The bill incorporates this thinking through the creation of a Federal National Railway Association to implement a final reorganization plan and distribute guaranteed loans to transfer and modernize northeast rail properties.

Further, the bill creates a Federal Railroad Corporation which is to operate as a for-profit railroad company, responsible for assuming control over lines deemed essential to the Northeast rail core. As DOT suggested, this company will sell stock and hopefully could become a profitable company in its own right, just like a new Penn Central system, having been allowed to free itself from many of the regulatory, financial, and labor burdens plaguing the Penn Central which led to its demise.

The bill further provides $85 million for assistance to bankrupt railroads while the final reorganization plan is being implemented. It also establishes strong labor protection procedures, including generous displacement allowances, transfer expenses, and separation pay—following the general principle that no regular railroad employee should be adversely affected by the Northeast rail reorganization.

Further, this legislation authorizes Federal subsidies of up to 70 percent to any local government which pays to maintain a railroad line through its community which has been scheduled to be discontinued under the reorganization plan. In this way, communities which would be severely harmed by loss of Penn Central core service could take action to keep trains running through their area by choosing to subsidize crucial lines with the Federal Government's help.

What I like most about this proposal is that it provides for a full measure of economic assistance for reorganizing the Northeast railroads, with the least amount of Government interference possible. I think all of us would prefer to see a reorganization plan devised which would not require any Government interference or assistance, but this is not realistic. The railroads have been trying to bail themselves out of this labor, administrative, and regulatory quagmire for many years now, but the problems just seem to multiply. What is needed is a fresh start, with new rules and fewer encumbrances. I think that such a new approach is embodied in H.R. 9142, before us today.

Certainly this is a great improvement over the Senate-passed railroad legislation which merely provides some $210 million for loans to troubled railroads. We do not need to throw any more good money after bad—we need to provide some solutions to problems and get these railroads back on a moneymaking basis.

There is no doubt in my mind that this country needs the services provided by the Northeast railroads—and for that matter, the services of railroads all over the country, because that is the larger issue we are really addressing here. I recall the urgent telegrams and phone calls I received from farmers and businessmen last February when Penn Central was threatened by a strike—and all these people insisted they would be severely affected by any shutdown in service.

Certainly, there are other modes of transportation available today, and our policy of assistance and development of these other modes of transportation recognizes this—but the railway system remains the best form of transportation for many commodities and businesses—and the cheapest in most instances.

A national study has predicted that within 8 weeks of a Penn Central shutdown, 31 percent of the chemical produce, 13 percent of retail trade, 10 percent of iron and steel manufacturing, and 7 percent of auto manufacturing nationwide would screech to a halt.

Just yesterday I submitted for the RECORD facts and figures which show that General Motors cannot run 48 hours without being severely affected by a Penn Central liquidation—in fact, the company estimates that such a cutoff in service would force critical plant closings, eventually leading to the shutdown of the whole corporation. As an example, the company began closing down several plants throughout the country just after the first day of the February strike.

Further, a shutdown of rail service would be an economic disaster for many small communities now dependent on rail service—either for ready shipment of raw products or finished goods. The current shortage of freight cars for carrying grain will look minor if Penn Central folds this fall, due to lack of remedial action on our part.

The Wall Street Journal has estimated that termination of the Penn Central would increase U.S. unemployment by some 60 percent and decrease the national production level by 3 percent. Further, this would inevitably cause another increase in consumer prices. Considering these facts, it seems that the $2 billion authorization requested here is not a high price to pay in order to put this industry back on a healthy basis—particularly since only one-fourth of that sum involves direct grants for operating costs while the railroad is in reorganization—the remainder consists of loan guarantees, which do not involve a direct loss of funds to the Government.

I am not suggesting this piece of legislation is the perfect answer—I am sure many amendments will be offered on the floor to improve various provisions in the bill—but I wholeheartedly endorse the overall program it would establish.

I am optimistic that the Federal National Railway Association and Federal Railroad Corporation can be successful in reorganizing the Northeast lines into a workable system—saving the best and most necessary and eliminating redtape and encumbrances which have in the past spelled economic disaster to the Northeast railroads.

I would like to see control pass full back into private hands once the reorganization and upgrading of lines has been completed—this is certainly what this legislation is aimed at achieving ultimately, consistent with the American system of free enterprise.

I would urge that my colleagues lend their full support to this legislation when we vote on it today.

Mr. RANDALL. Mr. Chairman, I support H.R. 9142, the Regional Rail Reorganization Act of 1973, perhaps not with the enthusiasm of a matter of such importance but with a sense of necessity after consideration of the alternatives if some reorganization plan is not approved.

The bill is complex. There are many controversial provisions about which there are serious objections. The cost of $1.4 billion seems almost unacceptable until it is recognized that there is about $400 million in what could be said to be real money and the remaining $1 billion becomes involved as guarantees only if the reorganization plan is workable.

Mr. Chairman, I opposed the Penn-Central Emergency Rail Service Act a few years ago because that was pumping money into a status of which there was no opportunity to improve. Today, on the other hand we are making a valiant attempt to restructure the northeastern railroad in a turnaround from the neglect of the last 30 years to where it may be possible to have the kind of equipment which will improve the operating efficiency of these railroads.

No one, at this point, can say how much mileage will be eliminated but certainly some substantial reduction will be accomplished and that in itself should make the remaining structure more self-supporting.

One question which could most appropriately be asked is, Why should a Member of Congress from west central Missouri have any interest in the railroads of the Northeast? Well, the answer is, If

these railroads cease to operate, it will affect not only the so-called Northeast Corridor but the entire eastern seaboard, all of the Middle West and indirectly the Far West. It should not be forgotten that not only the Penn Central Railroad but such important railroads as the Baltimore & Ohio, Chesapeake & Ohio, and other regional carriers have their western terminus at St. Louis, Mo.

How could Missouri and mid-America be affected? Well, if the eastern railroads were to cease operation, our farmers productivity would be suddenly reduced because of no fertilizer. The shelves of our stores would all have smaller stocks. Our own plants in the Middle West would be without rail outlets to the East Coast.

If the eastern railroads shut down, 38 percent of the nonferrous metals manufacturers would cease to have means to move their product, and 31 percent of our chemical production, 10 percent of iron and steel manufacturing, and about 10 percent of the automobile production would come to a complete halt.

In my judgment, there are two overriding reasons why we must make an attempt to save the Northeast railroads. First, because of the energy crisis or fuel shortage. The shortage in this country of gasoline, heating oil, diesel fuel, or natural gas is no longer a Halloween scare but a reality. I cannot readily or precisely supply the statistics but a long freight train with the reduced friction of steel on steel will use only 40 percent or as little as one-third or even one-fourth as much fuel as would take to haul the same tonnage over the highways. Some kind of statistical study should be undertaken to see the extent of a saving of fuel that can be accomplished by greater use of our railroads.

But, Mr. Chairman, the inarticulate, unexpressed silent but major premise back of this entire regional rail reorganization act is the matter of national defense. We are a nation where our two coasts are connected by an interstate rail system. Who can forget that it was our railroads most of all that helped us win World War II. Where would we have been without them at that time? Where would we be without them today in a new emergency? In a word, our railroads are indispensable to national defense.

Mr. Chairman, if any additional reason is needed to support this plan, there is the fact that before long, with the shortage of fuel we may be forced to park cars and depend on mass transportation. Those suburbs surrounding our big cities of the East know that they have driven bumper to bumper with one person in a car for a long while. If we can revitalize our commuter trains we could eliminate some of these traffic jams. We hear a lot about mass transit. If we save our eastern railroads we have made a step in the right direction. If we save our commuter system we take a giant step forward to solve not only the congestion in our cities but also a great stride to ease the stress and strain of the fuel crisis that we all must face in the years that lie immediately ahead.

Mr. STAGGERS. Mr. Chairman, I have no further requests for time on this side.

The CHAIRMAN. Pursuant to the rule, the Clerk will read by titles the committee amendment in the nature of a substitute printed in the reported bill as an original bill for the purpose of amendment.

The Clerk read as follows:

H.R. 9142

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Regional Rail Reorganization Act of 1973".

TITLE I—GENERAL PROVISIONS

SEC. 101. CONGRESSIONAL FINDINGS AND DECLARATION OF PURPOSE.—The Congress hereby finds that certain essential rail services in the region, as defined in section 102 (7) of this Act, are provided by railroads undergoing reorganization under the Bankruptcy Act and that such services are threatened with cessation; that the public convenience and necessity require continuation and improvement of such services to the end of meeting the commerce needs in the United States, particularly in such region, preserving national rail transportation service and promoting the national defense; that modern, efficient rail service in such region is a necessary part of a national rail transportation system; that a plan of reorganization is necessary for the restructure, rehabilitation, and modernization of railroads in such region which are undergoing reorganization into an economically viable rail system; that rail service offers economic environmental advantages in terms of land use, air pollution, noise levels, and energy conservation; and that creation of the Federal National Railway Association, with the powers provided under section 202 of this Act, creation of the Federal Rail Corporation, with the powers provided under section 402 of this Act, and provision for Federal financial assistance are necessary to facilitate the reorganization of such railroads and to assure continuation of adequate rail service in the United States, particularly in such region.

SEC. 102. DEFINITIONS.—For the purpose of this Act—

(1) The term "association" means the Federal National Railway Association created under section 201 of this Act.

(2) The term "bankrupt railroad" means a railroad in reorganization which, pursuant to section 301 of this Act, is determined by a court not to have a reasonable likelihood of being reorganized successfully on an income basis under section 77 of the Bankruptcy Act (11 U.S.C. 205).

(3) The term "Commission" means the Interstate Commerce Commission.

(4) The term "corporation" means the Federal Rail Corporation created under section 401 of this Act.

(5) The term "fair and equitable value" means, with reference to the rail properties of a railroad in reorganization which are to be acquired by the corporation, by a nonbankrupt railroad, or by a profitable railroad and operated in accordance with the final system plan, either the fair liquidation value or going concern value thereof as of September 30, 1973, as provided in the final system plan, except that in no event shall such rail properties be valued at more than the constitutional minimum required for their acquisition, taking into consideration the public interest character of such properties. For the purposes of this paragraph, fair liquidation value is the best price that the then existing market could fairly be expected to provide for the sale of such rail properties over a reasonable period of time less the economic costs and expenses incident to holding and maintaining such properties over such time and to their disposition and less a reasonable discount for delay in receipt of proceeds over such time; and going concern value is the capitalized value of the earning power of such properties projected over a reasonable period of time, giving due consideration to the effect and cost of implementation of the final system plan.

(6) The term "nonbankrupt railroad" means any railroad in reorganization which, pursuant to section 301 of this Act, is determined or presumed to have a reasonable likelihood of being reorganized on an income basis under section 77 of the Bankruptcy Act (11 U.S.C. 205).

(7) The term "region" means the States of Maine, New Hampshire, Vermont, Massachusetts, Connecticut, Rhode Island, New York, New Jersey, Pennsylvania, Delaware, Maryland, Virginia, West Virginia, Ohio, Indiana, Michigan, and Illinois, the District of Columbia, and those portions of contiguous States in which are located facilities owned or operated by railroads doing business primarily in the aforementioned jurisdictions (as determined by the Commission by order).

(8) The term "office" means the Regional Rail Services Planning Office created under section 305 of this Act.

(9) The term "profitable railroad" means—

(A) with respect to the area consisting of the States of Maine, New Hampshire, Vermont, Massachusetts, Connecticut, Rhode Island, New York, New Jersey, Pennsylvania, Delaware, and Maryland, and the District of Columbia, any railroad operating substantially in such area, which railroad is not undergoing reorganization under section 77 of the Bankruptcy Act (11 U.S.C. 205); and

(B) with respect to the States of Virginia, West Virginia, Ohio, Indiana, Michigan, and Illinois, and those portions of contiguous States in which are located facilities owned or operated by railroads doing business in such States, any railroad operating in the State, which railroad is not undergoing reorganization under section 77 of the Bankruptcy Act (11 U.S.C. 205).

(10) The term "rail properties" means all of the assets and business owned, leased, or otherwise controlled by a railroad which are used or useful in rail transportation service.

(11) The term "railroad" means any common carrier by railroad as defined in section 1(3) of part I of the Interstate Commerce Act (49 U.S.C. 1(3)).

(12) The term "railroad in reorganization" means a railroad operating principally in the region, which railroad is undergoing reorganization in a proceeding under section 77 of the Bankruptcy Act (11 U.S.C. 205).

(13) The term "final system plan" means the plan of reorganization for the restructure, rehabilitation, and modernization of railroads in reorganization prepared pursuant to section 309 of this Act.

(14) The term "Secretary" means the Secretary of Transportation or his delegate unless the context indicates otherwise.

TITLE II—FEDERAL NATIONAL RAILWAY ASSOCIATION

SEC. 201. ESTABLISHMENT OF THE ASSOCIATION.—There is hereby created a body corporate to be known as the "Federal National Railway Association". The association shall be a nonprofit corporation. The association shall have succession until dissolved by Act of Congress. It shall maintain its principal office in the District of Columbia and shall be deeemd, for purposes of venue in civil actions, to be a resident thereof.

SEC. 202. GENERAL POWERS.—(a) The association, in order to achieve the objectives and to carry out the purposes of this Act, is authorized to—

(1) assist in the preparation and implementation of the final system plan;

(2) provide assistance in the form of loans for the purchase, rehabilitation, and modernization of rail properties of railroads in reorganization;

(3) provide assistance in the form of loans

to any railroad which (A) connects with a railroad in reorganization, and (B) is in need of financial assistance to avoid reorganization proceedings under section 77 of the Bankruptcy Act; and

(4) provide assistance to the National Railroad Passenger Corporation in the form of loans for the improvement of those rail properties generally described as the Northeast Corridor between Boston, Massachusetts, and the District of Columbia.

(b) To carry out its purposes, the association shall have the usual powers conferred upon a nonprofit corporation by the District of Columbia Nonprofit Corporation Act.

SEC. 203. DIRECTORS AND OFFICERS.—(a) The association shall have a board of nine directors consisting of individuals who are citizens of the United States. There will be four ex officio members of the board, as follows: The chairman of the association, the Secretary, the Chairman of the Commission, and the Chairman of the Federal Reserve Board. Each ex officio member may designate a subordinate official to perform any function vested in him under this Act, but such designation shall not relieve him of his responsibility in office for the acts of the subordinate official so designated and such designation shall be revocable at any time. Five members of the board shall be appointed by the President, by and with the advice and consent of the Senate, for terms of three years and until their successors have been appointed and qualified. Any appointive seat which becomes vacant shall be filled by appointees of the President, but only for the unexpired term of the director he succeeds. Members of the board of directors appointed by the President shall be selected as follows:

(1) One shall be selected from among representatives of shippers by rail.

(2) One shall be selected from among representatives of railroads not undergoing reorganization under the Bankruptcy Act.

(3) One shall be selected from among not less than two individuals recommended by the National Governors' Conference.

(4) One shall be selected from among not less than two individuals recommended by the National League of Cities and Conference of Mayors.

(5) One shall be selected from among not less than two individuals recommended by the American Federation of Labor and Congress of Industrial Organizations.

Except for the members of the board representing railway labor organizations and railroads, no director may have any direct or indirect employment or financial relationship with any railroad during the time he serves on the board. Each of the directors not employed by the Federal Government shall receive compensation at the rate of $150 for each meeting of the board he attends. In addition, each director shall be reimbursed for necessary travel and subsistence expenses incurred in attending meetings of the board.

(b) The board of directors of the association shall have an executive committee consisting of the chairman of the association, the Secretary, and the Chairman of the Commission.

(c) The board of directors is empowered to adopt and amend bylaws governing the operation of association.

(d) The association shall have a chairman who shall be appointed by the President, by and with the advice and consent of the Senate, within thirty days after the date of enactment of this Act. The association shall have such other officers as may be appointed by the board. The rates of compensation of all officers shall be fixed by the board. No individual other than a citizen of the United States may be an officer of the association. No officer of the association may have any direct or indirect employment or financial relationship with any railroad during the time of his employment by the association or may have had at any time any such relationship with any railroad in reorganization.

TITLE III—REGIONAL RAIL SYSTEM

SEC. 301. DETERMINATION OF STATUS OF RAILROADS IN REORGANIZATION.—Within sixty days after the date of enactment of this Act, each United States district court having jurisdiction over a railroad in reorganization shall make a finding as to whether or not, based on the financial condition of and prospects for such railroad, it can be reorganized on an income basis under section 77 of the Bankruptcy Act. With respect to a railroad which is found not to be reorganizable on an income basis under section 77 of the Bankruptcy Act, the court shall enter an order to the effect that such railroad shall be reorganized in accordance with the provisions of this Act and those provisions of such section 77 not inconsistent with this Act, or the court may entertain a motion to dismiss the section 77 proceedings. In any case in which a United States district court does not make the finding referred to in the first sentence of this section with respect to any railroad in reorganization within the sixty-day period referred to in such sentence, such railroad shall be presumed to be a railroad with respect to which there is a reasonable likelihood that it can be reorganized on an income basis under section 77 of the Bankruptcy Act. In the event that a railroad is found not to be reorganizable on an income basis under section 77 of the Bankruptcy Act, the court shall advise the association with respect to its findings under this section. The finding of each district court under the first sentence of this section, or the presumption created under the third sentence of this section, as the case may be, shall be subject to appeal as in the case of an order granting or denying a preliminary injunction pursuant to rule 52 of the Federal Rules of Civil Procedure and section 1292 of title 28 of the United States Code and any such appeal proceedings shall be concluded on an expedited basis.

SEC. 302. ACCESS TO INFORMATION.—Each railroad (including profitable, nonbankrupt, and bankrupt railroads) operating in the region shall provide such information as may be requested by the chairman or executive committee of the association or by the Secretary in connection with the performance of their respective functions under any provision of this Act. The chairman or executive committee of the association or the Secretary may, during the period beginning on the date of enactment of this Act and ending on the effective date of the final system plan, obtain any such information by subpena. In case of contumacy by or a refusal to obey a subpena served upon a railroad under this section, the district courts of the United States, upon application by the Attorney General upon request of the chairman or executive committee of the association or the Secretary shall have jurisdiction to issue an order requiring the railroad to produce the information, and any failure to obey such order of the court may be punished by the court as a contempt thereof. Nothing in this section shall authorize the withholding of information by the chairman or executive committee of the association, by the Secretary, or by any railroad operating in the region from the duly authorized committees of the Congress.

SEC. 303. CRITERIA FOR THE FORMULATION OF THE FINAL SYSTEM PLAN.—(a) The final system plan shall be formulated in the light of the following goals—

(1) the objective of creating, through a process of reorganization, a financially self-sustaining rail service system;

(2) the need for continued or improved rail service by the persons, communities, geographic zones, and cities presently served;

(3) the preservation, to the maximum extent practicable, of existing patterns of service by railroads (including short-line and terminal railroads) and alternative modes of transportation;

(4) the availability, cost, and effect upon the human environment of alternative modes of transportation and the ability of those modes to replace rail service;

(5) the requirements of commuter and intercity rail passenger service and the extent to which there should be coordination with the National Rail Passenger Corporation and similar entities; and the identification of all short-to-medium distance corridors in densely populated areas in which the major upgrading of rail lines for high-speed passenger operation would return substantial public benefits;

(6) the preservation of rail service competition;

(7) the environmental impact of alternative choices of action, particularly with regard to the effects on attainment and maintenance of any national ambient air quality standard established by the Clean Air Act Amendments of 1970; and

(8) the minimization of job losses and associated increases in unemployment and community benefit costs in areas presently served.

The final system plan shall be based upon due consideration of all relevant factors, including the need for and cost of rehabilitation and improvement of physical facilities, alternative means to achieve system rationalization, the cost of labor protection, employment impact studies, marketing studies, traffic evaluations, and financial studies.

(b) The final system plan shall designate those rail properties of the bankrupt railroads to be operated by the corporation and shall provide that such rail properties be conveyed to and acquired by the corporation. Rail properties of bankrupt railroads not conveyed to the corporation or to a nonbankrupt or to a profitable railroad pursuant to the final system plan shall be abandoned in accordance with the provisions of this Act.

(c) The final system plan shall also designate:

(1) which rail properties of the bankrupt railroads shall be offered for sale to nonbankrupt railroads or to profitable railroads and, if purchased, be operated by such railroads;

(2) which rail properties of the nonbankrupt railroads should—

(A) be offered for sale to another nonbankrupt railroad or to a profitable railroad and, if so offered and purchased, shall be operated by such railroad,

(B) be offered for sale to the corporation and, if so offered, shall be acquired and operated by it, and

(C) be abandoned in accordance with the provisions of this Act;

(3) what additions to or changes in the designation of rail properties to be acquired and operated by the corporation shall be made—

(A) if any nonbankrupt railroad or profitable railroad fails to purchase rail properties of a bankrupt railroad offered to it as provided in paragraph (1) above, or

(B) if any nonbankrupt railroad declines to offer rail properties for sale as provided in paragraph (2) above or, if so offered, the offeree (other than the corporation) declines to purchase said properties;

(4) which rail properties, located in the area generally described as the Northeast Corridor between Boston, Massachusetts, and the District of Columbia, shall be acquired by the corporation for lease to the National Railroad Passenger Corporation for the purpose of providing railroad passenger service in that corridor; and

(5) those rail properties (particularly rights-of-way) not to be operated by the

corporation or by any other railroad which are suitable for use for other public purposes, including but not limited to, roads or highways, other forms of mass transportation, conservation, and recreation.

In carrying out the provisions of paragraph (5) of this subsection, the executive committee of the association shall solicit the views and recommendations of interested agencies of the Federal Government (including specifically the Secretary of Transportation and the Secretary of the Interior) and of State and local governments. The Secretary of Transportation and the Secretary of the Interior shall, at the request of such executive committee, submit such recommendations as they may deem appropriate to carry out the provisions of paragraph (5) of this subsection.

(d) All authorizations to convey or conveyances contemplated under subsections (b) and (c) of this section shall be made in accordance with and subject to the following terms and conditions:

(1) All rail properties to be conveyed by a bankrupt railroad to the corporation as provided in subsection (b) of this section shall be conveyed in exchange for all of the initially issued common stock and, if necessary, for other securities of the corporation (which may include obligations of the association), having a value equal to the fair and equitable value of such rail properties.

(2) All rail properties to be conveyed by a railroad in reorganization (except those conveyed by a bankrupt railroad to the corporation) to a nonbankrupt railroad, to a profitable railroad, or to the corporation as provided in subsections (c)(1) and (c)(2) of this section shall be conveyed in exchange for obligations having a value equal to the fair and equitable value of such rail properties.

(3) Any nonbankrupt railroad which may offer to sell rail properties to another nonbankrupt railroad, to a profitable railroad, or to the corporation, must make an irrevocable offer, which has been approved by the bankruptcy court having jurisdiction over its reorganization proceeding, to sell such properties to the nonbankrupt railroad, to the profitable railroad, or to the corporation within sixty days following the effective date of the final system plan. If such offer is not made within the designated time, authorization for the nonbankrupt railroad to offer such rail properties to another nonbankrupt railroad, to a profitable railroad, or to the corporation shall lapse and be of no further force or effect. Such offer must be accepted by the nonbankrupt railroad, such acceptance having been approved by the bankruptcy court having jurisdiction over its bankruptcy proceeding, or by the profitable railroad within seventy-five days following the effective date of the final system plan. If such acceptance is not made within the designated time, authorization for the nonbankrupt railroad or the profitable railroad to accept such offer shall lapse and be of no further force or effect.

(4) Within seventy-five days following the effective date of the final system plan, nonbankrupt railroads and profitable railroads shall have entered into purchase agreements with the bankrupt railroads directed to offer rail properties to nonbankrupt railroads or profitable railroads, as provided in subsection (c)(1) and, if such agreements are not concluded within the designated time, the authorization to offer such rail properties for sale shall lapse and be of no further force and effect.

(e) The final system plan shall set forth (1) pro forma earnings for the corporation, as reasonably projected and considering the additions or changes in the designation of rail properties to be operated by the corporation which may be made in accordance with subsection (c)(3) of this section, and (2) the capital structure of the corporation which shall be based on its earnings as reasonably projected and which shall include such debt capitalization as shall be reasonably deemed to conform to the requirements of the public interest respecting railroad debt securities, including the adequacy of coverage of fixed charges.

(f) The final system plan shall further designate the fair and equitable value of all rail properties to be conveyed or which may be conveyed under the final system plan, the amount, terms, and value of the securities of the corporation (which may include obligations of the association) to be exchanged as provided in subsection (d)(1) of this section for those rail properties to be conveyed to the corporation in accordance with the final system plan, and the amount, terms, and value of the obligations to be exchanged as provided in subsection (d)(2) of this section for those rail properties to be conveyed to nonbankrupt railroads, to profitable railroads, or to the corporation in accordance with the final system plan.

(g) The final system plan may also recommend transfers of rail properties from profitable railroads to the corporation, to nonbankrupt railroads, or to other profitable railroads, or may recommend arrangements for joint use, ownership, or operation of rail properties among profitable railroads, nonbankrupt railroads, and the corporation, subject to such terms and conditions as may be specified in the final system plan.

(h) The final system plan shall set forth the maximum amount of obligations issued by the association under section 601 which should be outstanding at any one time to enable it to carry out its purposes under this Act.

(i) The pendency of appeal proceedings referred to in section 301 of this Act shall not defer execution of the obligations imposed under this section.

(j) Notwithstanding any other provision of this Act no acquisition under this Act by any profitable railroad shall be made without a determination, with respect to each such acquisition, by the association and by the Commission that such acquisition will not materially impair the profitability of any other profitable railroad or of the corporation. Each determination referred to in the preceding sentence shall be made on an expedited basis.

SEC. 304. PRELIMINARY REPORT ON CORE RAIL SERVICE.—(a) Within thirty days after the date of enactment of this Act, the Secretary shall prepare a preliminary report containing his recommendations for the identification of geographic zones in the region within and between which rail freight service shall be provided. The Secretary may use as a basis for the establishment of the zones standard metropolitan statistical areas used in the last United States census, groups of those areas, counties, or groups of counties having similar economic characteristics, such as mining, manufacturing, and agricultural activities.

(b) Upon completion of the preliminary report required by subsection (a) of this section, the Secretary shall submit the report to the Office of the Commission, make the report available to interested parties, the States and their public utility commissions, local governments, and consumer interest groups, and publish the report in the Federal Register.

SEC. 305. REVIEW BY THE REGIONAL RAIL SERVICES PLANNING OFFICE.—(a) There is hereby established a new Office in the Commission to be known as the Regional Rail Services Planning Office. This Office shall function pursuant to the provisions of this section and section 308 and shall cease to exist on the effective date of the final system plan. The Office of the Commission shall be administered by a Director who shall be appointed by the Chairman of the Commission with the concurrence of at least five members of the Commission.

(b) Within thirty days after the Secretary completes the preliminary report on core rail service required by section 304 of this Act, the Director of the Office shall solicit from all interested parties (including, but not limited to, the Department of Transportation, the association, the public, and the users of rail services) comments, data, and arguments on the report. In addition, the Director shall hold public hearings on the report, in accordance with section 553 of title 5 of the United States Code, in at least twelve different locations in the region.

(c) Within ninety days after the date of enactment of this Act, the Director of the Office shall, after affording due consideration to the relevant matter submitted in writing or presented at the public hearings, submit to the Commission and to the association his recommendations for the preparation of a final report on core rail service together with a summary of the recommendations of those who contributed comments on the preliminary report and his reasons for not adopting such recommendations.

SEC. 306. FINAL REPORT ON CORE RAIL SERVICE.—(a) Within one hundred and twenty days after the date of enactment of this Act, the Commission shall issue a final report on core rail service.

(b) The final report on core rail service shall be submitted to the board of directors of the association. Within thirty days after receipt of the report the board of directors of the association shall by a majority vote of all its members approve a final report on core rail service which is consistent with the standards set forth in subsection (a) of section 303 of this Act relating to the formulation of the final system plan.

SEC. 307. PREPARATION OF PRELIMINARY SYSTEM PLAN.—(a) Within three hundred days after the date of enactment of this Act, the executive committee of the association shall prepare and submit to the Office of the Commission a preliminary system plan.

(b) Upon completion of the preliminary system plan required by subsection (a) of this section, the executive committee shall make the preliminary system plan available to interested parties, the States in the region and their public utility commissions, local governments, and consumer groups, and publish the preliminary system plan in the Federal Register.

SEC. 308. HEARINGS BY THE OFFICE OF THE COMMISSION.—Upon receipt of the preliminary system plan prepared under section 307 of this Act, the Office of the Commission shall hold public hearings on the preliminary system plan in accordance with section 553 of title 5 of the United States Code, in at least twelve different locations in the region, and afford interested persons an opportunity to submit written comments thereon. Within sixty days after receipt of the preliminary system plan, the Director of the Office of the Commission shall submit to the executive committee of the association a summary of the recommendations of those who contributed comments on the preliminary system plan.

SEC. 309. FINAL SYSTEM PLAN.—Within sixty days after receipt of the summary of recommendations from the Office of the Commission, the executive committee of the association shall prepare and submit for approval to the board of directors of the association a final system plan. Within thirty days after receipt of the final system plan, the board of directors of the association shall by a majority vote of all its members approve a final system plan which is consistent with section 303 of this Act and includes substantially all the rail service envisioned in the final report issued under section 306 of this Act.

SEC. 310. REVIEW BY THE CONGRESS.—(a) The board of directors of the association shall deliver the final system plan adopted

by it to both Houses of the Congress on the same day and to each House while it is in session on the date it is so adopted or, if either House is not in session on such date, on the first day thereafter that both Houses are in session. The final system plan shall become effective at the end of the first period of sixty calendar days of continuous session of Congress after the date on which the final system plan it transmitted to it unless, between the date of transmittal and the end of the sixty-day period, either House passes a resolution stating in substance that that House does not favor the final system plan.

(b) For the purpose of subsection (a) of this section—

(1) continuity of session is broken only by an adjournment of Congress sine die; and

(2) the days on which either House is not in session because of an adjournment of more than three days to a day certain are excluded in the computation of the sixty-day period.

(c) In any case in which either House passes a resolution referred to in subsection (a) of this section, the board of directors of the association shall deliver a revised final system plan to the Congress in the same manner as in the case of the original final system plan and such revised final system plan shall be subject to review in the same manner as in the case of the original final system plan. The revised final system plan shall become effective in the same manner as provided in the case of the original final system plan. The final system plan which becomes effective under this section shall not be reviewable by any court or body, except as provided under section 501 of this Act.

TITLE IV—FEDERAL RAIL CORPORATION

SEC. 401. ESTABLISHMENT OF THE CORPORATION.—There is authorized and directed to be created a body corporate to be known as the "Federal Rail Corporation". The corporation shall be a for-profit corporation. The principal office of the corporation shall be located in Philadelphia, Pennsylvania. The corporation shall be established under the laws of a State (including the District of Columbia) and shall not be an agency or establishment of the United States Government. It shall be subject to the provisions of this Act, and to the extent consistent with this Act, to applicable State laws. The Secretary, the chairman of the association, and the Chairman of the Commission shall be the incorporators of the corporation and shall also serve as its initial board of directors until the shares of common stock of the corporation are issued to the estates of the bankrupt railroads in accordance with section 502 of this Act. So long as more than one-half of the outstanding indebtedness of the corporation is represented by securities, obligations, or loans issued by the association under this Act, or is guaranteed by the Secretary under this Act, no individual shall be eligible to serve as a member of the board of directors of the corporation (other than the initial board of directors) until he has been approved by the board of directors of the association. The incorporators and initial directors shall take whatever actions are necessary to establish the corporation, including the filing of articles of incorporation and the adoption of bylaws. The corporation shall be deemed a common carrier by railroad within the meaning of section 1(3) of the Interstate Commerce Act (49 U.S.C. 1(3)), effective as of the date on which the corporation commences rail service after purchase of rail properties of railroads in reorganization pursuant to section 502 of this Act.

SEC. 402. GENERAL POWERS.—The purpose of the corporation shall be to acquire the rail properties of railroads in reorganization in accordance with title V of this Act, to operate, rehabilitate, and modernize the rail properties so acquired which are included in the corporation's rail system under the final system plan, and to contract for the operation of rail lines which are not in the corporation's rail system under the final system plan. To carry out their functions and purposes under this Act, the corporation and any corporation it creates under this Act shall have, in addition to the powers vested in the corporation under this Act, the powers conferred upon them under the laws of the State or States in which they are incorporated and the usual powers of a railroad under the laws of any State in which they operate.

SEC. 403. INITIAL CAPITALIZATION OF CORPORATION.—In order to carry out the final system plan the corporation is authorized to issue stock and other securities. Common stock shall be issued initially to the estates of the bankrupt railroads in exchange for rail properties conveyed to the corporation pursuant to the final system plan.

TITLE V—IMPLEMENTATION OF THE FINAL SYSTEM PLAN

SEC. 501. REVIEW; CONSOLIDATION OF PROCEEDINGS; CERTIFICATION TO DISTRICT COURT.—(a) The final system plan shall not be reviewable by any court except as to matters concerning the value of the rail properties to be conveyed thereunder and the value of the consideration to be received therefor. Within fifteen days after the public release of the preliminary system plan, the association shall make an application to the judicial panel on multidistrict litigation authorized by section 1407 of title 28, United States Code, for the consolidation in a single, three-judge district court of all proceedings of any kind which arise or may arise concerning the final system plan or implementation thereof. Within thirty days after the date of such application, the panel shall make the consolidation in a United States district court (the "consolidated district court") which the panel determines is convenient to the parties and will promote a just and efficient conclusion to the proceedings. The consolidated proceedings shall be conducted by the consolidated district court composed of three judges selected by the panel, who are not assigned to any proceeding under section 77 of the Bankruptcy Act involving any of the railroads in reorganization. The judges to whom the proceedings are assigned may exercise the powers of a district judge in any district for the purpose of conducting the consolidated proceedings. No proceedings for review of any order of the panel under this subsection may be permitted. The panel may prescribe rules for the conduct of its functions under this subsection.

(b) Within ninety days but not earlier than seventy-five days after the effective date of the final system plan, the association shall deliver a copy of the final system plan and certify to the consolidated district court—

(1) which rail properties of the respective bankrupt railroads are to be conveyed to the corporation in accordance with the final system plan;

(2) which rail properties of the respective non-bankrupt railroads are to be conveyed to the corporation in accordance with the final system plan;

(3) which rail properties of the respective bankrupt railroads are to be conveyed to nonbankrupt railroads or to profitable railroads in accordance with the final system plan;

(4) which rail properties of the respective nonbankrupt railroads are to be conveyed to other non-bankrupt railroads or to profitable railroads in accordance with the final system plan;

(5) the fair and equitable value of all rail properties to be conveyed as indicated in paragraphs (1)–(4) of this subsection;

(6) the amount, terms, and value of the securities of the corporation (including any obligations of the association) to be exchanged for those rail properties of bankrupt railroads to be conveyed to the corporation pursuant to the final system plan and as indicated in paragraph (1) of this subsection;

(7) the amount, terms, and value of obligations to be received by the railroads in reorganization in exchange for those rail properties to be conveyed to nonbankrupt railroads, to profitable railroads, or to the corporation pursuant to the final system plan and as indicated in paragraphs (2), (3), and (4) of this subsection;

(8) that the securities of the corporation (including any obligations of the association) to be received by the respective bankrupt railroads will have a value equal to the fair and equitable value of the rail properties to be conveyed to the corporation in exchange therefor; and

(9) that the obligations to be received by the respective railroads in reorganization in exchange for the rail properties to be conveyed to the respective nonbankrupt railroads, to the respective profitable railroads, or to the corporation (excluding those rail properties to be conveyed by a bankrupt railroad to the corporation) have a value equal to the fair and equitable value of the respective rail properties to be so conveyed.

(c) Within ninety days but not earlier than seventy-five days after the effective date of the final system plan, the association shall deliver a copy of the final system plan and certify to each United States district court having jurisdiction over a railroad in reorganization—

(1) which rail properties of that railroad in reorganization are to be conveyed to the corporation under the final system plan; and

(2) which rail properties of that railroad in reorganization are to be conveyed to nonbankrupt railroads or to profitable railroads under the final system plan.

SEC. 502. VALUATION AND CONVEYANCE OF RAIL PROPERTIES.—(a) Within ten days after the certifications referred to in sections 501 (b) and (c) are made, (1) the corporation, in exchange for the rail properties of the railroads in reorganization to be conveyed to the corporation, shall deposit with the consolidated district court all of the common stock of the corporation initially issued under this Act and other securities of the corporation initially issued under this Act and other securities of the corporation and obligations of the association with a value equal to the fair and equitable value of such rail properties as provided in the final system plan, and (2) each nonbankrupt railroad or profitable railroad purchasing rail properties from a railroad in reorganization under authorization of the final system plan shall deposit with the district court obligations with a value equal to the fair and equitable value of the rail properties to be conveyed in exchange therefor as provided in the final system plan.

(b) Each district court having jurisdiction over a railroad in reorganization shall (1) within ten days after deposit of the securities of the corporation and obligations of the association with the consolidated district court as provided in subsection (a)(1) of this section, order the trustee or trustees of such railroad to convey forthwith to the corporation all right, title, and interest in the rail properties of the railroad that are to be conveyed to the corporation under the final system plan as certified to the respective district courts under subsection (c)(1) of section 501 of this Act, and (2) within ten days after deposit of obligations with the consolidated district court as provided in subsection (a)(2) of this section, order the trustee or trustees of such railroad to convey forthwith to the respective nonbankrupt railroads or to the respective profitable railroads

all right, title, and interest in the rail properties of that railroad which are to be conveyed in accordance with the final system plan as certified to the respective district courts under subsection (c)(2) of section 501 of this Act.

(c) Following conveyance of the rail properties to the corporation, to nonbankrupt railroads, and to profitable railroads as provided in subsection (b) of this section, the consolidated district court shall—

(1) make a finding as to whether or not the securities of the corporation (including any obligations of the association) deposited with the consolidated district court in exchange for rail properties of bankrupt railroads have a value which is equal to the fair and equitable value of the rail properties conveyed to the corporation in exchange therefor, such finding to give due consideration to the findings contained in the final system plan;

(2) determine the fair and equitable value of—

(A) all of the rail properties conveyed to the corporation by all bankrupt railroads, and

(B) the rail properties conveyed to the corporation by each bankrupt railroad,

such determinations to give due consideration to the findings contained in the final system plan; and

(3) determine the fair and equitable value of the rail properties conveyed by each respective railroad in reorganization to a nonbankrupt railroad, to a profitable railroad, or to the corporation and the value of the obligations deposited by each nonbankrupt railroad, by each profitable railroad, or by the corporation, such findings to give due consideration to the findings contained in the final system plan.

(d) Upon making the findings and determinations referred to in paragraphs (1), (2), and (3) of subsection (c) of this section, the consolidated district court shall order distribution, to the estate of each railroad in reorganization which conveyed rail properties to a nonbankrupt railroad or to a profitable railroad, of obligations deposited with the consolidated court by the nonbankrupt railroad or the profitable railroad, as the case may be, with a value as of the date of the conveyance of the rail properties to any such railroad equal to the fair and equitable value of the rail properties so conveyed and, in the case of any such conveyance to the corporation, the consolidated district court shall order distribution of the securities of the corporation (including any obligations of the association), deposited with the court by the corporation with a value as of the date of the conveyance of the rail properties to the corporation equal to the fair and equitable value of the rail properties so conveyed. Any excess obligations shall be returned to the nonbankrupt railroad, to the profitable railroad, or to the corporation, as the case may be, and, if the consolidated district court finds that the obligations deposited by the nonbankrupt railroad or by the profitable railroad, or that the securities deposited by the corporation (including any obligations of the association), have a value as of the date of conveyance which is less than the fair and equitable value of the rail properties so conveyed to the nonbankrupt railroad, to the profitable railroad, or to the corporation, the district court shall enter a judgment against the nonbankrupt railroad or the profitable railroad for the amount of the deficiency to be paid in additional obligations, or against the corporation for the amount of the deficiency to be paid in securities of the corporation (which may include obligations of the association), in such amount and with such terms as the district court shall prescribe as necessary to equal the fair and equitable value of the rail properties conveyed.

(e) After distribution of such portion of the consideration as may be properly allocated to a railroad in reorganization to the estate thereof, thereafter the distribution or other disposition of such consideration shall be governed by the procedures of section 77 of the Bankruptcy Act with respect to each of the reorganization proceedings.

(f) All rail properties conveyed to a nonbankrupt railroad, to a profitable railroad, or to the corporation pursuant to this section shall be conveyed free and clear of any liens or encumbrances. Such conveyances shall not be deferred by reason of any controversy concerning the value of the rail properties to be conveyed or the value or amount of the obligations or of the securities of the corporation (including any obligations of the association) to be exchanged for said properties, and shall not be restrained or enjoined by any court on account of any such controversy.

(g) Each order entered pursuant to subsection (c) of this section shall be appealable forthwith unless the court within seven days of the entry of such an order shall determine in writing that such an appeal would not be in the interest of an expeditious conclusion of the proceedings. Appeals from such orders shall be taken directly to the Supreme Court of the United States in the same manner as injunction order pursuant to section 1253 of title 28, United States Code. A determination denying appeal pursuant to this section may be vacated at any time on the motion of the court or any party, and the order shall then become appealable on the date such determination is vacated. Any review or appeal of orders entered pursuant to subsection (c) of this section and of findings of a court pursuant to this subsection shall be concluded on an expedited basis.

SEC. 503. DISCONTINUANCE OF SERVICE; ABANDONMENTS; CHANGES IN RAIL SYSTEM.—(a) Except as limited by subsection (c) of this section, rail service on rail properties of a railroad in reorganization beyond that operated pursuant to the final system plan may be discontinued upon ninety days' notice in writing to the Governor and State transportation agencies of each State, and to the government of each community, in which such rail properties are located, and to each shipper who has utilized such facilities during the previous twelve-month period.

(b)(1) Rail properties over which service has been discontinued pursuant to subsection (a) of this section may not be abandoned during the six-month period following the effective date of the final system plan. Thereafter, except as limited by subsection (c) of this section, such rail properties may be abandoned upon thirty days' notice to the Governor and State transportation agencies of each State in which rail properties are located, affected shippers and local communities, and the Secretary.

(2) In any case in which rail properties proposed to be abandoned under this section are designated by the final system plan as rail properties which are suitable for use for other public purposes (including but not limited to, roads or highways(other forms of mass transportation, conservation, and recreation), such rail properties shall not be sold, leased, exchanged, or otherwise disposed of during the six-month period beginning on the date of notice of proposed abandonment under this section unless such rail properties have first been offered, upon reasonable terms, for acquisition for public purposes by the State or local community in which they are located and such State or local community has refused such offer.

(c) Discontinuance of service and abandonment of rail properties may be effected under subsections (a) and (b) notwithstanding the provisions of the Interstate Commerce Act or the laws or constitution of any State or the decision or order of or the pendency of any proceeding before any Federal or State court, agency, or authority: *Provided, however,* That no rail service may be discontinued or rail properties abandoned pursuant to the provisions of this section (1) after two years from the effective date of the final system plan (not considering in the calculation of such two-year period, however, that period during which rail properties are operated under an operating subsidy as hereinafter provided), or (2) if a shipper, a State, or a local or regional authority, or other responsible person offers an operating subsidy that covers the difference between the revenue attributable to such rail properties and the fully distributed costs of handling traffic on such rail properties plus a reasonable return on the fair liquidation value of such rail properties or offers to purchase such rail properties or related facilities for their fair liquidation value. In the event that an operating subsidy is offered, the corporation, the railroad in reorganization (or the railroad leased, controlled, or operated by it) and the person offering the subsidy shall enter into an operating agreement under which the corporation will operate such rail properties and shall receive the difference between the revenue attributable to such rail properties and the fully distributed costs of handling traffic on such rail properties, and the railroad in reorganization (or the railroad leased, operated, or controlled by it) shall receive the reasonable rate of return on the liquidation value of such rail properties. Within six months after the date of enactment of this Act, the Commission shall, after affording an opportunity for public hearings in accordance with section 553 of title 5 of the United States Code, determine and publish standards for determining the "revenue attributable to the rail properties", and "fully distributed costs of handling traffic" and a "reasonable return on fair liquidation value" as those terms are used in this subsection.

(d) If an offer to purchase is made under this section such offer shall be accompanied by an offer of an operating subsidy in accordance with subsection (c) of this section, which operating subsidy shall continue until consummation of the purchase unless, by order or authorization of the Commission, a railroad assumes operations over such properties for its own account. When a railroad in reorganization gives notice of intent to discontinue service pursuant to the provisions of subsection (a) of this section, such railroad shall, upon request by anyone qualified to make a purchase offer pursuant to the provisions of subsection (c) of this section, promptly make available its most recent reports on the physical condition of such properties, and access to such traffic and revenue data as would be required under subpart B of part 1121 of chapter X of title 49 of the Code of Federal Regulations.

(e) If, after the rail system to be operated by the corporation under the final system plan shall have been in operation for two years, the Commission determines that service over any rail properties in such system is not required by the public convenience and necessity, the Commission may authorize the corporation to abandon any such rail properties. The Commission may determine at any time after the final system plan is effective either to authorize the abandonment of any rail properties not within the rail system of the corporation and not contemplated for abandonment under the final system plan or to authorize additional rail service in the region. Determinations made by the Commission under this section shall be made only in accordance with the applicable provisions of the Interstate Commerce Act.

SEC. 504. DISPOSITION OF ASSETS; CREDITORS' RIGHTS.—On and after the date that a railroad in reorganization is determined to be a bankrupt railroad under section 301, such bankrupt railroad may not, without author-

ization of the association, sell, lease, exchange, or otherwise dispose of its rail properties except in the ordinary course of business, and creditors of the bankrupt railroad shall have no continuing interest in, or rights against, the rail properties of the bankrupt railroad which are conveyed to the corporation but shall look only to the consideration distributed by the consolidated district court to the estate of such railroad in reorganization pursuant to this title.

TITLE VI—FINANCIAL ARRANGEMENTS

SEC. 601. OBLIGATIONS OF THE ASSOCIATION.—(a) To carry out the purposes of this Act, the association is authorized to issue and have outstanding at any one time obligations, having such maturities and bearing such rate or rates of interest as may be determined by the association, with the approval of the Secretary, to be redeemable at the option of the association before maturity in such manner as may be stipulated in such obligations; but the aggregate amount of obligations of the association outstanding at any one time shall not exceed $1,000,000,000. Of the aggregate amount of obligations issued by the association under this section, not less than $500,000,000 shall be available solely for the rehabilitation and modernization of rail properties acquired by the corporation under this Act, and not more than $200,000,000 shall be available for acquisition by the corporation under this Act of rail properties of railroads in reorganization. The association is authorized to purchase in the open market any of its obligations outstanding under this subsection at a price which the association finds to be reasonable.

(b) The Secretary shall guarantee any lender against loss of principal and interest on securities, obligations, or loans (including extensions or refinancings thereof) issued by the association under subsection (a) of this section.

(c) All guarantees entered into by the Secretary under this section shall constitute general obligations of the United States of America backed by the full faith and credit of the Government of the United States of America.

(d) Any guarantee made by the Secretary under this section shall not be terminated, canceled, or otherwise revoked; shall be conclusive evidence that such guarantee complies fully with the provisions of this title and of the approval and legality of the principal amount, interest rate, and all other terms of the securities, obligations, or loans, and of the guarantee; and shall be valid and incontestable in the hands of a holder of a guaranteed security obligation, or loan, except for fraud or material misrepresentation on the part of such holder.

(e) There are authorized to be appropriated to the Secretary such amounts, to remain available until expended, as are necessary to discharge all his responsibilities under this section.

(f) If at any time the moneys available to the Secretary are insufficient to enable him to discharge his responsibilities under guarantees issued by him under subsection (b) of this section, he shall issue to the Secretary of the Treasury notes or other obligations in such forms and denominations, bearing such maturities and subject to such terms and conditions, as may be prescribed by the Secretary of the Treasury. Redemption of such notes or obligations shall be made by the Secretary from appropriations available under subsection (c) of this section. Such notes or other obligations shall bear interest at a rate determined by the Secretary of the Treasury, taking into consideration the current average market yield on outstanding marketable obligations of the United States of comparable maturities during the month preceding the issuance of such notes or other obligations. The Secretary of the Treasury shall purchase any notes or other obligations issued hereunder and for that purpose he is authorized to use as a public debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act, as amended, and the purposes for which securities may be issued under that Act, as amended, are extended to include any purchase of such notes or obligations. The Secretary of the Treasury may at any time sell any of the notes or other obligations acquired by him under this subsection. All redemptions, purchases, and sales by the Secretary of the Treasury of such notes or other obligations shall be treated as public debt transactions of the United States.

SEC. 602. FINANCIAL ASSISTANCE.—(a) For the purpose of providing financial assistance in accordance with section 202 of this Act, the association is authorized and directed to make loans on such terms and conditions as it may prescribe.

(b) Before making a loan under this section, the association shall find, in writing, that—

(1) the loan is necessary to carry out the final system plan or the purposes of this Act; and

(2) there is reasonable assurance that the business affairs of the loan recipient will be conducted in a prudent manner; and

(3) the loan recipient has pledged such security as the association deems necessary for the protection of the interest of the United States in guaranteeing obligations of the association.

(c) It is the intent of the Congress that loans made under this section shall be made on terms which furnish reasonable assurance that the loan recipient will be able to repay the loan within the time fixed and afford reasonable assurance that the goals of the final system plan or the purposes of this Act will be achieved.

SEC. 603. AUDIT OF ACCOUNTS OF ANY LOAN RECIPIENT.—The association is authorized to, and shall as necessary, inspect and copy all accounts, books, records, memorandums, correspondence, and other documents of any loan recipient which has outstanding any obligation to repay a loan received under this Act, concerning any matter which may bear upon (1) the ability of the loan recipient to repay the loan within the time fixed therefor, (2) the use of the proceeds of the loan, and (3) the carrying out of the purposes of this Act.

SEC. 604. INTERIM OPERATING ARRANGEMENTS.—There is authorized to be appropriated to the Secretary not to exceed $85,000,000 for payment to trustees of bankrupt railroads of such sums as are necessary to insure the continued operation of transportation services by such railroads pending the acquisition of their rail properties pursuant to section 502 of this Act. Such payments shall be made through agreements between the Secretary and the trustees which shall provide that every reasonable effort shall be made to maintain and operate the railroad at its current level of service.

SEC. 605. AUTHORIZATION.—(a) There is authorized to be appropriated to the Secretary $10,000,000 for the purpose of meeting the necessary expenses incurred in organizing the corporation and meeting necessary planning and administrative expenses incurred in carrying out his functions under this Act.

(b) There is authorized to be appropriated to the association not to exceed $26,000,000 in fiscal 1974, to remain available until expended, for the purpose of meeting expenses of the association in carrying out its functions under this Act.

(c) There is authorized to be appropriated to the Commission not to exceed $500,000 for the purpose of meeting the expenses of the office of the Commission in carrying out its functions under this Act.

TITLE VII—FEDERAL ASSISTANCE FOR OPERATING SUBSIDIES AND PURCHASES

SEC. 701. SUBSIDY.—(a) The Secretary shall reimburse a State, or local or regional authority, for 70 per centum of the amount paid by such State, or by such local or regional authority, as operating subsidy (calculated as provided in section 503(c) of this Act) to continue service for a minimum of one year on rail properties where service would otherwise have been discontinued or abandoned pursuant to section 503 of this Act (except as provided in section 503(c) of this Act). Where a State, or local or regional authority, has made an offer to purchase the property of a railroad in reorganization pursuant to section 503(c) of this Act, the Secretary shall make available to the State, or local or regional authority, either a loan, or the guarantee of a loan, equal to 70 per centum of the amount paid by such State or local or regional authority as the purchase price (calculated and approved as provided in subsections (c) and (d) of section 503 of this Act) and equal to 70 per centum of such additional moneys paid by the purchaser as the Secretary may agree are necessary to restore or repair such rail properties to such condition as will enable railroad operations thereover at a speed of twenty-five miles per hour. Any such loan made or guaranteed by the Secretary shall have such maturity and bear such rate or rates of interest as shall be approved by the Secretary and may, at the discretion of the Secretary, be required to be secured by a first lien in favor of the United States upon the properties so purchased, restored, or repaired. In the event the Secretary determines to guarantee a loan pursuant to the provisions of this section, said guarantee shall be subject to the same requirements as set forth in subsections (b), (c), and (d) of section 601 of this Act. No loan, or guarantee of a loan, shall be made or continued in effect with respect to any State, or any local or regional authority, at the same time such State, or such local or regional authority, is receiving an operating subsidy under this section.

(b) Within three months after the date of enactment of this Act, the Secretary shall prescribe regulations governing the procedure for application by a State, or a local or regional authority, for reimbursement of operating subsidies, criteria to be used in deciding upon such applications, and terms and conditions required of all contracts or other arrangements for operating subsidy.

(c) If the Secretary finds that an operating subsidy contract or other arrangement as submitted fails to comply with his regulations, he shall advise the State, or the local or regional authority, and afford it a period of not to exceed fifteen days within which to bring such contract into conformity with such regulations.

(d) An operating subsidy contract between a State, or a local or regional authority, and the corporation or a railroad may not exceed a term of two years. At the end of such term a State, or a local or regional authority, may apply to the Secretary for continued reimbursement under the terms of a new contract. If a contract expires and a new contract is not made, the corporation or the railroad may abandon the line in accordance with section 503 of this Act.

(e) The Secretary shall not reimburse a State, or a local or regional authority, for operating subsidy paid to the corporation or a railroad unless requisite legislation has been adopted extending authority to the Governor or other appropriate State, local, or regional official or agency to perform its obligations in accordance with the terms of this Act and regulations issued by the Secretary.

(f) Upon approval of an operating subsidy contract or other arrangement by the Secretary, the United States shall become

obligated to pay out of sums not otherwise obligated in the general fund of the Treasury, an amount equal to 70 per centum of moneys paid to the corporation or a railroad pursuant to such contract or arrangement upon the receipt of proof satisfactory to him that the payment for which reimbursement is sought has been made by the State or a local or regional authority. Such payments shall be made to the States, or local or regional authorities, by the Secretary pursuant to regulations prescribed by him. The Secretary shall not be authorized under this section to obligate the United States for amounts in excess of $50,000,000 in any fiscal year.

SEC. 702. CAPITAL IMPROVEMENTS.—The initial costs of restoring or upgrading rail properties to such condition as is necessary for the provision of service may not be included in an operating subsidy contract or other arrangement. Such capital costs may be prorated over the life of such line or facilities and such prorated cost may be included as part of the cost of an operating subsidy contract or other arrangement.

TITLE VIII—EMPLOYEE PROTECTION

SEC. 801. DEFINITIONS.—For the purposes of this title—

(1) The term "acquiring railroad" means a railroad, except the corporation, which seeks to acquire or has acquired, pursuant to the provisions of this Act, all or a part of the rail properties of one or more of the railroads in reorganization, the corporation, or a profitable railroad.

(2) The term "employee of a railroad in reorganization" means a person who, on the effective date of a conveyance of rail properties of a railroad in reorganization to the corporation or to an acquiring railroad, has an employment relationship with either said railroad in reorganization or any carrier (as defined in parts I and II of the Interstate Commerce Act) which is leased, controlled, or operated by the railroad in reorganization except a president, vice president, treasurer, secretary, comptroller, and any other person who performs functions corresponding to those performed by the foregoing officers.

(3) The term "protected employee" means any employee of an acquiring railroad adversely affected by a transaction and any employees of a railroad in reorganization who on the effective date of this Act have not reached age sixty-five.

(4) The term "class or craft of employees" means a group of employees, recognized and treated as a unit for purposes of collective bargaining, which is represented by a labor organization that has been duly authorized or recognized pursuant to the Railway Labor Act as its representatives for purposes of collective bargaining.

(5) The term "representative of a class or craft of employees" means a labor organization which has been duly authorized or recognized as the collective bargaining representative of a class or craft of employees pursuant to the Railway Labor Act.

(6) The term "deprived of employment" means the inability of a protected employee to obtain a position by the normal exercise of his seniority rights with the corporation after properly electing to accept employment therewith or, the subsequent loss of a position and inability, by the normal exercise of his seniority rights under the applicable collective bargaining agreements, to obtain another position with the corporation: *Provided, however*, That provisions in existing collective bargaining agreements of a railroad in reorganization, which do not require a protected employee, in the normal exercise of seniority rights, to make a change in residence, in order to maintain his protection, will be preserved and will also be extended and be applicable to all other protected employees of that same craft or class. It shall not, however, include any deprivation of employment by reason of death, retirement, resignation, dismissal or disciplinary suspension for cause, failure to work due to illness or disability, nor any severance of employment covered by subsections (d) and (e) of section 805 of this title.

(7) The term "employee adversely affected with respect to his compensation" means a protected employee who suffers a reduction in compensation.

(8) The term "transaction" means actions taken pursuant to the provisions of this Act or the results thereof.

(9) The term "change in residence" means transfer to a work location which is located either (1) outside a radius of thirty miles of the employee's former work location and farther from his residence than was his former work location or (2) is located more than thirty normal highway route miles from his residence.

SEC. 802. EMPLOYMENT OFFERS.—(a) The corporation and the association shall be subject to the provisions of the Railway Labor Act and shall be considered employers for purposes of the Railroad Retirement Act, Railroad Retirement Tax Act, and the Railroad Unemployment Insurance Act. The corporation, in addition, shall, except as otherwise specifically provided by this Act, be subject to all Federal and State laws and regulations applicable to carriers by railroad.

(b) The corporation shall offer employment to be effective as of the date of a conveyance or discontinuance of service under the provisions of this Act, to each employee of a railroad in reorganization who has not already accepted an offer of employment by the association or an acquiring railroad. Such offers of employment to employees represented by labor organizations will be confined to their same craft or class. The corporation shall apply to said employees the protective provisions of this title.

(c) The association shall offer employment to employees of a railroad in reorganization and shall apply to said employees the provisions of this title.

SEC. 803. ASSIGNMENT OF WORK.—The corporation shall have the right to assign, allocate, reassign, reallocate, and consolidate work formerly performed on the rail properties acquired pursuant to the provisions of this Act from a railroad in reorganization to any location, facility, or position on its system provided it does not remove said work from coverage of a collective-bargaining agreement and does not infringe upon the existing classification of work rights of any craft or class of employees at the location or facility to which said work is assigned, allocated, reassigned, reallocated, or consolidated and shall have the right to transfer to an acquiring railroad the work incident to the rail properties or facilities acquired by said acquiring railroad pursuant to this Act, subject however, to the provisions of section 808 of this title.

SEC. 804. COLLECTIVE-BARGAINING AGREEMENTS.—(a) Until completion of the agreements provided for under subsection (d) of this section, the corporation shall, as though an original party thereto, assume and apply on the particular lines, properties, or facilities acquired all obligations under existing collective-bargaining agreements covering all crafts and classes employed thereon, except that the Agreement of May, 1936, Washington, D.C. and provisions in other existing job stabilization agreements shall not be applicable to transactions effected pursuant to this Act with respect to which the provisions of section 805 shall be superseding and controlling. During this period, employees of a railroad in reorganization who have seniority on the lines, properties, or facilities acquired by the corporation pursuant to this Act shall have prior seniority roster rights on such acquired lines, properties, or facilities.

(b) On or before the date of the adoption of the final system plan by the board of directors of the association as provided in title III of this Act, the representatives of the various classes or crafts of the employees of a railroad in reorganization involved in a conveyance pursuant to this Act and representatives of the corporation shall commence negotiation of a single implementing agreement for each class and craft of employees affected providing (1) the identification of the specific employees of the railroad in reorganization to whom the corporation offers employment; (2) the procedure by which those employees of the railroad in reorganization may elect to accept employment with the corporation; (3) the procedure for acceptance of such employees into the corporation's employment and their assignment to positions on the corporation's system; (4) the procedure for determining the seniority of such employees in their respective crafts or classes on the corporation's system which shall, to the extent possible, preserve their prior seniority rights; and (5) the procedure for determining equitable adjustment in rates of comparable positions. If no agreement with respect to the matters referred to in this subsection is reached by the end of thirty days after the commencement of negotiations, the parties shall within an additional ten days select a neutral referee and, in the event they are unable to agree upon the selection of such referee, then the National Mediation Board shall immediately appoint a referee. After a referee has been designated, a hearing on the dispute shall commence as soon as practicable. Not less than ten days prior to the effective date of any conveyance pursuant to the provisions of this Act, the referee shall resolve and decide all matters in dispute with respect to the negotiation of said implementing agreement or agreements and shall render a decision which shall be final and binding and shall constitute the implementing agreement or agreements between the parties with respect to the transaction involved. The salary and expenses of the referee shall be paid pursuant to the provisions of the Railway Labor Act.

(c) Notwithstanding failure for any reason to complete implementing agreements provided for in subsection (b) of this section, the corporation may proceed with a conveyance of properties, facilities, and equipment pursuant to the provisions of this Act and effectuate said transaction: *Provided*, That all protected employees shall be entitled to all of the provisions of such agreements, as finally determined, from the time they are adversely affected as a result of any such conveyance.

(d) No later than sixty days after the effective date of any conveyance pursuant to the provisions of this Act, the representatives of the various classes or crafts of the employees of a railroad in reorganization involved in a conveyance and representatives of the corporation shall commence negotiations of new collective bargaining agreements for each class and craft of employees covering the rates of pay, rules, and working conditions of employees who are employees of the corporation, which collective bargaining agreements shall include appropriate provisions concerning rates of pay, rules, and working conditions but shall not include any provisions for job stabilization resulting from any transaction effected pursuant to this Act which may exceed or conflict with those established or prescribed herein.

SEC. 805. EMPLOYEE PROTECTION.—(a) A protected employee whose employment is governed by a collective bargaining agreement will not, except as explicitly provided in this title, during the period in which he is entitled to protection, be placed in a worse position with respect to compensation, fringe benefits, rules, working conditions, and rights and privileges pertaining thereto.

(b) A protected employee, who has been deprived of employment or adversely affected with respect to his compensation shall be entitled to a monthly displacement allowance computed as follows:

(1) Said allowance shall be determined by computing the total compensation received by the employee, including vacation allowances and monthly compensation guarantees, and his total time paid for during the last twelve months immediately prior to his being adversely affected in which he performed compensated service more than 50 per centum of each of such months, based upon his normal work schedule, and by dividing separately the total compensation and the total time paid for by twelve, thereby producing the average monthly compensation and average monthly time paid for; and, if an employee's compensation in his current position is less in any month in which he performs work than the aforesaid average compensation, he shall be paid the difference, less any time lost on account of voluntary absences other than vacations, but said protected employee shall be compensated in addition thereto at the rate of the position filled for any time worked in excess of his average monthly time: *Provided, however*, That—

(A) in determining compensation in his current employment the protected employee shall be treated as occupying the position, producing the highest rate of pay to which his qualifications and seniority entitles him under the applicable collective bargaining agreement and which does not require a change in residence;

(B) the said monthly displacement allowance shall be reduced by the full amount of any unemployment compensation benefits received by the protected employee and shall be reduced by an amount equivalent to any earnings of said protected employee in any employment subject to the Railroad Retirement Act and 50 per centum of any earnings in any employment not subject to the Railroad Retirement Act;

(C) a protected employee's average monthly compensation shall be adjusted from time to time thereafter to reflect subsequent general wage increases;

(D) should a protected employee's service total less than twelve months in which he performs more than 50 per centum compensated service based upon his normal work schedule in each of said months, his average monthly compensation shall be determined by dividing separately the total compensation received by the employee and the total time for which he was paid by the number of months in which he performed more than 50 per centum compensated service based upon his normal work schedule; and

(E) the monthly displacement allowance provided by this section shall in no event exceed the sum of $2,500 in any month except that such amount shall be adjusted to reflect subsequent general wage increases: *Provided*, That, notwithstanding any other provision of this section, no managerial or executive employee of the corporation shall be paid any displacement allowance in excess of $1,660 per month.

(2) A protected employee's average monthly compensation under this section shall be based upon the rate of pay applicable to his employment and shall include increases in rates of pay not in fact paid but which were provided for in national railroad labor agreements generally applicable during the period involved.

(3) If a protected employee who is entitled to a monthly displacement allowance served as an agent of a representative of a craft or class of employees on either a full or part-time basis in the twelve months immediately preceding his being adversely affected, his monthly displacement allowance shall be computed by taking the average of the average monthly compensation and average monthly time paid for of the protected employees immediately above and below him on the same seniority roster or his own monthly displacement allowance, whichever is greater.

(4) An employee and his representative shall be furnished with a protected employee's average monthly compensation and average monthly time paid for, computed in accordance with the terms of this subsection, together with the date upon which such computations are based, within thirty days after the protected employee notifies the corporation in writing that he has been deprived of employment or adversely affected with respect to his compensation.

(c) The monthly displacement allowance provided for in subsection (b) of this section shall continue until the attainment of age sixty-five by a protected employee with five or more years of service on the effective date of this Act and, in the case of a protected employee who has less than five years service on such date, shall continue for a period equal to his total prior years of service: *Provided*, That such monthly displacement allowance shall terminate upon the protected employee's death, retirement, resignation, or dismissal for cause; and shall be suspended for the period of disciplinary suspension for cause, failure to work due to illness or disability, voluntary furlough, or failure to retain or obtain a position available to him by the exercise of his seniority rights in accordance with the provisions of this section.

(d) (1) A protected employee who had been deprived of employment may be required by the corporation, in inverse seniority order and upon reasonable notice, to transfer to any bona fide vacancy for which he is qualified in his same craft or class on any part of the corporation's system and shall then be governed by the collective bargaining agreement applicable on the seniority district to which transferred. If such transfer requires a change in residence, any such protected employee may choose (A) to voluntarily furlough himself at his home location and have his monthly displacement allowance suspended during the period of voluntary furlough, or (B) to be severed from employment upon payment to him of a separation allowance computed as provided in subsections (e) and (f) of this section, which separation allowance shall be in lieu of all other benefits providing by this title.

(2) Such protected employee shall not be required to transfer to a location requiring a change in residence unless there is a bona fide need for his services at such location. Such bona fide need for services contemplates that the transfer be to a position which has not and cannot be filled by employees who are not required to make a change in residence in the seniority district involved and which, in the absence of this section, would have required the employment of a new employee.

(3) Such protected employee who, at the request of the corporation, has once accepted and made a transfer to a location requiring a change in residence, shall not be required again to so transfer for a period of three years.

(4) Transfers to vacancies requiring a change in residence shall be subject to the following:

(A) The vacancy shall be first offered to the junior qualified protected employee deprived of employment in the seniority district where the vacancy exists, and each such employee shall have twenty days to elect one of the options set forth in paragraph (1) of this subsection. If that employee elects not to accept the transfer, it will then be offered in inverse seniority order to the remaining qualified, protected employees deprived of employment on the seniority district, who will each have twenty days to elect one of the options set forth in paragraph (1) of this subsection.

(B) If the vacancy is not filled by the procedure in paragraph (4) (A) of this subsection, the vacancy will then be offered in the inverse order of seniority to the qualified, protected employees deprived of employment on the system and each of such employees will be afforded thirty days to elect one of the options set forth in paragraph (1) of this subsection.

(C) The provisions of this paragraph (4) shall not prevent the adoption of other procedures pursuant to an agreement made by the corporation and representative of the class or craft of employees involved.

(e) A protected employee who is tendered and accepts an offer by the corporation to resign and sever his employment relationship in consideration of payment to him of a separation allowance, and any protected employee whose employment relationship is severed in accordance with subsection (d) of this section, shall be entitled to receive a lump-sum separation allowance not to exceed $20,000 in lieu of all other benefits provided by this title. Said lump-sum separation allowance, in the case of a protected employee who had not less than three nor more than five years of service as of the date of this Act, shall amount to two hundred and seventy days' pay at the rate of the position last held and, in the case of a protected employee having had five or more years' service, shall amount to the number of day's pay indicated below at the rate of the position last held dependent upon the age of the protected employee at the time of such termination of employment:

60 or under	360 days' pay
61	300 days' pay
62	240 days' pay
63	180 days' pay
64	120 days' pay

(f) The corporation may terminate the employment of an employee of a railroad in reorganization, who has less than three years' service as of the effective date of this Act: Provided, however, That in such event the terminated employee shall be entitled to receive a lump sum separation allowance in an amount determined as follows:

2 to 3 years' service—180 days' pay at the rate of the position last held.

1 to 2 years' service—90 days' pay at the rate of the position last held.

Less than 1 year's service—5 days' pay at the rate of the position last held for each month of service.

(g) Any protected employee who is required to make a change of residence as the result of a transaction shall be entitled to the following benefits:

(1) Reimbursement for all expenses of moving his household and other personal effects, for the traveling expense of himself and members of his family, including living expenses for himself and his family, and for his own actual wage loss, not to exceed ten working days: Provided, That the corporation or acquiring railroad shall, to the same extent provided above, assume said expenses for any employee furloughed within three years after changing his point of employment as a result of a transaction, who elects to move his place of residence back to his original point of employment. No claim for reimbursement shall be paid under the provisions of this section unless such claim is presented to the corporation or acquiring railroad within ninety days after the date on which the expenses were incurred.

(2) (A) (i) If the protected employee owns, or is under a contract to purchase, his own home in the locality from which he is required to move and elects to sell said home, he shall be reimbursed for any loss suffered in the sale of his home for less than its fair market value. In each case the fair market value of the home in question shall be determined as of a date sufficiently prior to the date of the transaction so as to be unaffected thereby. The corporation shall in each instance be afforded an opportunity to pur-

chase the home at such fair market value before it is sold by the employee to any other person.

(ii) A protected employee may elect to waive the provisions of paragraph (2)(A)(i) above, and receive, in lieu thereof, an amount equal to his closing costs which are ordinarily paid for and assumed by a seller of real estate in the jurisdiction in which the residence is located. Such costs shall include a real estate commission paid to a licensed realtor (not to exceed $3,000 or 6 per centum of sale price, whichever is less), and any prepayment penalty required by the institution holding the mortgage; such costs shall not include the payment of any "points" by the seller.

(B) If the protected employee holds an unexpired lease on a dwelling occupied by him as his home, he shall be protected from all loss and cost in securing the cancellation of said lease.

(C) No claim for costs or loss shall be paid under the provisions of this paragraph (2) unless such claim is presented to the corporation within ninety days after such costs or loss are incurred.

(D) Should a controversy arise with respect to the value of the home, the costs or loss sustained in its sale, the costs or loss under a contract for purchase, loss or cost in securing termination of a lease, or any other question in connection with these matters, it shall be decided through joint conference between the employee, or his representative, and the corporation. In the event they are unable to agree, the dispute or controversy may be referred by either party to a board of competent real estate appraisers, elected in the following manner: One to be selected by the employee or his representative and one by the corporation, and these two, if unable to agree upon a valuation within thirty days, shall endeavor by agreement within ten days thereafter to select a third appraiser, or to agree to a method by which a third appraiser shall be selected, and, failing such agreement, either party may request the National Mediation Board to designate within ten days a third qualified real estate appraiser whose designation will be binding upon the parties. A decision of a majority of the appraisers shall be required and said decision shall be final and conclusive. The salary and expenses of the third or neutral appraiser, including the expenses of the appraisal board, shall be borne equally by the parties to the proceedings. All other expenses shall be paid by the party incurring them, including the compensation of the appraiser selected by such party.

(h) Should a railroad rearrange or adjust its forces in anticipation of a transaction with the purpose or effect of depriving a protected employee of benefits to which he otherwise would have become entitled under this title, the provisions of this title will apply to such employee.

SEC. 806. CONTRACTING OUT.—All work in connection with the operation or services provided by the corporation on the rail lines, properties, equipment, or facilities acquired pursuant to the provisions of this Act and the maintenance, repair, rehabilitation, or modernization of such lines, properties, equipment, or facilities which has been performed by practice or agreement in accordance with provisions of the existing contracts in effect with the representatives of the class or craft involved shall continue to be performed by said corporation's employees, including employees on furlough. Should the corporation lack a sufficient number of employees, including employees on furlough, and is unable to hire additional employees, to perform the work required, it shall be permitted to subcontract that part of such work which cannot be performed by its employees including those on furlough, except where agreement by the representatives of the employees of the class or craft involved is required by applicable collective bargaining agreements. The term "unable to hire additional employees" as used in this section contemplates establishment and maintenance by the corporation of an apprenticeship, training, or recruitment program to provide an adequate number of skilled employees to perform the work.

SEC. 807. ARBITRATION.—Any dispute or controversy with respect to the interpretation, application, or enforcement of the provsions of this title, except section 804(d) and those disputes or controversies provided for in subsection (g)(2)(D) of section 805 and subsection (b) of section 804 which have not been resolved within ninety days, may be submitted by either party to an Adjustment Board for a final and binding decision thereon as provided in section 3. Second, of the Railway Labor Act, in which event the burden of proof on all issues so presented shall be upon the corporation or association.

SEC. 808. ACQUIRING RAILROADS.—An acquiring railroad shall offer such employment and afford such employment protection to employees of a railroad from which it acquires properties or facilities pursuant to this Act, and shall further protect its own employees who are adversely affected by such acquisition, as shall be agreed upon between the said acquiring railroad and the representatives of such employees prior to said acquisition: *Provided, however,* That the protection and benefits provided for protected employees in such agreements shall be the same as those specified in section 805 of this title: *And provided further, however,* That unless and until such agreements are reached, the acquiring railroad shall not enter into purchase agreements pursuant to section 303 of this Act.

SEC. 809. PAYMENT OF BENEFITS.—The corporation, association, and acquiring railroads, as the case may be, shall be responsible for the actual payment of all allowances, expenses, and costs, provided protected employees pursuant to the provisions of this title. The corporation, association, and acquiring railroads shall then be reimbursed for such actual amounts paid protected employees pursuant to the provisons of this title by the Railroad Retirement Board upon certification to said Board by the corporation, associaton, and acquiring railroads of the amounts paid such employees. Such reimbursement shall be made from a separate account maintained in the Treasury of the United States to be known as the Regional Rail Transportation Protective Account. There is hereby authorized to be appropriated to such protective account annually such sums as may be required to meet the obligations payable hereunder, not to exceed in the aggregate, however, the sum of $250,000,000. There is further authorized to be appropriated to the Railroad Retirement Board annually such sums as may be necessary to provide for additional administrative expenses to be incurred by the Board in the performance of its functions under this section.

TITLE IX—MISCELLANEOUS PROVISIONS

SEC. 901. APPLICATION OF LAWS.—In formulating and implementing the final system plan, the association, the corporation, and any railroad affected thereby shall be relieved of all prohibitions under the antitrust laws of the United States or of any State or subdivision thereof. The Interstate Commerce Act and the Bankruptcy Act, to the extent necessary to carry out this Act, and the National Environmental Policy Act of 1969 shall not apply to any transaction under this Act.

SEC. 902. EFFECT ON PENDING PROCEEDINGS.—Upon enactment of this Act, no railroad in reorganization may discontinue any rail service or abandon any rail line other than in accordance with the provisions of this Act, notwithstanding the provision of any other Act, the law or constitution of any State, or the decision or order of, or the pendency of any proceeding before, any Federal or State court, agency, or authority.

SEC. 903. RECORDS AND AUDIT OF THE ASSOCIATION, THE CORPORATION AND CERTAIN RAILROADS.—(a)(1) The accounts of the association and of the corporation shall be audited annually in accordance with generally accepted auditing standards by independent certified public accountants or independent licensed public accountants certified or licensed by a regulatory authority of a State or other political subdivision of the United States. The audit shall be conducted at the place or places where the accounts of the association or the corporation are normally kept. All books, accounts, financial records, reports, files, and other papers, things, or property belonging to or in use by the association or the corporation and necessary to facilitate the audit shall be made available to the person conducting the audit; and full facilities for verifying transactions with the balances or securities held by depositories, financial agents, and custodians shall be afforded to such person.

(2) The report of each such independent audit shall be included in the annual report required by subsection (a) of section 904. The audit report shall set forth the scope of the audit and include such statements as are necessary to present fairly the assets and liabilities and surplus or deficit of the association or the corporation, with an analysis of the changes therein during the year, supplemented in reasonable detail by a statement of the income and expenses of the association or the corporation during the year, and a statement of the sources and application of funds, together with the independent auditor's opinion of those statements.

(b)(1) The financial transactions of the association may be audited by the Comptroller General of the United States under such rules and regulations as he may prescribe. The financial transactions of the corporation for any fiscal year during which Federal financial assistance is used to finance any portion of its operations, and the financial transactions of any railroad which has outstanding any obligation to repay a loan received under this Act, may be audited by the Comptroller General of the United States in accordance with the principles and procedures applicable to commercial corporate transactions and under such rules and regulations as may be prescribed by the Comptroller General. Any such audit shall be conducted at the place or places where accounts of the association, the corporation, or the railroad are normally kept. The representative of the Comptroller General shall have access to all books, accounts, records, reports, files, and other papers, things, or property belonging to or in use by the association, the corporation, or the railroad pertaining to its financial transactions and necessary to facilitate the audit, and shall be afforded full facilities for verifying transactions with the balances or securities held by depositories, fiscal agents, and custodians. All such books, accounts, records, reports, files, papers, and property of the association, the corporation, or the railroad shall remain in possession and custody of the association, the corporation, or the railroad.

(2) A report of each such audit shall be made by the Comptroller General to the Congress. The report to the Congress shall contain such comments and information as the Comptroller General may deem necessary to inform Congress of the financial operations and condition of the association, the corporation, or the railroad, together with such recommendations with respect thereto as he may deem advisable. The report shall also show specifically any program, expenditure, or other financial transaction or undertaking observed in the course of the audit, which, in the opinion of the Comptroller General, has been carried on or

made without authority of law. A copy of each report shall be furnished to the President, to the Secretary, and to the association or the corporation, and to the railroad, at the time submitted to the Congress.

SEC. 904. REPORTS.—(a) The association and the corporation each shall transmit to the President and Congress, within ninety days after the end of its fiscal year, a comprehensive and detailed report of its activities and attainments during the preceding fiscal year.

(b) The Secretary shall transmit to Congress in March of each year a comprehensive report on the effectiveness of the association and the corporation in implementing the purposes of this Act, together with any recommendations for additional legislation or other action. In carrying out the provisions of this subsection, the Secretary may use available services and facilities of other departments, agencies, and instrumentalities of the Federal Government with their consent and on a reimbursable basis.

SEC. 905. EXEMPTION FROM TAXATION.—The association, including its franchise, capital reserves, surplus, security holdings, and income shall be exempt from all taxation now or hereafter imposed by the United States, by any territory, dependency, or possession thereof, or by any State, county, municipality, or local taxing authority, except that any real property of the association shall be subject to State, territorial, county, municipal, or local taxation to the same extent according to its value as other real property is taxed.

SEC. 906. PROHIBITION AGAINST USE OF NAME.—No individual, association, partnership, or corporation, except the association created under this Act, shall hereafter use the words "Federal National Railway Association" as the name under which he or it shall do business. Violations of the foregoing may be enjoined by any court of general jurisdiction at the suit of the association. In any suit, the association may recover any actual damages flowing from such violation, and, in addition, shall be entitled to punitive damages (regardless of the existence or nonexistence of actual damage) of not exceeding $100 for each day during which such violation was committed.

SEC. 907. INVESTMENT OF FUNDS.—Uncommitted moneys of the association shall be kept in cash on hand or on deposit, or invested in obligations of the United States or guaranteed thereby, or in obligations, participations, or other investments which are lawful investments for fiduciary, trust, or public funds.

SEC. 908. SEPARABILITY OF PROVISIONS.—If any provision of this Act or the application thereof to any person or circumstance is held invalid, the remainder of this Act and the application of such provisions to other persons or circumstances shall not be affected thereby.

SEC. 909. RULES AND REGULATIONS.—The association shall issue such rules and regulations as are necessary to carry out the authority granted by this Act.

SEC. 910. OBLIGATIONS OR OTHER INSTRUMENTS AS LAWFUL INVESTMENTS; ACCEPTANCE AS SECURITY; EXEMPT SECURITIES.—All obligations or other instruments issued by the association shall be lawful investments, and may be accepted as security for all fiduciary, trust, and public funds, the investment or deposit of which shall be under the authority and control of the United States or any officer or officers hereof. All obligations, securities, or other instruments issued pursuant to this Act (other than those issued by the corporation) shall be exempt securities within the meaning of laws administered by the Securities and Exchange Commission.

SEC. 911. AMENDMENTS TO SECURITIES ACTS.—(a)(1) Section 3(a)(6) of the Securities Act of 1933 is amended to read as follows:

"(6) Any security issued by a motor carrier the issuance of which is subject to the provisions of section 214 of the Interstate Commerce Act;".

(2) The second sentence of section 19(a) of such Act is amended by striking out "; but insofar as they relate to any common carrier subject to the provisions of section 20 of the Interstate Commerce Act, as amended, the rules and regulations of the Commission with respect to accounts shall not be inconsistent with the requirements imposed by the Interstate Commerce Commission under authority of such section 20".

(3) The second sentence of section 214 of the Interstate Commerce Act is amended by striking out the first proviso.

(b) Section 13(b) of the Securities Exchange Act of 1934 is amended by striking out ", and, in the case of carriers subject to the provisions of section 20 of the Interstate Commerce Act" and all that follows in such subsection, and inserting in lieu thereof "(except that such rules and regulations of the Commission may be inconsistent with such requirements to the extent that the Commission determines that the public interest or the protection of investors so requires).".

(c) Section 3(c)(7) of the Investment Company Act of 1940, as amended, is amended to read as follows:

"(7) Any company (A) which is subject to regulation under section 214 of the Interstate Commerce Act: *Provided*, That this exception shall not apply to a company which the Commission finds and by order declares to be primarily engaged, directly or indirectly, in the business of investing, reinvesting, owning, holding, or trading in securities; or (B) whose entire outstanding stock is owned or controlled by a company excepted under clause (A) hereof: *Provided*, That the assets of the controlled company consist substantially of securities issued by companies which are subject to regulation under section 214 of the Interstate Commerce Act.".

(d)(1) The amendments made by subsection (a) of this section shall take effect on the sixtieth day after the date of enactment of this Act, but shall not apply with respect to any security which was bona fide, offered to the public by the issuer or by or through an underwriter before such sixtieth day.

(2) The amendment made by subsection (c) of this section shall not apply to any report by any person respecting a fiscal year of such person which began before the date of enactment of this Act

(3) The amendment made by subsection (c) of this section shall take effect on the sixtieth day after the date of enactment of this Act.

SEC. 912. RAIL TRANSPORTATION OF EXPLOSIVES.—In the exercise of his authority to regulate the transportation of explosives and other dangerous articles under chapter 39 of title 18, United States Code, the Secretary of Transportation shall, as soon as practicable after the date of enactment of this Act, issue regulations governing the rail transportation of explosives requiring—

(1) the use of railroad cars with roller bearings and with either composition brake shoes or spark shields;

(2) the placement of at least one spacer car not containing materials regulated under chapter 39 of such title 18 between cars containing explosives en route between origin and destination in rail transportation service; and

(3) inspection of railroad car selection, and of the loading of each such car, to be used in the rail transportation of explosives and the periodic inspection of each such car en route between origin and destination in rail transportation service.

Mr. STAGGERS (during the reading). Mr. Chairman, I ask unanimous consent that the Committee amendment in the nature of a substitute 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 West Virginia?

There was no objection.

AMENDMENT OFFERED BY MR. KUYKENDALL

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

The Clerk read as follows:

Amendment offered by Mr. KUYKENDALL: Page 55, strike out lines 5 through 25 and insert in lieu thereof the following:

(5) The term "fair and equitable value" means, with reference to the rail properties of a railroad in reorganization which are to be acquired by the corporation, by a nonbankrupt railroad, or by a profitable railroad and operated in accordance with the final system plan, either the fair liquidation value or going concern value thereof as of September 30, 1973, as provided in the final system plan, except that in no event shall such rail properties be valued at more than the constitutional minimum required for their acquisition. For the purposes of this paragraph, fair liquidation value is the best price that the then existing market could fairly be expected to provide for the sale of such rail properties over a reasonable period of time less the economic costs and expenses incident to holding and maintaining such properties over such time and to their disposition and less a reasonable discount for delay in receipt of proceeds over such time; and going concern value is the capitalized value of the earning power of such properties projected over a reasonable period of time, giving due consideration to the effect and cost of implementation of the final system plan.

Mr. KUYKENDALL (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read, and printed in the RECORD, because I am only changing one sentence on page 55 of the bill, lines 14 and 15.

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

There was no objection.

Mr. KUYKENDALL. Mr. Chairman, on lines 14 and 15 I wish to strike, "Taking into consideration the public interest character of such properties."

I wish to strike that language only.

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

The CHAIRMAN. Evidently a quorum is not present. The call will be taken by electronic device.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 569]

Anderson, Ill.	Evins, Tenn.	Mitchell, Md.
Andrews, N.C.	Fraser	Murphy, Ill.
Bell	Gray	Nedzi
Biester	Green, Oreg.	Nelsen
Blackburn	Hammer-	O'Hara
Blatnik	schmidt	Patman
Breckinridge	Hansen, Wash.	Rees
Brown, Ohio	Harsha	Reid
Buchanan	Harvey	Robison, N.Y.
Burgener	Hébert	Rooney, N.Y.
Burke, Calif.	Hillis	Rose
Burke, Fla.	Holifield	Roush
Clark	Ichord	Runnels
Clay	Jones, Tenn.	Ruppe
Cochran	Landgrebe	Sandman
Conyers	Mahon	Seiberling
Davis, Wis.	Mathis, Ga.	Steed
de la Garza	Meeds	Steele
Diggs	Melcher	Teague, Tex.
Drinan	Mills, Ark.	Vanik
Dulski	Minshall, Ohio	Wright

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. LANDRUM, 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. 9142, and finding itself without a quorum, he had directed the Members to record their presence by electronic device, whereupon 371 Members recorded their presence, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The committee resumed its sitting.

The CHAIRMAN. When the Committee suspended for the quorum call the gentleman from Tennessee (Mr. KUYKENDALL) had requested that the amendment he had offered be considered as read and printed in the RECORD, and the gentleman had been recognized in support of his amendment.

The Chair now recognizes the gentleman from Tennessee (Mr. KUYKENDALL).

Mr. KUYKENDALL. Mr. Chairman, it will be recalled that when I offered my amendment I said that I was only changing one sentence on page 55 of the bill, striking lines 14 and 15. I would like the Chairman of the full Committee, the gentleman from West Virginia (Mr. STAGGERS) to comment on my amendment.

Mr. STAGGERS. Mr. Chairman, if the gentleman will yield, I will say that we on this side have no objection to the amendment offered by the gentleman from Tennessee (Mr. KUYKENDALL).

The CHAIRMAN. The question is on the amendment offered by the gentleman from Tennessee (Mr. KUYKENDALL).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. SKUBITZ

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

The Clerk read as follows:

Amendment offered by Mr. SKUBITZ: Page 107, line 24, After "thereto." "No payments or allowances under this Title shall continue for any protected employee beyond six years from the date of conveyance of rail properties under Section 502 of this Act; provided that not withstanding the provisions of the Railroad Retirement Act or any other provision of law a protected employee shall, if placed in furloughed status following the expiration of the protective payments or allowances under this Title, have his contributions to the Railroad Retirement Account and the matching employer's contributions to the Account continued during the period in which he is furloughed, at the same rate of contribution as that of the preceding twelve months, such contributions to be made by the Corporation or other acquiring railroad with whom the employee has an employment relationship; and, provided further, that Railroad Retirement benefits thus accrued shall be paid such protected employee, and/or his designated beneficiaries, in the same manner and under the same conditions as paid all with vested rights under the Railroad Retirement Act.

Mr. SKUBITZ. Mr. Chairman, this measure provides that any person who is furloughed by the railroads, and has 5 years of service, is considered a protected worker. If that worker is not given another job on the railroad, then he is guaranteed a wage, his regular wage based on a 12-month period for the rest of his life. Now the Members have been told that we are going to take care of more of the employees. Then ask the question: If this is true, why have we placed a proviso in this bill of $250 million to take care of such displacement?

My amendment provides that after 6 years the unearned salary will be discontinued. Why 6 years?

Because that is the period we used in the legislation creating Amtrak. We agreed to pay employees who were placed on furlough for 6 years. At the end of the 6-year period, the corporation is required to continue payments into the retirement fund so that at retirement such employees are protected. They are entitled to that. Their pension is something that they have bargained for. It is a fringe benefit.

So under this act what we would do is simply say that at the end of 6 years these unearned salary payments are cut off, and the corporation at that time will pick up only the retirement payments, and notwithstanding any other proviso of the act, these men will receive their retirement pay.

I stated in my opening remarks, that I too feel that men who have given a lifetime to their craft—men who have been entrusted with the lives of passengers and the movement of freight should not be thrown on the unemployment scrap heap.

Certainly if a viable road entered into a merger and agreed to pay a lifetime wage I have no objection. But here we are dealing with five bankrupt railroads. The Government is to pick up the chip? To write into law conditions providing for lifetime unearned salaries is to renege on congressional responsibility. We establish a dangerous precedent. If we are willing to do this for railroad labor, Can we do less for a Federal employee who loses his job?

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

Mr. SKUBITZ. I yield to the gentleman from Iowa.

Mr. GROSS. Mr. Chairman, does this amendment cover both blue collar workers and management that may be furloughed?

Mr. SKUBITZ. My amendment takes care of them for up to 6 years.

Mr. GROSS. Does this cover management or track walkers or what?

Mr. SKUBITZ. It covers only the protected employees, that is the workers themselves.

Mr. GROSS. Then is provision made in the bill for executives?

Mr. SKUBITZ. There is a proviso in there that the executives will get up to $20,000 a year. I presume someone else will be offering an amendment on that.

Mr. GROSS. I would hope so.

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

First I would like to say that this arrangement—and I have been before this House many times on railroad matters—was worked out by a committee of the railroad associations and labor and they have worked out three or four or five others recently which without those arrangements could have caused a strike. There was almost a strike on the Penn Central even in their current bankruptcy which would have caused this Nation to suffer billions of dollars in losses.

I would like to read briefly a letter from the president of the Association of Railroads and this is to Claude Brinnager, Secretary of Transportation:

In response to your telegram which we received on October 6 the labor protective provisions proposed in title VIII of the bill H.R. 9142 were submitted to our board of directors for their information on September 28. Since then I have heard from 14 railroad presidents. I conclude tha' these provisions are in line with the provisions that appear in recent merger agreements and are as satisfactory from the management point of view as could be hoped for.

Under the Washington agreements of 1936 when the mergers were made they took care of every employee. This is a fact which should be taken into consideration now. These are a little different arrangements now than were made then. This only protects the ones who are employed now. Any other new employees have to be taken care of under other arrangements. The bill arranges for labor negotiations between the corporation and labor in a period of 60 days after date of enactment. I do not know what the time limit is, but they are going into negotiations to implement these agreements.

There are few railroad workers outside of management that I know of in America who makes $20,000 or $25,000 a year. There may be a few but they must be very few. Those men are reaching near the age of 65. There are 14,000 men who will be laid off very soon after this goes into operation through the natural attrition in the Northeast railroads. Any man who comes on afterwards will be offered a job but he will not be under this protection but under another plan.

I think this is necessary. This is an arrangement freely negotiated between labor and management. I think it is fair. I say to you if we do not do this—and I do not believe it will cost anywhere near the amount of money we have authorized—we would endanger the railroad management and the labor contract as they have it. We could have a strike which would cost billions of dollars and not just $100 million or $250 million. I say we have got railroad management and labor working together now for once in history and they have worked out several recent agreements that have been good. They have worked out the railroad pension plan which I know we could not have worked out on this floor. They have worked out several of the plans in which they gave additional help to labor after several years of employment.

I say to tinker with this at all would be to endanger the whole bill. I say those who would be benefited by the change are so few it would be inconsequential and this amendment ought to be defeated.

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

Mr. STAGGERS. I yield to the gentleman from Iowa.

Mr. GROSS. Mr. Chairman, the gentleman is not suggesting or threaten-

ing the House with a railroad strike if an amendment curing a bad situation is adopted, is he?

Mr. STAGGERS. No, this gentleman would not do that and I do not know and the gentleman does not know about a strike, but I think we ought to look ahead a little bit. We have been trying to patch things up and the time has come to look ahead in this Congress and in this Nation. We need leaders that will not wait for a crisis to happen. Let us take care of the problems before they occur.

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

Mr. STAGGERS. I yield to the gentleman from Iowa.

Mr. GROSS. The gentleman spoke of a meeting of the American Association of Railroads.

Mr. STAGGERS. That is right.

Mr. GROSS. And I suppose there were representatives of the brotherhoods, is that correct?

Mr. STAGGERS. Yes, that is correct.

Mr. GROSS. All right. Was the third party, the huge third party in interest, represented in these negotiations; the taxpayers who will pay the bill for this?

Mr. STAGGERS. Let me say to the gentleman, our committee of 43 members listened to every bit of it and went over it and I think they represent the people of America. That is a tenth of the Members of this House that are on this committee.

Mr. GROSS. But you are not a representative of the Association of American Railroads or of the Brotherhoods?

Mr. STAGGERS. No; of course, I am not.

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

I want to say that the committee put limitations on the amount of taxpayer involvement. This was a figure that was indicated as acceptable to the administration. They indicated these were social costs that should be paid. There are no executive officers, such as a president or a vice president covered under the bill.

I hope that the amendment will be defeated.

Mr. GROSS. Mr. Chairman, I move to strike the necessary number of words.

Mr. Chairman, I yield to the gentleman from Kansas.

Mr. SKUBITZ. Mr. Chairman, I would like to ask the chairman of the committee a few questions. Did the committee at any time hold hearings on the labor agreement?

Mr. STAGGERS. There were no public hearings at all before they were placed before the committee. There were copies available and every man had an opportunity to read it over. The committee did not have time to be pertinent with all of it.

Mr. SKUBITZ. There were no hearings on it?

Mr. STAGGERS. We could not have hearings.

Mr. SKUBITZ. We could very well have many meetings to discuss the title at length.

Mr. STAGGERS. I will agree with the gentleman. I think the gentleman from Kansas wants to be fair with labor, as I do, and with every other segment of society. This is an agreement between management and labor and as the gentleman knows, they have been holding these meetings continuously in the last few years and it was done because our committee asked them to do it. Since they have been doing it, we have not had the labor troubles we had before.

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

Mr. GROSS. I yield to the gentleman.

Mr. SKUBITZ. May I say to my chairman, it is very easy for two groups to get together and make an agreement so long as someone else must foot the bill. In this case, Mr. Taxpayer, the point Mr. GROSS made.

If the costs of this title of the bill are minimal, why did the committee authorize $250 million in the bill? What I am trying to do is to save the taxpayers some money and give to the furloughed workers the same benefits as are given to furloughed workers under the Amtrak bill. To guarantee the employee his rights under the Railroad Retirement Act. What could be fairer than that.

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

Mr. GROSS. Yes, I yield to the gentleman.

Mr. STAGGERS. You are comparing this with Amtrak and it is entirely erroneous. You are making a comparison that you did not mean to make. They are hired completely under a different arrangement.

I would like to say in setting the amount of money, the administration agreed that the $250 million would take care of the situation and we put that in. I think it is way outside the limit. I do not think all of the amount of that money would be touched.

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

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

Mr. SKUBITZ. My colleague has stated the period of payment of unearned salary was different on the Amtrak question, I would like to read from the report of the National Railway Passenger Company, Amtrak, covering the period from October 30, 1970, to October 29, 1971, on page 2:

> Protecting period means that period of time during which a displaced or dismissed employee is to be provided protection either under and extending from the date on which an employee is displaced or dismissed to the expiration of six years therefrom.

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

Mr. GROSS. I yield to the gentleman from West Virginia.

Mr. STAGGERS. Mr. Chairman, I would like to say that I think the gentleman understands that these men lose their jobs. They have no one to talk to.

Mr. GROSS. Mr. Chairman, where do those who lose their jobs go in other corporations?

Mr. STAGGERS. They go to their corporation and to the different groups that they have to go to, but these men are left out in the cold.

Mr. GROSS. They look for another job, don't they?

Mr. STAGGERS. That is right, but if they are 55 or 58 years old, they cannot find another job.

Mr. GROSS. That is true of those who lose their jobs in other corporations. They are not assured as are furloughed employees under this bill of annual incomes of $20,000 to $30,000 a year.

Mr. Chairman. I find the compensation provisions of this bill utterly unbelievable in view of the fact that the taxpayers will be footing the bills.

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

Mr. GROSS. Yes, I yield to the gentleman from Kansas.

Mr. SKUBITZ. Mr. Chairman, my colleague from West Virginia is leaving the impression that the furlough worker will be out in the cold. That is not correct. This amendment gives such employees protection; it gives them their unearned salary for 6 years. It takes care of their retirement program. That is what the amendment does.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Kansas (Mr. SKUBITZ).

The question was taken; and on a division (demanded by Mr. SKUBITZ) there were—ayes 52; noes 113.

RECORDED VOTE

Mr. STAGGERS. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 148, noes 245, not voting 40, as follows:

[Roll No. 570]

AYES—148

Abdnor	Fountain	Pritchard
Andrews, N.C.	Frelinghuysen	Quie
Archer	Frey	Rarick
Arends	Froehlich	Rhodes
Armstrong	Fuqua	Robinson, Va.
Ashbrook	Gettys	Robison, N.Y.
Bafalis	Ginn	Roncalio, Wyo.
Baker	Goodling	Rousselot
Beard	Gross	Runnels
Bennett	Gunter	Ruppe
Bowen	Hanrahan	Ruth
Brinkley	Hinshaw	Sandman
Broomfield	Hogan	Satterfield
Brown, Mich.	Hosmer	Scherle
Broyhill, N.C.	Huber	Schneebeli
Broyhill, Va.	Hudnut	Sebelius
Burleson, Tex.	Hunt	Shriver
Burlison, Mo.	Hutchinson	Skubitz
Butler	Ichord	Spence
Camp	Jarman	Stanton,
Carter	Johnson, Colo.	J. William
Cederberg	Johnson, Pa.	Steiger, Ariz.
Chamberlain	Jones, N.C.	Stephens
Chappell	Jones, Okla.	Symms
Clancy	Ketchum	Talcott
Clawson, Del	King	Taylor, Mo.
Cochran	Landgrebe	Taylor, N.C.
Collins, Tex.	Latta	Teague, Calif.
Conable	Litton	Thomson, Wis.
Conlan	Lott	Treen
Crane	Lujan	Ullman
Daniel, Dan	McEwen	Vander Jagt
Daniel, Robert W., Jr.	McSpadden	Veysey
	Mallary	Waggonner
Dellenback	Mann	Wampler
Dennis	Martin, Nebr.	Ware
Derwinski	Martin, N.C.	White
Devine	Mathias, Calif.	Whitehurst
Dickinson	Mathis, Ga.	Whitten
Downing	Mayne	Wiggins
Duncan	Michel	Winn
Edwards, Ala.	Milford	Wydler
Erlenborn	Mizell	Wylie
Esch	Montgomery	Young, Alaska
Eshleman	Moorhead, Calif.	Young, Fla.
Findley	Nelsen	Young, Ill.
Fisher	Nichols	Young, S.C.
Flowers	Parris	Zion
Flynt	Powell, Ohio	Zwach
Ford, Gerald R.	Price, Tex.	
Forsythe		

NOES—245

Abzug	Gonzalez	Perkins
Adams	Grasso	Pettis
Addabbo	Green, Oreg.	Peyser
Alexander	Green, Pa.	Pickle
Anderson, Calif.	Griffiths	Pike
	Grover	Poage
Anderson, Ill.	Gubser	Podell
Andrews, N. Dak.	Gude	Preyer
	Hamilton	Price, Ill.
Annunzio	Hanley	Quillen
Ashley	Hanna	Randall
Aspin	Hansen, Idaho	Rangel
Badillo	Hansen, Wash.	Rees
Barrett	Harrington	Regula
Bauman	Harsha	Reid
Bergland	Hastings	Reuss
Bevill	Hays	Riegle
Biaggi	Hechler, W. Va.	Rinaldo
Bingham	Heckler, Mass.	Roberts
Boggs	Heinz	Rodino
Boland	Helstoski	Roe
Bolling	Henderson	Rogers
Brademas	Hicks	Roncallo, N.Y.
Brasco	Holifield	Rooney, Pa.
Bray	Holt	Rosenthal
Breaux	Holtzman	Rostenkowski
Breckinridge	Horton	Roy
Brooks	Howard	Roybal
Brotzman	Hungate	Ryan
Brown, Calif.	Johnson, Calif.	St Germain
Burke, Mass.	Jones, Ala.	Sarasin
Burton	Jordan	Sarbanes
Byron	Karth	Schroeder
Carey, N.Y.	Kastenmeier	Selberling
Carney, Ohio	Kazen	Shipley
Casey, Tex.	Keating	Shoup
Chisholm	Kemp	Shuster
Clark	Kluczynski	Sikes
Clausen, Don H.	Koch	Sisk
	Kuykendall	Slack
Clay	Kyros	Smith, Iowa
Cleveland	Landrum	Smith, N.Y.
Cohen	Leggett	Snyder
Collier	Lehman	Staggers
Collins, Ill.	Lent	Stanton, James V.
Conte	Long, La.	
Corman	Long, Md.	Stark
Cotter	McClory	Steed
Coughlin	McCloskey	Steele
Cronin	McCollister	Steelman
Culver	McCormack	Steiger, Wis.
Daniels, Dominick V.	McDade	Stokes
	McFall	Stratton
Danielson	McKay	Stubblefield
Davis, Ga.	McKinney	Stuckey
Davis, S.C.	Macdonald	Studds
Delaney	Madden	Sullivan
Dellums	Madigan	Symington
Denholm	Mailliard	Thompson, N.J.
Dent	Maraziti	Thone
Diggs	Matsunaga	Thornton
Dingell	Mazzoli	Tiernan
Donohue	Metcalfe	Towell, Nev.
Drinan	Mezvinsky	Van Deerlin
Dulski	Miller	Vanik
du Pont	Minish	Vigorito
Eckhardt	Mink	Waldie
Edwards, Calif.	Mitchell, Md.	Walsh
Eilberg	Mitchell, N.Y.	Whalen
Evans, Colo.	Moakley	Widnall
Evins, Tenn.	Mollohan	Williams
Fascell	Moorhead, Pa.	Wilson, Bob
Fish	Morgan	Wilson, Charles H., Calif.
Flood	Mosher	
Foley	Moss	
Ford, William D.	Murphy, N.Y.	Wilson, Charles, Tex.
	Natcher	
Fraser	Nix	Wolff
Frenzel	Obey	Wyatt
Fulton	O'Brien	Wyman
Gaydos	O'Neill	Yates
Giaimo	Owens	Yatron
Gibbons	Passman	Young, Ga.
Gilman	Patten	Zablocki
Goldwater	Pepper	

NOT VOTING—40

Bell	Guyer	Murphy, Ill.
Biester	Haley	Myers
Blackburn	Hammer-schmidt	Nedzi
Blatnik		O'Hara
Brown, Ohio	Harvey	Patman
Buchanan	Hawkins	Railsback
Burgener	Hébert	Rooney, N.Y.
Burke, Calif.	Hillis	Rose
Burke, Fla.	Jones, Tenn.	Roush
Conyers	Mahon	Teague, Tex.
Davis, Wis.	Meeds	Udall
de la Garza	Melcher	Wright
Dorn	Mills, Ark.	Young, Tex.
Gray	Minshall, Ohio	

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. DINGELL

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

The Clerk read as follows:

Amendment offered by Mr. DINGELL: Page 121, beginning in line 16, strike out "and the National Environmental Policy Act of 1969".

Page 121, line 18, immediately after the period insert the following:

The provisions of section 102(2)(C) of the National Environmental Policy Act of 1969 (42 U.S.C. 4332(2)(C)) shall not apply with respect to any action taken under authority of this Act before the effective date of the final system plan.

Mr. DINGELL. Mr. Chairman, the proposed amendment would change a broad, vague exemption into a tight and specific exemption covering a precise situation in which it is agreed that corrective action is necessary.

As approved by the committee, section 901 of the bill would exempt all transactions under the act from the provisions of the National Environmental Policy Act of 1969. That language, I believe, is far too broad, and the exemption is broader than the circumstances warrant.

What I believe the subcommittee and the draftsmen were concerned with was a narrower issue: the possibility of a lawsuit preventing the submission of the final system plan, and the abandonment of certain rail facilities in accordance with that final system plan. The amendment which I have proposed is addressed precisely to those issues.

The section of the National Environmental Policy Act which has occasioned virtually all of the litigation has been section 102(2)(C) of the statute. This is the section which requires the submission of environmental impact statements, and that such statements be prepared with regard to any proposed major Federal action which will have a significant effect upon the quality of the human environment.

I can readily see that an inadequate impact statement describing the implications of the adoption of a final system plan might create a significant delay. It is for this reason that I have offered the amendment which has been cleared by both my friend, the gentleman from Montana (Mr. SHOUP) and my friend, the gentleman from Washington (Mr. ADAMS). It is also likely that this type of action would require the filing of an environmental impact statement.

In the extraordinary circumstances which demand the legislation now before the House, that sort of delay cannot be tolerated. For this reason I have drawn an amendment which makes it clear that the action of Federal agencies, including the Federal National Railroad Association, will not be subject to the requirements of the Environmental Policy Act, section 102(2)(C) relating to the filing of environmental impact statements, up to and including the point at which the final system plan has been submitted and has gone into effect.

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

Mr. DINGELL. I yield to my friend, the gentleman from Tennessee.

Mr. KUYKENDALL. Mr. Chairman, I am having some trouble with semantics and if I can get some clarification I will be happy to vote for the amendment.

Mr. DINGELL. I thank my friend.

Mr. KUYKENDALL. If the gentleman's meaning is that this suspension carries through the adoption of the plan by the Congress and cuts off right there, I would be happy to accept the amendment myself.

Mr. DINGELL. The gentleman is correct. That is the interpretation of the language.

Mr. KUYKENDALL. I would accept the amendment.

Mr. DINGELL. I thank my friend, the gentleman from Tennessee.

Mr. Chairman, I also want to make it plain as part of the legislative history that it has also been suggested that the same exemption should apply to abandonment proceedings under the act, but after careful review, I have concluded, and I have checked my conclusions with the manager of the legislation, that these abandonments would not be considered to be Federal actions, and so would in no case be subject to NEPA compliance requirements under section 102.

I will confess that I do not like, and usually strongly resist, proposed incursions upon the National Environmental Policy Act. I am convinced, however, that what I propose today is far less damaging than the language in the bill as approved by the committee, and that the purposes of both the bill and the NEPA will be served if the proposed amendment is approved.

As in the colloquy with my friend, the gentleman from Tennessee, I would like to make it clear that the purposes are to carry it clear through adoption and the effective date of the system plan.

Mr. KUYKENDALL. I would be happy to support the amendment.

Mr. DINGELL. And my friend, the gentleman from Washington, has agreed it would be acceptable to him. I see the gentleman sitting there and I observe he nods "Yes."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan (Mr. DINGELL).

The amendment was agreed to.

Mr. MACDONALD. Mr. Chairman, as the ranking member of the Interstate and Foreign Commerce Committee, I rise in support of H.R. 9142, the Northeast Regional Rail Reorganization Act. This bill directs the Government to reorganize bankrupt Northeast railroads into one self-sustaining corporation that will provide public service and preserve competitive private railroads.

This is good legislation which I am proud to have had a part in developing. Moreover, several carefully worked out compromises in the bill make H.R. 9142 the only hope for maintaining economically vital rail service in the Northeast, short of nationalization.

The crippling of the New England rail system could lead to a 4-percent slowdown in the Nation's overall economic

activity. A New England rail disaster would be a national disaster as well, and the need for this bill should be clear to Members from all regions of the country.

Mr. Chairman, as you know, I had a number of suggestions for improvements in this legislation which were adopted by the committee. I wanted the bill to provide that adequate "economic impact studies" be undertaken during the preparation of the final rail plan.

We are dealing not just with a rail issue, but with the economy of the whole region, with men's jobs, and with the economic well-being of dozens of communities. I wanted to make sure that the bill required those preparing the final rail plan to present to Congress clear studies of the impact of their proposals on jobs, workers, and communities. I am pleased that the committee accepted the amendment which I offered to section 303 of the bill. The bill now clearly states that "the minimization of job losses" and "unemployment" is a goal which must be taken into account in preparing the plan.

Mr. Chairman, there is one problem which I have—not with the bill but with the report—which I hope we can take care of quickly here. You will remember that on the last day of the committee's consideration of the bill, I asked that report language spell out in detail the kind of studies which we want Congress to have available so that it can judge the final system's plan.

Under this bill Congress has final responsibility for approving or disapproving the rail plan and we must know the basis on which decisions have been reached in that plan. I provided suggested report language to the committee, spelling out the kind of studies which should be available to the Congress so that it can meet its responsibilities.

The committee accepted my suggestion, but the language which I gave to the committee staff was inadvertently left out of the report at the bottom of page 48. I hope that we can have unanimous consent to amend the report as the committee agreed.

The full text of the report language approved by the committee is as follows:

In preparing the final system plan, employment impact, marketing, traffic, and financial studies shall be conducted which shall include but not necessarily be limited to the following:

(1) For each railroad in the northeast, an analysis of basic data, such as number of car loads, weight of shipments, miles traveled, commodities carried, origin and destination of each shipment, routing, rates, and equipment, utilizing information made available under Sec. 302 of this Subchapter.

(2) The development of a freight-flow model for the entire regional railroad system based on (a) freight routing data; (b) cost estimating relationships based on geography, car movements, car miles or train miles according to the various accounting categories of railroad expenses; and (c) a revenue and cost allocating relationship which spreads the revenue and appropriate costs over each freight-carrying trip.

(3) For each community in the affected service area, an analysis of the industries served, number of car loads shipped and received by each firm, the commodities handled, the number of jobs related to these commodities, the value added related to these commodities, the availability to these firms of other acceptable modes of transportation, a determination of the number of jobs that might be lost in the event of a cessation of rail service, and the economic impacts of such job losses on the community and various levels of government.

Once again, Mr. Chairman, I want to say what a wonderful job I think you have done in developing this vital legislation. It is the product of much work and much compromise. I support it because I think it is the best chance and perhaps the only chance we have of saving rail transportation in our region, which is vital to our whole national economy.

AMENDMENT OFFERED BY MR. KUYKENDALL

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

The Clerk read as follows:

Amendment offered by Mr. KUYKENDALL: Page 111, strike out lines 12 through 18 and insert in lieu thereof the following:

(c) Except as otherwise provided in this subsection the monthly displacement allowance provided for in subsection (b) of this section shall continue—

(1) until the attainment of age 65 in the case of a protected employee with at least five years of service on the effective date of this Act who is deprived of employment;

(2) for a period of six years or the attainment of age 65, whichever first occurs, in the case of a protected employee with at least five years of service on such effective date who is adversely affected with regard to his compensation; and

(3) for a period equal to his total prior years of service in the case of a protected employee who has less than five years on such date of enactment.

Page 111, line 19, strike out "such" and insert in lieu thereof "Such".

Mr. KUYKENDALL (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

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

There was no objection.

Mr. KUYKENDALL. Mr. Chairman, this is the amendment I spoke of in the general debate. This is the amendment that refers displacement allowance to employees only, displaced people only who are working for the corporation. A great many of these employees under the formula will be given bonuses. They could be from zero up to 35 percent or 40 percent of their pay until age 65, over and above the regular collective bargaining salary.

I pledged to the people in organized labor and I pledged to my colleagues on the committee that I would not disturb the benefits for people who were left unemployed. That is the reason I voted "No" on a previous amendment.

This amendment would limit the pay over and above the amount of money earned under collective bargaining agreements to 6 years. Remember, that money between the salary earned under collective bargaining and the salary earned by the formula arrived at under the agreement by the very rich presidents of the very rich railroads who were spending the taxpayers' money was arrived at after a considerable length of time.

Incidentally, I cannot resist making one remark here. When I see the way these railroad presidents are willing to give away taxpayers' money, it is no wonder the railroads are in such trouble so much of the time.

I would like to urge the adoption of this amendment. It is the same amendment. It gives a person who is transferred from any one of the seven bankrupt railroads to the new railroad 6 years with a bonus and at the end of the 6 years they draw their regular salary the remainder of their working life.

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

Mr. KUYKENDALL. I yield to the gentleman from Texas.

Mr. PICKLE. This does not disturb those people who are unemployed?

Mr. KUYKENDALL. This in no way disturbs anyone on furlough or drawing money because he has not had a job offer from the corporation. It would affect only those who are fully employed.

Mr. PICKLE. It would not affect the unemployed?

Mr. KUYKENDALL. It would not be expected to in any way.

Mr. STAGGERS. Mr. Chairman, I say this reluctantly, but I would like to know something more about the amendment. I have not read the amendment until just now. It sounds very much like the previous amendment in some aspects.

Now, the ones who are employed—if the gentleman would yield further.

Mr. KUYKENDALL. Yes, I believe it is the time of the gentleman from West Virginia.

Mr. STAGGERS. I will recognize the gentleman for 5 minutes.

The gentleman is cutting the displacement allowance off at 6 years?

Mr. KUYKENDALL. I am cutting off only the difference between their collective bargaining salary and the salary that has been determined in this formula. That additional amount is for 6 years only. It is called a displacement allowance.

In other words, Mr. Chairman, this would not apply particularly to the Clerks Union, because they work pretty steadily, but there are certain crafts where the formula for determining the pay is considerably higher than that I have on here. That is what they are under the 6 years, because it goes back, even under seasonal employees, it goes back 12 months, where they work over 50 percent of the time. It is different from the Penn Central merger. It is different than Amtrak. It is a brand new formula. This formula would mean that a great many employees would get a bonus out of the taxpayers from now until age 65.

Mr. STAGGERS. Let me ask this question. You are only talking about employees?

Mr. KUYKENDALL. That is correct, employees only.

Mr. STAGGERS. The new employees have to negotiate within 60 days, I believe, when they hire in as new employees.

Mr. KUYKENDALL. Mr. Chairman—I am talking to Chairman STAGGERS—any collective bargaining agreement that comes to less than the formula earns a salary, the difference between that collective bargaining agreement and that arrived at salary under this formula is paid by the taxpayers. If the collective bargaining agreement—this is the least understood part of this bill and the most dangerous, this is where the big money is out of the taxpayers' pocket—because if we go back, say a man works 3 months with heavy overtime, does not work for 2, that is, works less than 50 percent of the time, he will go back 16 months to get his 12 months. In some crafts this could be 30 or 35 percent more than the actual collective bargaining salary he could earn.

I say let him have that difference for 6 years, but do not let him have that difference for his working life.

Mr. STAGGERS. The gentleman is talking about life. That is no different than what has come up in the Chamber today. It is to age 65 and most of the ones that are affected will be the elderly ones.

Mr. KUYKENDALL. Sir, everyone is affected on this, everyone over 5 years is affected.

Mr. STAGGERS. I say in reality it is going to be only the older ones that are going to be affected.

Mr. KUYKENDALL. Mr. Chairman, I really disagree because practically every employee in the crafts and even a great many of the clerical employees will be affected here because this formula can never be lower—can never be lower than the collective bargaining salary, and in most cases will be higher, and the taxpayer makes up the difference.

My amendment says, let them make it up for 6 years, give them time to adjust to the fact that they have moved even though my allowance is paid by this money which comes out of the taxpayers' pocket.

It would simply mean this, that a C. & O. employee of one of the crafts, let us say, would be making that much less than the NYCR employee to do the same job in the same town, and the Government would be paying the difference.

Mr. STAGGERS. Mr. Chairman, would the gentleman say now that a man who had reached the age of 58, had dependents, and he has been off for 6 years, what would the gentleman do with him?

Mr. KUYKENDALL. At age 58? For 6 years he will receive his regular salary plus perhaps 25 percent, and that seventh year he will receive just his full salary, that is all. At age 65, I guess he retires. The gentleman asked me what will happen. The man will earn for the first 6 years his salary, plus.

Mr. STAGGERS. So the fact is, we made it that all railroad employees and retirees——

Mr. KUYKENDALL. That is right. This is one of the advantageous things in here for the new railroad, but in no way does that cut off anyone for anything except the bonus over and above his full salary.

Mr. GROSS. Mr. Chairman, I move to strike the next to the last word.

Mr. Chairman, let me ask either the gentleman from Tennessee or the gentleman from West Virginia, if it is true that 10 of the largest corporations in this country went together and employed one of the top lobbying firms in this country, headed by a former Deputy Secretary of the Treasury, to lobby for the provisions of this bill? Is that true?

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

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

Mr. KUYKENDALL. Mr. Chairman, there was a group of them; there is or was a group of shippers that did employ the gentleman to lobby.

Mr. GROSS. General Motors, and Ford Motor Co., a total of 10 of the largest corporations in this country?

Mr. KUYKENDALL. In their defense, let me say that of course I know they did not lobby in the labor session.

Mr. GROSS. Mr. Chairman, let me ask this question: That being true, did they write the ticket for the payment of the employees in this bill? Those who may lose their jobs?

Mr. KUYKENDALL. There is no question whatsoever that this agreement reached between noninvolved railroad presidents and labor, which was probably involved; there is no question that this agreement is to an extent a sweetheart agreement which allows the new corporation—which allows the new corporation to prosper at taxpayers' expense.

Mr. GROSS. Mr. Chairman, let me ask the gentleman this question, if he can answer it: What do those corporations do when their employees are furloughed or laid off for some reason or other? What do they do?

Mr. KUYKENDALL. They do only what their collective bargaining agreements say they must do, and I do not know what those agreements say, but they do no more than, I am sure, what they say they do.

Mr. GROSS. And it would not begin to measure up to what is provided for in this bill, is that not true?

Mr. KUYKENDALL. As I said earlier, the gentleman from Iowa knows our committee—I think this is an awfully free giveaway for the taxpayers by railroad presidents who are honestly not involved in it at all. This is the reason I am urging my amendment.

Mr. GROSS. Mr. Chairman, I support the gentleman's amendment because it apparently is the lesser of the evils, and only because that I conceive it to be the lesser of the evils.

However, this is a very bad bill from the standpoint of the taxpayers of this country. And the House is setting a precedent here which it cannot live with in the future with respect to labor across this country.

I suggest you put that in your pipe and smoke it but good.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Tennessee (Mr. KUYKENDALL).

The amendment was agreed to.

AMENDMENTS OFFERED BY MR. KUYKENDALL

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

The Clerk read as follows:

Amendment offered by Mr. KUYKENDALL: Page 62, line 2, insert the following after the word "court": ", within 60 days after submission of the preliminary system plan pursuant to section 307; and".

Mr. KUYKENDALL. Mr. Chairman, I ask unanimous consent that the amendment on page 62, line 2, which was first read, and the amendment on page 74, line 8, which has not yet been read be considered en bloc.

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

There was no objection.

The CHAIRMAN. The Clerk will report the other amendment.

The Clerk read as follows:

Amendment offered by Mr. KUYKENDALL: Page 74, line 8, insert before the word "a" the following: "and to each United States district court having jurisdiction over a railroad in reorganization".

Mr. KUYKENDALL. Mr. Chairman, I will not take the full 5 minutes allotted to me on these amendments.

These are the amendments which, in my opinion, will make this bill veto-proof. This is what the amendments provide: In the bill itself the judge is required to make a full decision as to whether or not to accept the stock in the transaction subject to further review before the formation of the system, to declare that the seven railroads are in full bankruptcy, or if he wishes, to turn down the whole deal and liquidate them.

It is the feeling of those of us on this side who are supporting these amendments that there is a danger here, that we are rushing the judge into a decision which will cause us trouble in court later on deficiency judgments.

My amendments require that under section 301 the court within 60 days declare whether the railroads are in bankruptcy or not. But it delays the other determination until they have a chance to study the system plan for 60 days, meaning that that decision will be made in 360 days, when the court has had a chance to look at the plan.

There is absolutely no way that this judge could know whether we are going to have a system that is overloaded, with poor trackage, or whether we are going to have a system that is stripped down to being a profitmaking railroad; there is no way by which this judge can determine whether that stock is any good or not in 60 days.

We are afraid that if we force this judge to make a decision without the evidence in front of him to support his decision, when we go to court later—and we are going to court later; everyone on

all sides agrees that we are going to court to obtain a deficiency judgment—we will pull the rug out from under the judge, because he did not have a basis for making his decision, and, therefore, it can be called a poor situation.

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

Mr. KUYKENDALL. I yield to the gentleman from Montana.

Mr. SHOUP. Mr. Chairman, does the gentleman have knowledge concerning the six railroads that have been in reorganization, as to how long they have been in reorganization?

Mr. KUYKENDALL. There are different times involved. I believe the oldest one is 1957.

Mr. SHOUP. Well, I do not believe there is any railroad that has been under reorganization for less than 2 years.

Mr. KUYKENDALL. One of the railroads is not yet in reorganization.

Mr. SHOUP. Which one is that?

Mr. KUYKENDALL. If the gentleman will bear with me, I will tell him in a moment.

Mr. SHOUP. Mr. Chairman, let me withdraw that question.

If I may make my point, the gentleman is worrying about the judge making his decision in 60 days. Let us consider the case of the Penn Central. He has had it for how many years? For how many years has he been studying this problem?

I can assure you that the judge, Judge Fullam, knows more about Penn Central and the problems they have and whether or not like today they can be reorganized than anyone in this room.

Mr. KUYKENDALL. I would like to answer the gentleman's question if he will permit me. I am fully agreeing with the gentleman from Montana, and he is not disagreeing with me.

Sure Judge Fullam knows whether they are in bankruptcy or not and is fully qualified to make the decision, but how can he make a decision on a system plan which no one will see for 300 days?

Mr. SHOUP. Will the gentleman yield further?

Mr. KUYKENDALL. I yield.

Mr. SHOUP. At the present time I think Judge Fullam has under consideration a petition by the trustees immediately to liquidate this system up there. You are asking the judge in some way or another to violate the constitutional rights that the creditors have regarding the erosion of their rights and of their values for another 360 days, maybe.

Mr. KUYKENDALL. You know full well that whatever the judge says is the law and whatever Congress says is the law in this case is the law because there is no precedent here. If you ask that judge to make a decision on value and say yes on something on which he has no basis upon which to determine the value, it will not hold up in court later on.

Mr. SHOUP. The only decision that the judge must make—and that is specified very clearly in the bill—is one of three things as to what his decision will be. By making that decision he will make a decision as to how his railroad will be considered under the bill. The decision he makes is this: No. 1, can this railroad be continued to be reorganized under section 77 of the Bankruptcy Act.

Mr. KUYKENDALL. And he has already made that decision.

Mr. SHOUP. That is No. 1. No. 2 is no; that decision is no, and the court has decided to liquidate. The third decision is the judge says "I will use H.R. 9142 as a vehicle to reorganize this railroad rather than liquidating it."

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

Mr. Chairman, as I pointed out in general debate, we tried to pattern this bill on what happened in the New Haven inclusion cases.

I want to point out to the gentleman from Tennessee that the reason why we set the figure at 60 days is that the judge at that point does not have to make a decision as to whether or not the stock being obtained is worth a certain amount of money. He does not even have to make a decision as to whether or not certain of his lines are going to be given to the corporation. The decision he makes at that point is whether or not he wants to accept the statutory system of merger and reorganization that we have provided here. Then we provide at a later point where the consolidated court comes into existence for a determination as to whether the value is appropriate.

It is very important that we have this decision made early as to whether or not a particular railroad will be included in this system because of the six bankrupt railroads—and I know the gentleman will agree with me—we know the courts have stated in five cases already that they will either be liquidated or have to go into some kind of plan that we create because there is no way for them to come out of section 77 on an income basis. The sixth, which happens to be the Erie-Lackawanna—there has to be a determination as to whether it will come in. There has to be a determination made on that so the planners can work on the system.

That is why we said 60 days, because they know what they are dealing with. Most of the judges, as pointed out by the gentleman from Montana, have had these cases for a long period of time. During that period they have had considerable opportunity to determine whether they should accept a merger or not. That kind of information is before the court now. Although you might say that there should be a slightly longer period—and I would be willing to negotiate with the Department of Transportation and others when this bill comes up for conference with the Senate for a later potential date—you cannot go out 360 days on this because the planners and the corporation and the whole operation being worked on would have to work on two different systems. Under "The New Haven Inclusion" cases we can provide for that decision and the court can make such a decision early and with an expedited appeal provision we will know what to do with this system before you get to the valuation question.

Mr. KUYKENDALL. Will the gentleman agree first that my amendment does not change the judgment at 60 days as to whether or not the railroads are going under?

That is the same in both the bill and my amendment.

Mr. ADAMS. It is in effect a meaningless decision at that point if we do not have the fact that they are going to go under the plan, because they have already, with the exception of the Erie Lackawanna, stated that in effect. And if we do not make the decision as we have it in the bill a final one, they do not know whether to get in or get out of this merger system.

Mr. KUYKENDALL. If the gentleman will yield further, in the bill there is the date of September 30, 1973, for valuation. That is true regardless of when the determination is.

Is it not true, I would ask the gentleman from Washington (Mr. ADAMS), that under the bill that until the deficiency judgment, after the railroad is already formed, that between the 60 days the gentleman is talking about and that time of the deficiency judgment there is no judgment made by the court as to the value of the system?

Mr. ADAMS. Yes, that is correct. The valuation of the system—and here again we go back to the New Haven inclusion case, because there we had this type of a decision first, then a transfer of stock basically for assets and then litigation on value. That litigation on valuation lasted for years, and the New Haven case was much smaller in size than this one. We foresee a valuation case that could be litigated for maybe 10 or 15 years, not only on the amount but also which of these six bankrupt estates gets which amount of stock, so we are trying to make the system workable before this decision is made.

Mr. KUYKENDALL. If the gentleman will yield further, so you are going into court with a decision of the court as your only base that never saw the plan.

What I am saying is that the difference in the position of the gentleman from Washington (Mr. ADAMS) and mine, is that I think we have a better position in court if we let that judge see that plan for 60 days, than if we go into court and after the railroads are operating based on a decision where the judge never saw the plan.

The CHAIRMAN. The time of the gentleman has expired.

Mr. STAGGERS. Mr. Chairman, I rise in opposition to the amendments, and I move to strike the requisite number of words.

Mr. Chairman, I oppose the amendment because I believe it just delays the plan, the reorganization plan, beyond what is necessary. We are trying to get something done as quickly as we can.

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

Mr. STAGGERS. I will be happy to yield to the gentleman from Tennessee.

Mr. BAKER. Mr. Chairman, I do not claim to have any less or more knowledge than a good many people who are in the

Chamber at the moment as to the consequences of this amendment as it relates to all other matters, and I have to rely on other means of making a decision rather than personal knowledge. But I would like to ask a question going back to the rights of the employees under this bill, if the gentleman could answer it, and that is: Would the employees of the Southern Railroad, which is making a profit, have the same advantages at the taxpayers' expense as the employees are going to have who happen to be working for a bankrupt railroad?

Mr. STAGGERS. In reply to the inquiry of the gentleman from Tennessee, let me say that these labor provisions apply only to the employees of the bankrupt railroads covered under this bill, and that is because we are starting a new corporation, and we will be putting these men out in the cold unless we take care of them. It will be starting with all new employees, and unless we take care of them under the reorganization plan they would be left in the cold.

Mr. BAKER. So I gather that there has developed some precedent here of a stigma against making a profit in our free enterprise system so far as the rights and the opportunities of general employees are concerned. I believe that is bad.

Mr. SHOUP. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment offered by the gentleman from Tennessee (Mr. KUYKENDALL).

Basically this amendment presented by the gentleman from Tennessee would completely gut and negate the entire plan we have before us.

Actually what it does is it allows the expenditure of some $36 million to build a beautiful plan to solve the problems in the Northeast, and then at the whim of some judge, after this money has been expended, he says: "I do not want to play your game. I am going to say no, so go back to the drawing board and draw a brand new plan."

The entire bill is based on defining which railroads are bankrupt, which ones are going to be liquidated, which ones are in reorganization, and which ones are profitable. We must have an identification of all Northeast railroads or the rest of the plan will be inoperable.

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

Mr. SHOUP. I yield to the gentleman from Tennessee.

Mr. KUYKENDALL. Was this particular mechanism not part of an amendment that the gentleman and others put together to hopefully accommodate the Department of Transportation? The gentleman spoke of a good intent to compromise. Is this not one of them—the language that is in the bill now, the business of making the judge make those other two decisions at the end of 60 days?

Mr. SHOUP. The 60 days, and with the wording in there, with that particular amendment, and making the decision at the front end was the compromise reached on by Mr. ADAMS and myself with the Department of Transportation that that would remove the stigma of condemnation.

Mr. KUYKENDALL. All right, so I really wish the gentleman would consider his language when he says the bill is a complete bust without this language. Until the very last day of consideration, this language was not in the bill at all.

Mr. SHOUP. Apparently I misinterpret what the gentleman said.

Mr. KUYKENDALL. The gentleman said that this bill was gutted.

Mr. SHOUP. If the decision were left to the judge at the end rather than at the first, it would be. The decision must be made at the start of the process, not later on. The compromise was that language would be put in to eliminate the stigma of condemnation. I say if the judge wants to play, and take advantage of Government money, of tax money, of tax assistance, then he is going to make that decision before he gets into the game and not afterwards.

Mr. KUYKENDALL. The gentleman is forcing this judge to make a decision without ever having seen for what the stock is to be given?

Mr. SHOUP. Yes.

The CHAIRMAN. The question is on the amendments offered by the gentleman from Tennessee (Mr. KUYKENDALL).

The question was taken; and on a division (demanded by Mr. KUYKENDALL) there were—ayes 22, noes 53.

So the amendments were rejected.

AMENDMENT OFFERED BY MR. HASTINGS

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

The Clerk read as follows:

Amendment offered by Mr. HASTINGS: Page 97, line 21, strike out "shall" and insert in lieu thereof "may."

Mr. HASTINGS. Mr. Chairman, I will be brief; it should not take 5 minutes.

Section 701 refers to operating subsidies, and loans and loan guarantees for purchase by local, regional or State authorities of railroads that are scheduled for abandonment.

The present language says that the Secretary shall grant such loans or loan guarantees. My amendment makes this a permissive act on the part of the Secretary by changing the language to "The Secretary may grant such loans or loan guarantees."

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

Mr. HASTINGS. I yield to the gentleman from West Virginia.

Mr. STAGGERS. I would agree with the amendment and I think the other Members on this side would accept it too. Mr. Chairman, I accept the amendment.

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

Mr. HASTINGS. I yield to the gentleman from Tennessee.

Mr. KUYKENDALL. Mr. Chairman, I discussed this language in a conference with the gentleman yesterday. If the language is what we discussed, giving discretion to the Secretary in determining that ultimately a loan may be made available, if that is true I would accept it.

Mr. HASTINGS. I would assure the gentleman that I have investigated this matter with the department, this matter the gentleman is concerned with, and his concern would be part of the decision of the Secretary to approve or disapprove any application for a loan or loan guarantee.

Mr. KUYKENDALL. The gentleman has checked this with the Secretary of Transportation?

Mr. HASTINGS. Yes.

Mr. KUYKENDALL. I accept the amendment.

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

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

Mr. DINGELL. Mr. Chairman, I applaud the amendment. I think it is a good amendment.

Mr. HASTINGS. I thank the gentleman from Michigan.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York (Mr. HASTINGS).

The amendment was agreed to.

Mr. DINGELL. Mr. Chairman, everyone was surprised by the Penn Central bankruptcy, including 150,000 stockholders and several Government agencies. In fact, one ICC Commissioner testified the bankruptcy came as a complete surprise to him. One of the prime causes for the surprise was the lack of public information available. The insiders had this information and they bailed out of Penn Central stock before the collapse. The general public, on the other hand, did not have the information. Section 911 of the bill would transfer to the Securities and Exchange Commission the responsibility for insuring adequate public disclosure of material information about railroad securities. The legislation will not prevent a railroad from losing money or going bankrupt but, hopefully, it will let us know which railroad is in trouble sooner so we can prevent another Penn Central collapse.

People who buy stock expect the same legal protections whether they buy stock in Penn Central or General Motors. Right now, they do not have those protections because of loopholes in the Federal securities laws. Studies by the Investigations Subcommittee of the House Commerce Committee and by the SEC showed how the Penn Central Railroad was able to exploit those loopholes. In this era of concern for consumer protection, it is no longer defensible or desirable that the 100,000 stockholders who each owned less than 100 shares of Penn Central stock should be deprived of those protections and safeguards which Congress has long deemed essential.

The remedy to the second-class treatment accorded to investors in railroads is simple: the elimination of each and every exemption from the Federal se-

curities laws for carriers regulated by the ICC. Section 911 will put railroads on an equal footing with other major industries.

The impact of the Penn Central bankruptcy upon investors was enormous. Penn Central suspended indefinitely payment of its regular dividend beginning with the fourth quarter of 1969. The common stock of the Penn Central Co. plummeted from $35 per share in January of 1970 to $6.50 per share on June 22, 1970. This shrinkage in the market value of Penn Central's securities and the elimination of the dividend resulted in incalculable losses to untold numbers of small stockholders who had been led to regard Penn Central as a sound, blue chip investment for their old age. Even the financial reporting services failed to forecast on a timely basis the railroad's economic ill health.

The investigation which followed the first bankruptcy of the New Haven Railroad showed that the railroad's earnings had been overburdened with excessive interest and dividend charges. Like most other railroads at the time, its securities were badly watered and the public lost while insiders benefited. To remedy this abuse, the Interstate Commerce Commission was made responsible in 1920 for overseeing railroad securities. This ICC oversight, however, is aimed at protecting railroads from themselves, not at protecting the investing public.

Forty years ago, Congress set forth in schedule A to the Securities Act of 1933 certain minimal informational requirements it determined were essential for inclusion in a prospectus to enable investors to make an informed investment decision. Until September of this year, the ICC did not bother to put a single one of these requirements in writing. While American industry as a whole had to make full disclosure of such things as management compensation, stock options and insider transactions, railroads were able to withhold this information because of section 3(a)(6) of the Securities Act.

To insure further public disclosure, the Securities Exchange Act of 1934 imposed upon companies with substantial public investor participation the requirement to make periodic reports on a continuing basis. These reports were intended to keep investors informed about the financial, managerial and economic condition of their companies. Again, rail carriers have been able to avoid full disclosure by virtue of section 13(b) of the Securities Exchange Act which exempts them from filing periodic reports on a basis consistent with and comparable to other public companies.

The Trust Indenture Act of 1939 incorporated specific statutory provisions assuring investors in bonds and debentures important protections against dishonest or irresponsible indenture trustees and corporate managements. Rail carriers issuing securities pursuant to an indenture are exempt from the act. Although the ICC, by its rule-making authority, could have established the same protections for investors in bonds and debentures of such carriers, to date it has not done so.

On April 29, 1970, the Pennsylvania Co., as part of its filing with the ICC for approval to issue $100 million of sinking fund debentures due 1995, included a preliminary indenture. Analysis of the indenture revealed that it would have permitted virtually all of the abuses the Trust Indenture Act was intended to prevent.

The indenture failed to prohibit the possession or acquisition by the trustee of interests materially in conflict with that of the debenture holders. In fact, the trustee did have such a materially conflicting interest. The indenture failed to include any restriction on the rights of the trustee to improve its position as a creditor to the detriment of the debenture holders. In fact, the trustee was one of 10 banks which appropriated the deposit accounts of the Pennsylvania Co. and was a member of the group of 48 banks involved in the petition filed by First National City Bank attempting to foreclose on the Pennsylvania Co. stock pledged as collateral on a $300 million debt. The indenture omitted any provision for periodic reports by the trustee to the debenture holders. Other objectionable provisions, which would have been proscribed by the Trust Indenture Act, were also permitted in the indenture.

The most glaring lack of investor protections in securities of railroads subject to ICC regulation lies in the area of investment companies. The Investment Company Act of 1940, which is essentially a Federal law of trust applied to the investment company industry, regulates the activities of companies engaged primarily in the business of investing and trading in securities.

The act, among other things, strictly limits the legal ability of investment companies to engage in transactions with affiliates—especially transfers of assets—improper allocation of expenses, loans to a parent company, guarantees of financial obligations of a parent company and the creation of an oppressive debt structure. Penn Central's investment company subsidiary, the Pennsylvania Co., however, was able to evade all these prohibitions because section 3(c)(7) of the Investment Company Act exempts any company subject to regulation under the Interstate Commerce Act. This exemption denied to investors in Penn Central Co. and its publicly held subsidiaries the substantial protections accorded to investors in investment companies subject to the regulation of the SEC.

An investment company can avoid the regulation Congress determined was necessary to protect the public against abuse, not by a policy of self-restraint, but rather by expansion into an area which may detract from sound economic conditions in transportation. This is possible because of the gap in Federal regulation that arises from the juxtaposition of the 1940 act and the Interstate Commerce Act.

The SEC has on a number of occasions in past years pointed out that section 3(c)(7) permits a corporation which largely may be engaged in the business of investing and trading in securities to avoid regulation under the Investment Company Act simply by acquiring, with a small fraction of its assets, a common carrier, or to some minor extent being directly engaged in the business of an interstate carrier.

Conglomerates which might otherwise be subject to SEC regulation have found this exemption useful. Section 911(c) will limit not only railroad investment companies but also limit motor carrier investment companies. It will not interfere with legitimate and limited investment activity by bona fide rail and motor carriers.

The ICC has responsibility for the economic regulation of carriers subject to its jurisdiction and in that capacity passes upon the fitness of the carrier to issue securities. It will continue to exercise this very important function. The SEC, on the other hand, has responsibility "to provide full and fair disclosure of the character of securities sold in interstate and foreign commerce and through the mails, and to prevent frauds in the sale thereof."

In adopting section 911, the House Commerce Committee has noted the experience of public utilities subject to the jurisdiction of the Federal Power Commission. The economic regulation by that agency has not been impeded by the concurrent jurisdiction of the SEC over the securities of those utilities. Rather, more effective protections to consumers and to investors have been achieved.

The provisions of section 911, by putting rail carriers on an equal footing with other issuers, should enhance the opportunities of those carriers to raise capital in the public money markets. Comparability in the financial and other disclosure requirements which would now be extended to railroads will enable investors to evaluate the merits of rail securities on a more meaningful basis. It is hoped that it may also mitigate the effects of any future major rail bankruptcy similar to the Penn Central fiasco since two independent agencies will have the responsibility for monitoring the reports of those carriers.

AMENDMENT OFFERED BY MR. PEYSER

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

The Clerk read as follows:

Amendment offered by Mr. PEYSER: Page 64, line 14, immediately after "requirements" insert "(including safety requirements)".

Mr. PEYSER. Mr. Chairman, this is a very brief amendment and I think we can move right on it. One of the goals of this new system should be that adequate safety requirements are in being for all commuter trains.

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

Mr. PEYSER. I yield to the gentleman from West Virginia.

Mr. STAGGERS. Mr. Chairman, we would accept the amendment because I think it is worthwhile and really helps the bill. I hope all Members on this side will too.

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

Mr. PEYSER. I yield to the gentleman from Tennessee.

Mr. KUYKENDALL. Mr. Chairman, I

will be very happy to accept the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York (Mr. PEYSER).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. HEINZ

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

The Clerk read as follows:

Amendment offered by Mr. HEINZ: Page 87, line 22 after "discontinued" insert "after hearings by the Commission and".

Mr. HEINZ. Mr. Chairman, this is an amendment to section 503 of the bill. It provides for public hearings and concomitant notification to the public of hearings to be conducted by the Interstate Commerce Commission at such locations as may be deemed appropriate before or after, but preferably before the 90 days written notice to shippers and Government agencies currently required by section 503. The reason for amending the bill to include hearings is that as the bill stands now it only provides for notification to Governors, State agencies, local government and shippers, but it does not provide for the public to be made aware and for opportunity for comment by the public.

I submit that this is important to do, because the public should have an awareness of and a voice in State and local government plans to utilize title VII of this bill, which provides for 70 percent Federal sharing for operational subsidies and purchases for rail lines that would not be operated by the new rail corporation. We do not want any hidden "sweetheart" agreements between shippers and Government officials since these might well be contrary to the public interest. We do want a full understanding by the public of what may be proposed to serve the public at large.

In conclustion, I want to make clear that this amendment does not do certain things. It does not slow down or impede designation of the final system plan. Nor does it slow or impede the pace at which action will or should be taken under any section of title V beyond what is already in the bill.

Mr. Chairman, I urge the adoption of the amendment.

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

Mr. HEINZ. I yield to the gentleman from West Virginia.

Mr. STAGGERS. Mr. Chairman, I have looked at the amendment and I can accept this amendment and I hope other Members on this side will too.

Mr. HEINZ. I thank the chairman sincerely.

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

Mr. HEINZ. I yield to the gentleman from Tennessee.

Mr. KUYKENDALL. I will be happy to accept the amendment.

Mr. HEINZ. I thank the gentleman and take this opportunity to express my appreciation to the gentlemen from West Virginia, Tennessee, Washington, and Montana for the outstanding leadership they have demonstrated in bringing before this body a badly needed, complex, difficult, and good faith, compromise on the many issues that H.R. 9142, the Regional Rail Reorganization Act of 1973 on balance successfully resolves. Although the bill is not perfect and I do have certain reservations that I have made clear in committee, I intend to support passage of the bill and so urge my colleagues.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania (Mr. HEINZ).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. KUYKENDALL

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

The Clerk read as follows:

Amendment offered by Mr. KUYKENDALL: Page 79, line 24, immediately after "assigned" insert "shall have all the powers of a reorganization court in proceedings under section 77 of the Bankuptcy Act and".

Mr. KUYKENDALL. Mr. Chairman, this is an amendment, I believe, that the gentleman from Washington had agreed to in the committee if we found it was needed.

May I have the gentleman's attention? I believe the gentleman would find this amendment agreeable. I would hope so.

Mr. STAGGERS. Mr. Chairman, I agree with the gentleman. I would be in favor of the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Tennessee (Mr. KUYKENDALL).

The amendment was agreed to.

Mr. KUYKENDALL. Mr. Chairman, I have one final amendment.

AMENDMENT OFFERED BY MR. KUYKENDALL

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

The Clerk read as follows:

Amendment offered by Mr. KUYKENDALL: Page 92, beginning in line 21, strike out all after the word "properties" through the end of the sentence.

Mr. KUYKENDALL. Mr. Chairman, I am inclined to believe this is a drastic oversight in the bill, because we have placed in the bill a maximum amount of $200 million that can be spent by the corporation for acquisition of FNRA loans. The language that is now in the bill would require that all that money be spent in the bankrupt estates and none could be spent for acquiring the nonbankrupt estates, or profitable railroads. There are scores of small 10 miles or 15 miles of track here and there that belong to profitable estates, leases, and this type of thing.

It was my understanding of the bill that the purpose of this $200 million in cash was to be at least partially used for the acquisition of properties on the nonbankrupt and profitable railroads, because there is going to be some of that done.

My amendment allows either the use of this money with the bankrupt properties in case of a deficiency judgment, Mr. ADAMS, the bankrupt, or the profitable properties in case they are forced to pay cash for nonbankrupt properties.

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

Mr. KUYKENDALL. I yield to the gentleman.

Mr. SHOUP. I believe the gentleman's comment about the $200 million was well put, in that it lists only $200 million that may be given or guaranteed in loans.

Mr. KUYKENDALL. That is correct.

Mr. SHOUP. To the bankrupt and others in the reorganization.

Mr. KUYKENDALL. It was my amendment, but that was not in the amendment.

Mr. SHOUP. It says that it shall be available solely for the rehabilitation and modernization of rail properties acquired by the corporation under this act. This only limits how much guaranteed loans will be available to the corporation of $200 million, not where they can use it, but $200 million available for the corporation.

Mr. KUYKENDALL. As a matter of record, may I have a colloquy with both the gentleman from Montana and the gentleman from Washington?

The way I read this language, Mr. ADAMS, they cannot buy 20 miles of track from a nonbankrupt railroad that might be needed in that system with this money.

Mr. ADAMS. I cannot agree with the gentleman. Turn to page 57 of the bill. You will see that it says the term "rail properties" means all of the assets and business owned, leased, or otherwise controlled by a railroad which are used or useful in rail transportation service.

So it was our interpretation that the language presently in the bill would allow this money to be used for railroads within the system, such as the Penn Central system, which has 47 separate entities within it.

The reason I have to oppose the amendment of the gentleman is that in reading it, it would allow $200 million to the limit to be used up for profitable properties and then there would not be the money if it were necessary in a deficiency judgment where a court would say in reorganization that it has to pay either cash or securities for this 100-mile segment.

Is there any part of the system where a small amount of cash has to be used, that this money cannot be used?

Mr. ADAMS. Mr. Chairman, I am having a little trouble with the gentleman's semantics. I think, in answer to his question, the answer is yes. The bill, as it is written, contemplates that, if the gentleman says that a particular segment has to be paid for in cash or securities, that they can use this $200 million for that, whether that particular segment within the system happens to be profitable or nonprofitable.

Mr. KUYKENDALL. Mr. Chairman, let me ask it a different way, then. If a nonbankrupt subsidiary of Penn Central owns 50 miles of track, I want to know if the money on this $200 million may be used for acquiring from a nonbankrupt subsidiary of Penn Central.

Mr. ADAMS. Mr. Chairman, my answer is yes, based on section 10, page 57, the section we are presently discussing.

Mr. KUYKENDALL. Mr. Chairman, I ask unanimous consent to withdraw my amendment.

The Chairman. Is there objection to

the request of the gentleman from Tennessee?

There was no objection.

The CHAIRMAN. Are there additional amendments?

If not, the question is on the Committee amendment in the nature of a substitute, as amended.

The Committee amendment in the nature of a substitute, as amended, was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose, and the Speaker having resumed the chair, Mr. LANDRUM, 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. 9142) to restore, support, and maintain modern, efficient rail service in the northeast region of the United States, to designate a system of essential rail lines in the northeast region, to provide financial assistance to rail carriers in the northeast region, to improve competitive equity among surface transportation modes, to improve the process of Government regulation, and for other purposes pursuant to House Resolution 688, he reported the bill back to the House with an amendment 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 to the committee amendment adopted in the Committee of the Whole?

Mr. STAGGERS. Mr. Speaker, I demand a separate vote on the amendment offered by the gentleman from Tennessee (Mr. KUYKENDALL), on page 111.

The SPEAKER. The Clerk will report the amendment on which a separate vote is demanded.

The Clerk read as follows:

Amendment: Page 111, strike out lines 12 through 18 and insert in lieu thereof the following:

(c) Except as otherwise provided in this subsection the monthly displacement allowance provided for in subsection (b) of this section shall continue—

(1) until the attainment of age 65 in the case of a protected employee with at least five years of service on the effective date of this Act who is deprived of employment;

(2) for a period of six years or the attainment of age 65, whichever first occurs, in the case of a protected employee with at least five years of service on such effective date who is adversely affected with regard to his compensation; and

(3) for a period equal to his total prior years of service in the case of a protected employee who has less than five years service on such date of enactment.

Page 111, line 19, strike out "such" and insert in lieu thereof "Such".

The SPEAKER. The question is on the amendment to the committee amendment offered by the gentleman from Tennessee (Mr. KUYKENDALL).

The question was taken and the Speaker announced that the ayes appeared to have it.

Mr. STAGGERS. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were refused.

Mr. STAGGERS. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 187, nays 198, not voting 48, as follows:

[Roll No. 571]

YEAS—187

Abdnor	Goldwater	Price, Tex.
Andrews, N.C.	Goodling	Pritchard
Archer	Green, Oreg.	Quie
Arends	Gross	Quillen
Armstrong	Grover	Railsback
Ashbrook	Gubser	Rarick
Bafalis	Gunter	Regula
Baker	Haley	Rhodes
Beard	Hanrahan	Robinson, Va.
Bennett	Harsha	Robison, N.Y.
Bowen	Heinz	Rogers
Bray	Henderson	Roncallo, N.Y.
Breaux	Hicks	Rousselot
Brinkley	Hinshaw	Ruppe
Broomfield	Hogan	Ruth
Brotzman	Huber	Sandman
Brown, Mich.	Hudnut	Sarasin
Broyhill, N.C.	Hunt	Satterfield
Broyhill, Va.	Hutchinson	Scherle
Burlison, Mo.	Ichord	Schneebeli
Butler	Jarman	Sebelius
Camp	Johnson, Colo.	Shriver
Casey, Tex.	Johnson, Pa.	Shuster
Cederberg	Jones, N.C.	Sikes
Chamberlain	Jones, Okla.	Skubitz
Chappell	Keating	Smith, N.Y.
Clancy	Kemp	Stanton,
Clausen,	Ketchum	J. William
Don H.	King	Steelman
Clawson, Del	Kuykendall	Steiger, Ariz.
Cleveland	Landgrebe	Steiger, Wis.
Cochran	Landrum	Stephens
Collier	Latta	Symms
Collins, Tex.	Litton	Talcott
Conable	Long, La.	Taylor, Mo.
Conlan	Lott	Taylor, N.C.
Conte	Lujan	Teague, Calif.
Coughlin	McClory	Thomson, Wis.
Daniel, Dan	McCloskey	Thornton
Daniel, Robert	McCollister	Towell, Nev.
W., Jr.	McSpadden	Treen
Davis, Ga.	Mailliard	Vander Jagt
Dellenback	Mallary	Veysey
Dennis	Mann	Waggonner
Derwinski	Martin, Nebr.	Wampler
Devine	Martin, N.C.	Ware
Dickinson	Mathias, Calif.	White
Downing	Mathis, Ga.	Whitehurst
Duncan	Mayne	Whitten
du Pont	Mazzoli	Widnall
Edwards, Ala.	Michel	Williams
Erlenborn	Milford	Wilson, Bob
Eshleman	Miller	Winn
Findley	Mitchell, N.Y.	Wyatt
Fish	Mizell	Wydler
Fisher	Montgomery	Wylie
Flynt	Moorhead,	Wyman
Ford, Gerald R.	Calif.	Young, Alaska
Forsythe	Nichols	Young, Fla.
Fountain	O'Brien	Young, Ill.
Frelinghuysen	Parris	Young, S.C.
Frenzel	Pickle	Zion
Frey	Poage	Zwach
Froehlich	Powell, Ohio	

NAYS—198

Abzug	Brooks	Dingell
Adams	Brown, Calif.	Donohue
Addabbo	Burke, Mass.	Drinan
Anderson,	Burton	Dulski
Calif.	Byron	Eckhardt
Anderson, Ill.	Carey, N.Y.	Edwards, Calif.
Andrews,	Carney, Ohio	Eilberg
N. Dak.	Carter	Evans, Colo.
Annunzio	Chisholm	Evins, Tenn.
Ashley	Clark	Fascell
Aspin	Clay	Flood
Badillo	Cohen	Flowers
Barrett	Collins, Ill.	Foley
Bauman	Cotter	Ford,
Bergland	Cronin	William D.
Bevill	Culver	Fraser
Biaggi	Daniels,	Fulton
Bingham	Dominick V.	Fuqua
Boggs	Danielson	Gaydos
Boland	Davis, S.C.	Gettys
Bolling	Delaney	Giaimo
Brademas	Denholm	Gibbons
Brasco	Dent	Gilman
Breckinridge	Diggs	Ginn
Gonzalez	Metcalfe	Schroeder
Grasso	Mezvinsky	Seiberling
Gray	Minish	Shipley
Green, Pa.	Mink	Shoup
Griffiths	Moakley	Sisk
Gude	Mollohan	Slack
Hamilton	Moorhead, Pa.	Smith, Iowa
Hanley	Morgan	Snyder
Hanna	Mosher	Spence
Hansen, Idaho	Moss	Staggers
Hansen, Wash.	Murphy, N.Y.	Stanton,
Harrington	Natcher	James V.
Hastings	Nelsen	Stark
Hays	Nix	Steed
Hechler, W. Va.	Obey	Steele
Heckler, Mass.	O'Neill	Stokes
Helstoski	Owens	Stratton
Holifield	Passman	Stubblefield
Holt	Patten	Stuckey
Holtzman	Pepper	Studds
Horton	Perkins	Sullivan
Howard	Pettis	Symington
Hungate	Peyser	Thompson, N.J.
Johnson, Calif.	Pike	Thone
Jones, Ala.	Podell	Tiernan
Jordan	Preyer	Udall
Karth	Price, Ill.	Ullman
Kastenmeier	Randall	Van Deerlin
Kazen	Rangel	Vanik
Kluczynski	Rees	Vigorito
Koch	Reid	Walsh
Kyros	Reuss	Whalen
Lehman	Riegle	Wilson,
Long, Md.	Rinaldo	Charles H.,
McCormack	Rodino	Calif.
McDade	Roe	Wilson,
McFall	Roncalio, Wyo.	Charles, Tex.
McKay	Rooney, Pa.	Wolff
McKinney	Rosenthal	Wright
Macdonald	Rostenkowski	Yates
Madden	Roy	Yatron
Madigan	Roybal	Young, Ga.
Maraziti	Ryan	Young, Tex.
Matsunaga	St Germain	Zablocki
Meeds	Sarbanes	

NOT VOTING—48

Alexander	Dorn	Minshall, Ohio
Bell	Esch	Mitchell, Md.
Biester	Guyer	Murphy, Ill.
Blackburn	Hammer-	Myers
Blatnik	schmidt	Nedzi
Brown, Ohio	Harvey	O'Hara
Buchanan	Hawkins	Patman
Burgener	Hébert	Roberts
Burke, Calif.	Hillis	Rooney, N.Y.
Burke, Fla.	Hosmer	Rose
Burleson, Tex.	Jones, Tenn.	Roush
Conyers	Leggett	Runnels
Corman	Lent	Teague, Tex.
Crane	McEwen	Waldie
Davis, Wis.	Mahon	Wiggins
de la Garza	Melcher	
Dellums	Mills, Ark.	

So the amendment to the committee amendment was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Teague of Texas for, with Mr. Rooney of New York against.

Mr. Hébert for, with Mr. Waldie against.

Mr. Mahon for, with Mr. Hawkins against.

Mr. Dorn for, with Mr. Dellums against.

Mr. Burleson of Texas for, with Mr. Blatnik against.

Mr. Patman for, with Mrs. Burke of California against.

Mr. Guyer for, with Mr. O'Hara against.

Mr. Wiggins for, with Mr. Murphy of Illinois against.

Mr. Crane for, with Mr. Nedzi against.

Until further notice:

Mr. Alexander with Mr. Hammerschmidt.

Mr. Corman with Mr. Brown of Ohio.

Mr. Conyers with Mr. Davis of Wisconsin.

Mr. Jones of Tennessee with Mr. Bell.

Mr. Leggett with Mr. Esch.

Mr. Mills of Arkansas with Mr. Biester.

Mr. Roberts with Mr. Burke of Florida.

Mr. Roush with Mr. Blackburn.

Mr. Runnels with Mr. Buchanan.

Mr. Rose with Mr. Lent.

Mr. McEwen with Mr. Hillis.

Mr. Harvey with Mr. Minshall of Ohio.

Mr. Meyers with Mr. Hosmer.

The result of the vote was announced as above recorded.

The SPEAKER. The question is on the committee amendment.

The committee amendment was agreed to.

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.

MOTION TO RECOMMIT OFFERED BY MR. BAKER

Mr. BAKER. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. BAKER. I am, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. BAKER moves to recommit the bill H.R. 9142 to the Committee on Interstate and Foreign Commerce.

The SPEAKER. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER. The question is on the motion to recommit.

The motion to recommit was rejected.

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 vote was taken by electronic device, and there were—yeas 306, nays 82, not voting 45, as follows:

[Roll No. 572]

YEAS—306

Abdnor	Cleveland	Fuqua
Abzug	Cochran	Gaydos
Adams	Cohen	Gettys
Addabbo	Collier	Giaimo
Anderson, Calif.	Collins, Ill.	Gilman
Anderson, Ill.	Conable	Ginn
Andrews, N.C.	Conte	Goldwater
Andrews, N. Dak.	Cotter	Gonzalez
Annunzio	Coughlin	Grasso
Ashley	Cronin	Gray
Aspin	Culver	Green, Oreg.
Badillo	Daniel, Dan	Green, Pa.
Barrett	Daniel, Robert W., Jr.	Grover
Bauman	Daniels, Dominick V.	Gubser
Bergland	Danielson	Gude
Biaggi	Davis, Ga.	Haley
Bingham	Davis, S.C.	Hamilton
Boggs	Delaney	Hanley
Boland	Dellums	Hansen, Idaho
Bolling	Dent	Hansen, Wash.
Bowen	Diggs	Harrington
Brademas	Dingell	Harsha
Brasco	Donohue	Hastings
Bray	Downing	Hays
Breaux	Drinan	Heckler, Mass.
Breckinridge	Dulski	Heinz
Brinkley	du Pont	Helstoski
Brooks	Eckhardt	Henderson
Brotzman	Edwards, Calif.	Hinshaw
Brown, Calif.	Eilberg	Hogan
Broyhill, Va.	Erlenborn	Holifield
Burke, Mass.	Eshleman	Holt
Burton	Evans, Colo.	Holtzman
Butler	Evins, Tenn.	Horton
Byron	Fascell	Howard
Camp	Fish	Hudnut
Carey, N.Y.	Fisher	Hungate
Carney, Ohio	Flood	Hunt
Carter	Flowers	Jarman
Casey, Tex.	Foley	Johnson, Calif.
Chamberlain	Ford, William D.	Johnson, Pa.
Chappell	Forsythe	Jones, Ala.
Chisholm	Fountain	Jones, N.C.
Clark	Fraser	Jones, Okla.
Clausen, Don H.	Frenzel	Jordan
Clay	Fulton	Karth
		Kazen
		Keating
		Kemp
Ketchum	Parris	Stanton, James V.
King	Passman	Steed
Kluczynski	Patten	Steele
Koch	Pepper	Steelman
Kyros	Perkins	Stephens
Landrum	Pettis	Stokes
Leggett	Peyser	Stratton
Lehman	Pickle	Stubblefield
Lent	Pike	Stuckey
Litton	Podell	Studds
Long, La.	Preyer	Sullivan
Lott	Price, Ill.	Symington
McClory	Quillen	Talcott
McCloskey	Railsback	Taylor, N.C.
McCollister	Randall	Thompson, N.J.
McCormack	Rangel	Thomson, Wis.
McDade	Rees	Thone
McFall	Regula	Thornton
McKay	Reid	Tiernan
McKinney	Reuss	Towell, Nev.
McSpadden	Rhodes	Udall
Macdonald	Riegle	Ullman
Madden	Rinaldo	Van Deerlin
Madigan	Robinson, Va.	Vanik
Mailliard	Robison, N.Y.	Veysey
Mallary	Rodino	Vigorito
Mann	Roe	Waggonner
Maraziti	Rogers	Walsh
Martin, Nebr.	Roncalio, Wyo.	Ware
Mathias, Calif.	Roncallo, N.Y.	Whalen
Matsunaga	Rooney, Pa.	White
Mayne	Rosenthal	Whitehurst
Mazzoli	Rostenkowski	Whitten
Meeds	Roy	Widnall
Metcalfe	Roybal	Williams
Mezvinsky	Ryan	Wilson, Charles H., Calif.
Michel	St Germain	
Milford	Sandman	
Minish	Sarasin	Wilson, Charles, Tex.
Mink	Sarbanes	
Mitchell, Md.	Satterfield	Winn
Mitchell, N.Y.	Scherle	Wolff
Moakley	Schneebeli	Wright
Mollohan	Sebelius	Wyatt
Montgomery	Seiberling	Wydler
Moorhead, Pa.	Shipley	Wylie
Morgan	Shoup	Wyman
Mosher	Shriver	Yates
Moss	Shuster	Yatron
Murphy, N.Y.	Sisk	Young, Ga.
Natcher	Skubitz	Young, Ill.
Nelsen	Slack	Young, Tex.
Nix	Smith, Iowa	Zablocki
O'Brien	Smith, N.Y.	Zion
O'Hara	Snyder	
O'Neill	Spence	
Owens	Staggers	

NAYS—82

Alexander	Flynt	Obey
Archer	Ford, Gerald R.	Poage
Arends	Frelinghuysen	Powell, Ohio
Armstrong	Frey	Price, Tex.
Ashbrook	Froehlich	Pritchard
Bafalis	Gibbons	Quie
Baker	Goodling	Rarick
Beard	Gross	Rousselot
Bennett	Gunter	Ruppe
Bevill	Hanrahan	Ruth
Broomfield	Hechler, W. Va.	Schroeder
Brown, Mich.	Hicks	Sikes
Broyhill, N.C.	Huber	Stanton, J. William
Burlison, Mo.	Hutchinson	
Cederberg	Johnson, Colo.	Stark
Clancy	Kastenmeier	Steiger, Ariz.
Clawson, Del	Kuykendall	Steiger, Wis.
Collins, Tex.	Landgrebe	Symms
Conlan	Latta	Taylor, Mo.
Dellenback	Long, Md.	Teague, Calif.
Denholm	Lujan	Treen
Dennis	Martin, N.C.	Vander Jagt
Derwinski	Mathis, Ga.	Wampler
Devine	Miller	Wilson, Bob
Dickinson	Mizell	Young, Alaska
Duncan	Moorhead, Calif.	Young, Fla.
Edwards, Ala.	Nichols	Young, S.C.
Findley		Zwach

NOT VOTING—45

Bell	Esch	Mills, Ark.
Biester	Griffiths	Minshall, Ohio
Blackburn	Guyer	Murphy, Ill.
Blatnik	Hammer-schmidt	Myers
Brown, Ohio		Nedzi
Buchanan	Hanna	Patman
Burgener	Harvey	Roberts
Burke, Calif.	Hawkins	Rooney, N.Y.
Burke, Fla.	Hébert	Rose
Burleson, Tex.	Hillis	Roush
Conyers	Hosmer	Runnels
Corman	Ichord	Teague, Tex.
Crane	Jones, Tenn.	Waldie
Davis, Wis.	McEwen	Wiggins
de la Garza	Mahon	
Dorn	Melcher	

So the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Hébert for, with Mr. Melcher against.
Mr. Biester for, with Mr. Wiggins against.
Mr. Esch for, with Mr. Guyer against.
Mr. Myers for, with Mr. Crane against.

Until further notice:

Mr. Teague of Texas with Mr. Runnels
Mr. Rooney of New York with Mr. Roberts.
Mr Burleson of Texas with Mr. Rose.
Mr. Conyers with Mr. Waldie.
Mr. Corman with Mr. Davis of Wisconsin.
Mr. Mahon with Mr. Hosmer.
Mr. Nedzi with Mr. Bell.
Mr. Mills of Arkansas with Mr. McEwen.
Mrs. Griffiths with Mr. Blackburn.
Mr. Dorn with Mr. Hammerschmidt.
Mr. Blatnik with Mr. Hillis.
Mr. Hanna with Mr. Minshall of Ohio.
Mr. Ichord with Mr. Brown of Ohio.
Mr. Jones of Tennessee with Mr. Patman.
Mr. Murphy of Illinois with Mr. Buchanan.
Mrs. Burke of California with Mr. Harvey.
Mr. de la Garza with Mr. Burke of Florida.
Mr. Hawkins with Mr. Roush.

The result of the vote was announced as above recorded.

The title was amended so as to read: "A bill to restore, support, and maintain modern, efficient rail service in the northeast region of the United States; to designate a system of essential rail lines in the northeast region; to provide financial assistance to certain rail carriers; and for other purposes."

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. STAGGERS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed.

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

There was no objection.

PERMISSION FOR COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE TO FILE CONFERENCE REPORT ON H.R. 1570

Mr. STAGGERS. Mr. Speaker, I ask unanimous consent that the Committee on Interstate and Foreign Commerce have until midnight Saturday night to file a conference report on the bill H.R. 1570.

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

There was no objection.

LEGISLATIVE PROGRAM

(Mr. ARENDS asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. ARENDS. Mr. Speaker, I ask unanimous consent to proceed for 1 minute in order to ask the distinguished majority leader if he will inform the House of the program until next week.

Mr. O'NEILL. Mr. Speaker, will the gentleman yield?

Mr. ARENDS. I yield to the distinguished majority leader.

Mr. O'NEILL. Mr. Speaker, in response to the question of the distinguished minority whip, there is no further legislative business for today. Upon the announcement of the program for next week, I will ask unanimous consent to go over until Monday.

The program of the House of Representatives for the week of November 12, 1973, is as follows:

Monday is District Day. There are no bills. S. 1081, the trans-Alaskan pipeline authorization conference report.

On Tuesday we will consider H.R. 8916, State, Justice, Commerce, and judiciary appropriations, for the fiscal year 1974, a conference report; and H.R. 8877, Labor and HEW appropriations for the fiscal year 1974, a conference report.

On Wednesday we will consider S. 1435, District of Columbia self-government, a conference report; H.R. 11216, AEC supplemental authorization, subject to a rule being granted; and House Resolution 128, Members convicted of certain crimes, subject to a rule being granted.

On Thursday, we will consider the Social Security Act amendments, subject to a rule being granted. We will also consider two bills reported unanimously by the Committee on Ways and Means, as follows: H.R. 7780, duties on certain yarns of silk; and H.R. 6642, duties on certain bicycle parts. We will also consider military construction appropriations, subject to a rule being granted.

Conference reports may be brought up at any time, and any further program will be announced later.

The House will be in recess for Thanksgiving, from the close of business on Thursday, November 15, 1973, until noon Monday, November 26, 1973. We plan to bring up on that day, November 26, the very important manpower bill, and all Members should take note of that at this time.

Mr. Speaker, if the gentleman will yield further, I will continue with my remarks.

I would like to state further that during Thanksgiving week, the Committee on the Judiciary will continue to meet and work on the very important matters before it concerning the Special Prosecutor legislation and the nomination of the distinguished minority leader, the gentleman from Michigan (Mr. GERALD R. FORD.)

This work will be expedited by the fact that the House will not be meeting, and committee sessions will not be interrupted by quorum calls and rollcalls. The committee will meet morning, noon, and night, as well as afternoons. When we return on November 26, we intend to take up major legislation, including the manpower bill, the special prosecutor bill, defense appropriations, supplemental appropriations, and possibly the foreign aid appropriations bill, all subject to being ready from the committees.

We will consider the Ford nomination on the floor on or before December 6. In addition, we should have the pension reform bill on that week and the budget reform bill.

Mr. Speaker, this list is not meant to be complete, but only to give the Members an idea that while we are taking 3 days off during Thanksgiving, during time that we would not normally work, there will be a considerable amount of work being done by committees.

Mr. ARENDS. Mr. Speaker, will the gentleman advise us concerning when the leadership will call up the recess resolution?

Mr. O'NEILL. Mr. Speaker, we hope to call up the recess resolution some day next week. It has already been agreed to by the leadership on the Senate side.

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

Mr. ARENDS. I yield to the gentleman from Arizona.

Mr. RHODES. Mr. Speaker, I have asked for this time in order to confirm an understanding which I had had with the chairman of the Committee on the Judiciary as to the reporting of the name of the distinguished minority leader for confirmation as Vice President of the United States.

It is my understanding that the rule will be reported to the House on or before December 6.

Does that mean that we will be extending the time, as reported by the majority leader?

Mr. O'NEILL. Mr. Speaker, we have that scheduled for the week of December 3, I believe. When I say, "we" I mean the leadership on our side.

Consequently we should be out of here that week before December 6, and it is my understanding that the gentleman has an agreement that has been made between himself and the majority whip and the chairman of the Committee on the Judiciary that this matter would be up before December 6.

ADJOURNMENT OVER TO MONDAY, NOVEMBER 12, 1973

Mr. O'NEILL. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet on Monday next.

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

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. O'NEILL. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule be dispensed with on Wednesday next.

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

There was no objection.

MAJORITY LEADER THOMAS P. O'NEILL, JR., SAYS CONGRESS HAS DONE MORE ABOUT ENERGY THAN THE ADMINISTRATION

(Mr. O'NEILL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. O'NEILL. Mr. Speaker, President Nixon's television address on energy last night had two distinct sides to it.

First, he called for a lot of commonsense measures to conserve energy, things that everybody can understand and cooperate with—lowering room temperatures, reducing driving speeds, going to all-year daylight saving, using urban mass transportation. To the extent that the President needs legislation to accomplish these kinds of objectives, the Congress will give it to him.

But the other side of the President's address was the attempt to divert public attention from his personal problems. He blamed Congress for failing to act on energy. But, if anything, this Congress has done more about energy than the administration.

Last April, we gave the President standby authority to make mandatory fuel allocations. Only this month has he begun to use it. A bill requiring him to allocate fuels is now out of conference, and we intend to pass that as soon as we can.

The bill has taken so long to pass because the administration deliberately stalled it—asked us repeatedly through the summer and fall to hold up until the President's emergency energy plan was ready. No such plan was ever sent to Congress.

That is the way it has been with most of his energy messages—and he has sent us four this year on that one subject. But the legislation he promises us always lags far behind. Congress has been working as expeditiously as possible on his energy proposals, considering their complexity and far-reaching consequences. In each instance, we have to take into account the effects upon consumer and environmental interests.

Congress has given the President authority to regulate oil exports. We expect to take final action on the Alaska pipeline conference next week, and at the same time surface mining regulations will go into final mark-up. One other important energy measure is already in conference—operating subsidies for urban mass transit so we can get the cars off the roads. There are reports that the President would veto that bill. I certainly hope not, because we intend to get it up for final passage as soon as possible and get it to the President to help him with this fight to conserve energy.

MANDATORY PETROLEUM ALLOCATION PROGRAM

(Mr. FASCELL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FASCELL. Mr. Speaker, several problems regarding the mandatory petroleum allocation program have come to my attention this week which give me considerable concern. I would like to discuss them briefly.

The program for mandatory allocation of middle distillate fuels—kerosene, jet fuel, home heating oil, diesel fuel, and

range, stove, and gas oil—became effective last Thursday, November 1.

Under the program, suppliers are required to supply their customers at the same volume they were supplied during 1972. If a supplier had no contract with a particular company during 1972, it is under no obligation to make any fuel available to that customer in 1973.

As a result, some businesses have been notified by their October 1973 suppliers that as of November 1—the effective date of the program—they would no longer be able to service them.

This was the case with a marine construction firm in Florida. They received notification on October 22 that as of November 1, Standard Oil who had been supplying them in recent months, would no longer be able to do so. The firm's 1972 supplier has gone out of business, however, and the company therefore had no access to any supplier.

A telegram was sent to the Office of Oil and Gas on October 26 by the construction firm, requesting that they be assigned a supplier. My office contacted the regional Office of Oil and Gas that day. Although the office was working under a substantial backlog, one of the officials there agreed to contact the Florida firm. Since the initial contact, however, no further action has been taken, and the Florida firm is still without a supplier.

Repeated attempts to reach the regional office to inquire about the case have met with no success. Telephones are busy or ring unanswered. The regional office is seriously understaffed. I understand they have a staff of about six people and a backlog of cases they cannot possibly handle. I am certainly sympathetic to their problem, but fail to understand how this could be allowed to happen.

Failing to reach Atlanta, the Office of Oil and Gas in Washington was contacted and officials there advised that the most expeditious way to handle shortage problems was for the subject firm to write to Atlanta for the necessary Government forms. Washington explained that the completed forms were necessary for the regional office to take action in assigning a new supplier.

Regrettably, the forms are not yet available. I understand that GPO is working on them and hopes to have them ready by the end of this week for distribution to the various regional offices.

Meanwhile, one wonders what has happened to the October 26 telegram which the Florida firm sent to the Office of Oil and Gas.

The frustrations of this particular incident are significant for one very important reason. It points to the near total lack of preparedness for moving into the mandatory allocation program. Even though the administration operated its own voluntary allocation program for some 6 months, it appears that no thought was given during that time to contingency plans in the event a mandatory program became necessary. The staff is inadequate; the procedures are not operative; and companies needing assistance are at an impasse.

Suppliers refuse to supply customers they are not required to unless they are directed to do so by the Office of Oil and Gas. And the Office of Oil and Gas cannot act until it has the requisite forms. And the customer cannot fill out the forms because they are not available. It is unbelievable.

The mandatory petroleum allocation program promises to be a bigger disaster than the economic stabilization program. I pale at the thought of moving into a rationing program, in the event such action becomes necessary.

It is my most sincere hope that Governor Love's office—or Admiral Reich's office—or the Office of Oil and Gas—or the Interior Department—or someone somewhere, is planning in detail, contingency steps for rationing should it become necessary.

I have written to each of these officials expressing that hope and asking that they advise me of the steps that are being taken.

In the meantime, my office will continue its attempt to raise officials in the regional office by telephone.

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

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

Mr. VANIK. Mr. Speaker, I just want to join in with the comments made by the gentleman from Florida, and say that yesterday my office tried to reach the Chicago office which covers our area, and it took 25 calls to get a call answered.

Mr. FASCELL. I am sympathetic to the problem they have, but the fact is that they just have not prepared for it. They do not have the people, and here we are in the winter season undertaking a mandatory program with obviously insufficient funds.

HERSH GUTMAN: ANOTHER VICTIM OF SOVIET OPPRESSION

(Mr. BIAGGI asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. BIAGGI. Mr. Speaker, not long ago, I journeyed to the Soviet Union at my own expense to present the case for freedom of emigration for all Soviet citizens, but most particularly for the Soviet Jews. At that time, I met with Andrey Verein, Director of the Office of Visas and Registration. I was the first Member of the House of Representatives who was admitted to see him to discuss the matter of Soviet emigration rights.

As a result of my specific intercession subsequent to that, I was able to obtain an exit visa for Matvei Weig, who is now a resident of Israel. Publicity over his case has brought to my attention the case of Hersh Gutman, who is still trapped within the Soviet Union.

Mrs. Faina Gutman, his mother, wrote to me from Israel saying that their whole family, including Hersh, were granted permission to emigrate in 1972. However, at the last minute Hersh's permission was denied. His family left, hoping that he would soon join them. Sadly, he has not done so as yet. He remains another victim of the inhuman Soviet emigration policy.

Recently, I and 20 of my colleagues sent a letter to Premier Kosygin urging him to grant Hersh an exit visa. No reply has been forthcoming.

At a time when we are considering establishing special trade relations with the Soviet Union, we must ask ourselves if we can do this in good conscience, knowing that the basic civil and humanitarian rights of individuals are daily being denied by the Soviet regime.

No trade concession, no special treatment, no most-favored-nation status should be granted the Soviet Union as long as they maintain the severe restrictions on emigration for their people. We must use our economic power to force a change in this policy which denies basic rights that are afforded every other citizen of the world. I urge my colleagues to oppose any trade bill that does not have the provisions of the Mills-Vanik bill in it. These provisions would make a force emigration policy a prerequisite, in order for the trade bill to become operative.

THE 198TH BIRTHDAY OF U.S. MARINE CORPS

(Mr. ROBERT W. DANIEL, JR., asked and was given permission to address the House for 1 minute, and to revise and extend his remarks and include extraneous matter.)

Mr. ROBERT W. DANIEL, JR. Mr. Speaker, on November 10, 1973, the U.S. Marine Corps will celebrate its 198th birthday. As the Nation turns to peace this elite fighting force has added roles and missions in keeping the peace for our country and its people. I think the Navy Times editorial of November 7, 1973, states very well how our marines are meeting the challenges of today and are prepared to meet any challenge of tomorrow.

The editorial follows:

NO HARDENED ARTERIES

As they prepared for their 198th anniversary, the U.S. Marines were standing by for—but unlikely to enter this time—yet another crisis. A brigade and its helicopters were poised in the Mediterranean, ready to evacuate Amercian civilians from any of the countries involved in the latest Arab-Israeli war or to perform other services as needed.

It's not a new role for the Marines. They and their Navy amphibious mates have been plugging the dikes of American diplomacy since the days of the Barbary pirates.

But with such crisis arising at this time—not yet a year since the last combat in Vietnam—drama is added to the Corps' drive to return to the literal meaning of force-in-readiness.

Gen. Robert E. Cushman Jr. has called this year a period of transition. That can be interpreted two ways: The physical transition from protracted, land-locked combat to a mobile strike force cruising worldwide. And an intellectual transition from the urgencies of war to the innovations possible in peacetime.

In the past, the Marines have taken such readjustments in their stride.

They emerged from a lengthy ground war in Korea, too, but were able to respond amphibiously to flare-ups in the Mediterranean and Caribbean not long after.

And they've always used the between-war years wisely. It was, after all, the Marines

between World Wars I and II who perfected the amphibious tactics that won so many battles in the Pacific.

And it was those peacetime Marines between World War II and Korea who pioneered the integration of helicopters and troops.

The forthcoming era of peace can be "an exciting time to be a Marine," the Commandant says in his anniversary message. And, indeed, there are many questions to titillate the imaginative:

How can the energies of the laser beam be harnessed for battlefield use?

Will tanks be effective in the future, or merely be monstrous victims of one man with one shoulder-fired missile?

Can the Harrier VStol capabilities be enlarged to heavy transport?

Can the multi-million dollar computer banks be used even more effectively for the betterment of individual Marines?

This past year, Headquarters provided some emphatic answers to the latter question. The Corps was the first service to fully use the new computerized pay system. And efforts began to provide individuals with print-outs that forecasts the futures of their occupational fields, a vitally important planning document for potential careerists.

Of course, the past year had a full quota of challenges and we think the Corps responded well.

Even before Congress began pinging on "grade creep," Headquarters was gradually evening out its rank structure. When the promotion freeze came, it impacted on Marines less than it did on other servicemen.

When it became evident that PCS costs were becoming prohibitive, the Corps was quick to reduce the amount of nice-to-have transfers and follow that with more liberal overseas extensions.

When studies showed that surging desertion and unauthorized absence incidences were linked with substandard enlistments, Headquarters decided to drive for quality even if there were temporary recruiting shortfalls.

And progressiveness was evident in adoption of a new liberal arts college program for enlisteds, in the ability to slim down its Headquarters and in the beginnings of a new clubs and messes system.

Still the Corps displayed its unique tendency to progress technically while keeping its emotional roots deeply imbedded in tradition.

It's fighting doggedly—and some think futilely—a judicial trend to allow Reservists long hair because it thinks Marines—Regular or Reserve—are supposed to be distinctive and unified in appearance as well as spirit.

Also traditional this past year have been a call for a return to formalized discharge and retirement ceremonies.

SPEECH INTRODUCING THE NATIONAL COMPREHENSIVE HEALTH BENEFITS ACT OF 1973

(Mr. STAGGERS asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. STAGGERS. Mr. Speaker, today I am submitting to the Congress legislation, entitled the National Comprehensive Health Benefits Act of 1973, designed to create a better health-care system and program of health insurance for the people of this country.

While you are all familiar with the need for legislation of this kind, I would like to review briefly several principal arguments for its enactment. Medical care has become too costly for many of our citizens to obtain without the benefit of a strong program of national health insurance. In recent years the proportion of our gross national product devoted to medical care has reached 7 percent, the highest in the world. Inflation in medical care costs has occurred at a rate of over 10 percent per year for almost a decade, well in excess of the rate for other parts of the economy. Catastrophic illnesses have faced many families with medical care costs in excess of $25,000, often completely destroying these families and driving them into indigency.

At the same time, medical services are often unavailable. Physicians and other providers of such services are not distributed in a rational manner, and our existing Federal programs for the improvement of health care are charged with being fragmented and inadequate.

Despite the expenditure of large amounts of money, and our various efforts to date, this Nation is not a world leader in the health of its people. The people of many countries experience longer average life span, fewer infant and maternal deaths, lower incidences of tuberculoses and other infectious diseases, and superior records in the treatment of some chronic illnesses.

I am convinced that part of the solution to these well-known problems lies in the creation of effective, universal national health insurance. For this reason I am introducing today the National Comprehensive Health Benefits Act. This legislation is based on several principals which are incorporated into its provisions.

It recognizes that universal access to comprehensive health care is an inherent right of each of our citizens. Further, it recognizes that the assurance of this right is in the national interest, since only through effective comprehensive health care can we achieve a healthy population capable of effective participation in the work force, learning in our schools, and enjoyment of family life.

The legislation provides that the same comprehensive health care benefits should be available to all of our citizens and that each citizen should bear the costs of the benefits to which he is entitled in proportion to his financial means, with the Federal Government making up the differences between the costs of such benefits and the reasonable contribution of our poor and near-poor citizens.

All citizens should be protected from the costs of catastrophic illnesses in such a manner as to assure that no one shall be rendered destitute by the misfortune of his own illness or the illness of a member of his family.

People should have the right and opportunity to choose, from a pluralistic health care system, their source of health care and their source of health insurance.

Citizens must recognize and undertake a responsibility for the preservation of their own health so as to prevent unnecessary disease and medical care costs.

Each of these principals is incorporated into the legislation which I am proposing. In addition, the legislation has several important features:

It would build on existing health insurance and health care programs rather than replacing or reorganizing them unnecessarily.

It incorporates a fundamental and strong role for our State governments in the development and administration of the program so as to assure that it will be responsive to the various needs of our great country rather than being a single, monolithic Federal program.

It will use the existing private health insurance industry for much of the actual administration of its health insurance provisions, in hopes of obtaining their years of expertise in the creation of an effective and efficient program.

It provides for a 6-year period of transition from our present system to the one envisioned in the legislation, in order to assure that the enactment of the legislation will not be unreasonably disruptive or costly.

It contains incentives for the creation and use of health maintenance organizations—already considered by the Committee on Interstate and Foreign Commerce, and passed by the House of Representatives—because the development of health maintenance organizations will aid in controlling rising costs under the program, encourage the maintenance of individual's health, and create new alternatives to existing sources of care for people to choose if they so desire.

It contains strong provisions for controlling the cost and quality of care provided under the program and for limiting the profits which can be made from the program.

The House Committee on Interstate and Foreign Commerce and its Subcommittee on Public Health and Environment, to which this legislation has been referred, will begin background and exploratory hearings on the subject of national health insurance next week. These hearings are designed to provide the Members with an overview of the issues involved in the enactment of national health insurance. It is my hope that after the completion of these hearings it will be possible to proceed to legislative hearings on this and any similar proposals. In view of the urgency of the problems to which this legislation is responsive, I shall make every effort to complete this hearing process within the next year.

This legislation is similar in some regards to the National Health Care Services Reorganization and Financing Act, H.R. 1, sponsored by the Honorable AL ULLMAN of Oregon which has been referred to the Committee on Ways and Means. It is my profound hope that our committee can consult with Mr. ULLMAN and the Committee on Ways and Means in the development and final enactment of this legislative proposal.

The legislation introduced today is a long and complex proposal and I recognize that the work which has gone into its preparation is only a beginning. It is my intention in the coming months to seek the comments and advice of affected professional organizations, agencies, and consumers on the provisions of this bill. I would like to assure the Members of the House that these comments will be

heard and incorporated into the legislation so that whatever legislation is finally brought to the House will be generally recognized as a complete and careful proposal worthy of your consideration.

I am including in the RECORD with these remarks a complete summary of the legislation. A more detailed, section-by-section analysis of the bill will be available early next week:

THE NATIONAL COMPREHENSIVE HEALTH BENEFITS ACT OF 1973

DESCRIPTION

A. *General approach*—The bill would establish a program of comprehensive health care benefits for all U.S. residents, phased in over a six-year period. Financing would be primarily through employer (75 percent) and employee (25 percent) contributions to the costs of purchasing private health insurance providing the defined benefits, and secondarily through Federal general revenues to meet the costs of coverage for the aged, poor, unemployed and near poor.

Newly created State Health Commissions (SHCs) would be responsible for the actual administration of much of the program, including standard setting and quality control, assisting in the development of Health Maintenance Organizations (HMOs), and administration of some of the insurance provisions. Existing private health insurance carriers would be used to underwrite most of the legislation's insurance benefits. The development and use of HMOs (defined as they are defined in HMO developmental legislation recently passed by the House of Representatives) would be encouraged through additional direct developmental assistance and through a ten percent Federal subsidy of HMO premiums.

B. *People covered*—Within two years of enactment all aged, low income and unemployed individuals and families would be provided coverage for basic health services. Within four years of enactment all individuals and families would be provided coverage for basic health services and the cost of catastrophic illness. Within seven years of enactment all individuals and families would be provided coverage for comprehensive health care benefits and the costs of catastrophic illness.

C. *Scope of benefits*—Basic Health services are similar to those which HMOs would be required to provide under HMO developmental legislation. They include (as specified by the Secretary of HEW in regulations):

A. Physician services.
B. Hospital services.
C. Laboratory and radiologic services.
D. Limited, acute mental health services.
E. Home health services, and
F. Preventive health services.

Comprehensive health care benefits include:

I. Periodic health evaluations
a. Screening tests and exams.
b. All immunizations.
c. Well-baby care to age 5, with number of covered visits decreasing with age of child.
d. Dental services for children to age 12.
1. One free routine exam per year.
2. Extractions, fillings, etc.—20 percent copayment.
e. Vision services for children to age 15.
1. One free routine exam per year.
2. Prescription eyeglasses—20 percent copayment.

II. Physicians' services and ancillary health care.

a. Services on an ambulatory basis in any appropriate setting (including the home) by physician or allied personnel under his supervision—50 visits per year with $3 copay per visit.

b. Ambulatory diagnostic procedures—20 percent copay.

c. Hospital or ambulatory center services.

d. Supplies, materials, use of facilities and equipment, including drugs used or administered in connection with outpatient services.

e. Ambulance services—20 percent copay.

f. Voluntary family planning and infertility services.

III. Other ambulatory services

a. Ambulatory institutional care program for mental illness, alcoholism, drug abuse—$2 copay per day, limited to 120 visits per coverage year.

b. Drugs, prosthetic devices, and equipment—$1 copay per prescription, 20 percent copay for devices and equipment.

c. Home health services—100 visits with $20 copay per visit.

IV. Inpatient services.

a. Hospital care—60 days per 90 day benefit period, except for mental illness, alcoholism, drug abuse where limit is 45 days. Copay $5 per day.

b. Extended care services—30 days per benefit period with $2.50 copay per day.

c. Nursing home care—60 days per benefit period with $2.50 per day copay.

d. Physicians' services to inpatients—$3 copay per visit of attending physician only.

Catastrophic expense benefits would provide that, once an expenditure limit in any given year was reached, all copayments for services, limits on the number of services covered, and other restrictions and limits no longer applied and that coverage was complete. These benefits would become effective immediately for low-income persons (individuals with annual income below $2,500; a family of 4 with income under $6,500). For all others the benefits would become effective when medical expenses reached a Special Expenditure Limit graduated according to income. For example, a family of 4 with income of $10,500 would be required to incur $1,000 in out-of-pocket expenses before the benefits took effect.

D. *Administration*—The Federal Government would administer the insurance program for the aged and low-income and would contract directly with carriers or HMOs to provide covered benefits. Employer-employee plans would be administered through approved carriers or HMOs. New independent State Health Commissions (SHCs) would be established in each State to authorize incorporation of HMOs, enforce regulations pertaining to providers, control premium rates charged by carriers, HMOs, and other providers, approve expansion of health facilities and services, etc. The Department of HEW would assume functions of a State Health Commission in any State which failed to establish one. Private insurance carriers would issue qualified insurance policies, collect premiums, administer claims, and reimburse providers in accordance with Federal and State guidelines.

E. *Financing*—The Federal insurance program for the aged, poor, and near poor would be financed through general revenues with cost-sharing for services and premium contributions scaled according to financial means. Employers would be required to pay at least 75 percent of the premium cost for employee plans, with employees responsible for the remaining 25 percent. Federal general revenues would also be used to cover the cost of a 10 percent premium subsidy for anyone enrolled with an HMO.

F. *Payments to, and standards for providers of services*—State Health Commissions would be responsible for determining premium rates to be use by private insurors and/or HMO's for mandated Comprehensive Health Care Benefit packages. SHC's would also approve on a prospective basis all charges for services provided by HMO's and all other Health care providers. State Health Commissions would review the activities and performance of HMO's and other health care providers to assure that providers were meeting their obligations under the bill. Federal regulations would prescribe methods to be used in determining reasonable operating costs and sufficient capital payments for HMO's and health service institutions; and reasonable fees, salaries, or other compensation for individual providers or groups of providers. The Department of HEW would also prescribe standards for providers relating to quality, safety, personnel, etc.; as a minimum, providers would be expected to meet existing Medicare requirements.

Non-HMO providers would be reimbursed by private carriers underwriting the Comprehensive Health Care Benefits plan. HMO's would be paid directly by enrollees or by carriers contracting with them on any appropriate prospective or prior-budgeted basis (including capitation or itemized charges for specific services). After the first five years of operation, an HMO would be required to provide a complete prepayment option to enrollees.

G. *Effect on other government programs*—No other government program would be immediately or directly affected. Both Medicare and Medicaid would continue in effect. However, since the proposed program would, when fully operational, provide all people with benefits broader than are currently available under these and other programs, they would eventually need modification to assure that they supplement the proposed program. Provision for this is included in the case of Medicaid.

H. *Other major provisions*—The legislation contains a variety of other new and important provisions designed to assure that it will result in an open, flexible program which will serve the needs of both consumers and providers. These include:

1. Creation of a new National Health Services Advisory Council whose responsibilities include review and comment upon proposed new or revised regulations under the bill prior to their publication in the *Federal Register*.

2. A strong emphasis, appearing in several places, upon health education and an individual's responsibility for both the maintenance of his own health and proper utilization of available health services.

3. A requirement that the Advisory Council conduct a study of methods for providing health care institutions with appropriate capital funding (particularly in needy areas).

4. Provision that persons who are defined as low-income or medically indigent and are covered under an employer plan for Comprehensive Health Care Benefits, would be entitled to a premium contribution refund, if the amount of their contribution under the employer plan exceeded the amount they would contribute under the Federally financed plan for such persons.

5. Authority for the Secretary to regulate the retention of premium income in excess of payments as benefits by private carriers so that the retention rates would be reasonable and not permit profiteering from the program.

6. Strict provisions to both protect the confidentiality of all information gathered under the program concerning individuals and assure public access to all fiscal and other information concerning the program's operation.

7. Requiring all carriers offering plans under the program to make full disclosure to covered individuals, upon request, of available benefits, exclusions from coverage, premium rates, terms and conditions of available options for enrolling in HMOs, and the percentage of premiums paid out as benefits.

8. Requiring states to make possible citizen actions to compel either SHCs or carriers to comply with the requirements of the program.

9. Requiring carriers, HMOs, and other providers of health care to make information available to individuals concerning their charges, hours of operation, and licensure.

10. Requiring SHC's to regulate the retention rates and promotion of all health insurance offered for purposes of complementing or supplementing insurance providing Comprehensive Health Care Benefits.

INVESTIGATION OF PRESIDENTIAL ASPIRANT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. HUNT) is recognized for 5 minutes.

Mr. HUNT. Mr. Speaker, today I am introducing legislation which would require a thorough investigation by the Attorney General of any person designated as next in line to act as President in the case of a vacancy in the office of Vice President, whenever a vacancy exists.

This legislation is vitally important to this country, Mr. Speaker, if we are to continue to be a country of law, and a country of integrity of the highest caliber.

During the last few weeks there has been a great deal of conjecture as to how the Congress should go about interpreting the intent of the 25th amendment. In order to be completely thorough it was decided that a full-scale investigation of Congressman JERRY FORD should be conducted, leaving no stone unturned, no bank account, expense account, or personal indiscretion hidden from view. I cannot say I question this approach as we, indeed, need men of the highest standards to fill Government's highest positions. I did, however, question the need for some 350 FBI agents in some 33 bureaus to assist in this data-gathering process.

At the present time Mr. FORD is still serving as the minority leader of the House of Representatives. He is, until confirmed, merely the Vice President-elect.

What does concern me more than anything else in this matter is the fact that in this time of turmoil in Government, with the Vice Presidency now vacated, the Speaker is next in line of succession. There is absolutely no guarantee that Mr. Nixon will remain in office until Mr. FORD is confirmed. I do not say that because I feel he will resign, nor do I say that because I feel he will be impeached. I merely mention it because health and death are always factors to be considered.

There has been a great deal of talk that GERALD FORD will be confirmed, and will be confirmed shortly. That is all well and good. But what of other times? There is no guarantee that this will, indeed, be the case.

My legislation is being introduced to smooth the way for the future. It will go a long way in dispensing of doubt and what procedures shall be followed in years to come. Granted it goes into effect immediately, but then again, there is no absolute guarantee, for reasons I do not feel necessary to mention, that Mr. FORD will succeed to the Vice Presidency. Again stalling tactics, health, and possibly death could all play a part in this.

With the precedent already set by the Ford confirmation process, there should be little to argue about with this legislation. It should not be looked upon as partisan legislation. Rather it should be taken as another step in the bipartisan effort to reform our Government and simplify our succession process as spelled out in title 3, section 19, United States Code. This is the section of the code which deals with the vacancy in offices of both the President and Vice President and other officers eligible to act.

FUEL SHORTAGE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Alabama (Mr. EDWARDS) is recognized for 5 minutes.

Mr. EDWARDS of Alabama. Mr. Speaker, intensified by the Arab nations' drastic cutback of oil shipments to the United States, a serious shortage of fuel and energy is faced by our Nation this winter, as President Nixon pointed out in his address to the Nation last evening.

The impact and the duration of the shortage hinges primarily on two unknowns: How long the Arab nations persist and how bitter the weather is in the winter months which are fast approaching.

As a first step toward meeting the problem, the Federal Government November 1 launched an emergency fuel oil allocation plan. Its goal is to distribute as evenly as possible the petroleum products that are vital to keeping American homes warm, generating the Nation's electricity and turning the wheels of business and industry.

The White House has also sent to Congress an emergency fuel bill. Included in its provisions is authority which would allow imposition of a nationwide speed limit of 50 miles per hour, would cut basic supplies of fuel to nonessential users and would allow implementation of a year-around daylight saving time—provided such measures are warranted.

Congress has already taken several steps to increase the supply of energy in the future. Additional funds have been appropriated for energy research and development in almost every field of study. Special legislation for solar energy demonstration and geothermal energy research and development will soon be considered, and legislation which would authorize construction of the Alaskan pipeline is about completed.

However, legislation to develop new sources of energy or to increase the supply of petroleum and natural gas will not have an impact for several years. Therefore, for the immediate future we must concentrate on conserving energy.

One-third of all the energy consumed in the United States is used directly by individual citizens in their homes and automobiles. Thus, if each of us minimizes our own wasteful energy practices, we cannot only save money, but we can help alleviate fuel shortages.

Surely we all can learn to turn out unnecessary lights automatically in our home and walk around the corner to buy a carton of milk instead of driving to get it. If we do not, the energy to supply those lights and to propel that car will become harder and more expensive to obtain.

Most people fail to realize the seriousness of the situation. The current facts do not mean that our lights are going to go out tomorrow from a massive power shortage or that no one will be able to buy gasoline, but we must take some action to slow down our energy consumption. The rate at which we are consuming energy continues to climb. The total energy consumed in the United States in mid-1973 is 223 percent of the amount used in 1950, well over twice as much.

You know, we have had it pretty good over the years, but as the fuel problems become more severe, I think we are going to have to change our lifestyle.

In our homes during daylight hours, we can open the draperies of those windows which let sunshine in. Even when it is cold outside, sunshine brings warmth into the house. We can close the draperies in the evening to keep warmth inside. We can keep our thermostats set at the lowest comfortable temperature during the day. For most homes, each degree the thermostat is lowered reduces heating costs and fuel consumption by 2 to 3 percent.

Jackrabbit starts, poorly tuned engines, improperly inflated tires, unsteady driving speeds and idling all use large amounts of gas. The experts recommend driving slowly for one-quarter of a mile on cold mornings rather than idling for 10 to 15 minutes. I am told that radial tires, although they cost more, save gas and are ultimately a better buy.

Mr. Speaker, President Nixon outlined the energy problem in clear terms last night, and he articulated in plain terms the challenge facing America in the months ahead. I urge the Congress to act promptly on President Nixon's energy proposals, and I urge every citizen, including, of course, the Members of this body, to practice energy conservation conscientiously in our daily activities. The problem is a serious one, but our Nation has encountered and solved serious problems on many occasions in our history. With prompt action and informed leadership by the Congress and by State and local officials, and with the conservation efforts of every American, I am confident we can weather the shortages immediately ahead and eventually attain energy self-sufficiency in the United States.

SMALL COMMUNITY DEVELOPMENT ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Iowa (Mr. CULVER) is recognized for 10 minutes.

Mr. CULVER. Mr. Speaker, today I am reintroducing legislation which will assist small communities in the construction or rehabilitation of multipurpose community centers, and in the renovation of small community business districts. This bill, entitled the "Small

Community Development Act," was originally introduced early in 1971.

The needs of small communities and nonmetropolitan areas have been neneglected for too long a time in our country. While there are some Federal programs existing which provide aid, directly or indirectly, to help small towns in rural areas, there is no clear and consistent national growth policy, with definite goals, to encourage revitalization and development of small communities.

Outmigration continues to be a very serious problem for the Nation's rural areas. The migration of small town and rural residents to large cities and metropolitan areas increases the problems these areas are having meeting the needs of their growing populations. There is clear evidence, however, that this trend can be reversed. The key is a program to revitalize small towns so as to preserve their own identity.

This means helping these communities to provide their citizens with basic services: Police and fire protection, library, town meeting hall, health facilities, recreational facilities for use by both the older and younger members of the community. In many cases, however, small towns lack the financial resources to provide an adequate building for these activities, even though quite often these operations can be economically and conveniently housed in a single structure. Under the legislation I am introducing, these small towns would be eligible for Federal assistance for building these community facilities.

Equally important to the future of small communities is the condition of their downtown business district. Too often old buildings, basically sound and unique architectually, have been allowed to deterioate, presenting a drab exterior. The level of economic activity and the general vitality of the community declines, and the town slides slowly out of the mainstream of American life.

The Subcommittee on Housing of the Committee on Banking and Currency is now considering several bills proposing various Federal housing and community development programs. I fervently hope that any bill reported by this committee will include provisions for adequate assistance for the development of small communities.

Mr. Speaker, an analysis of the bill follows:

ANALYSIS OF THE SMALL COMMUNITY DEVELOPMENT ACT OF 1973

TITLE I—CONSTRUCTION OR REHABILITATION OF MULTIPURPOSE COMMUNITY CENTERS

Authorize the Secretary of Housing and Urban Development to make grants, pay interest rate subsidies and undertake guarantees to small communities (towns under 15,000 and not part of a metropolitan area) and regional units (any grouping of governmental units which want to consolidate their public service functions) to assist in the construction or rehabilitation of multi-purpose community facilities for health, recreation, library, public safety, and local government use.

(1) A facility combining local government uses with public safety uses will be eligible for (a) a federal guarantee of the sums borrowed; and (b) an annual grant in the full amount of the interest due on the sums borrowed, e.g. a facility which houses local government offices and the central police and fire stations.

(2) a facility combining health, recreational, or library uses with local government uses or with local government and public safety uses will be eligible for (a) a federal guarantee of the sums borrowed; (b) an annual grant in the full amount of the interest due on the sums borrowed, and (c) a grant equal to ⅔ of the cost of the health, recreational and library accommodations, e.g. a facility which includes a library, health clinic, and recreational area which can be used by both the elderly and young members of the community.

TITLE II—BUSINESS DISTRICT RENEWAL

Authorize the Secretary of Housing and Urban Development to make loans and grants to local non-profit development companies in order to assist them in the exterior rehabilitation, restoration, and beautification of small community business districts.

(1) A local non-profit development company will be eligible for a federal grant to help finance the planning and design of the exterior rehabilitation, restoration and beautification of the community business district.

(2) A local non-profit development company will be eligible for a loan equal to ⅔ the cost of rehabilitating, restoring and beautifying the facade of the business district.

(3) A local non-profit development company will be eligible for a grant equal to ⅔ the cost of rehabilitating, restoring and beautifying the public areas of the business district, provided the plan has the approval of the community's governing unit.

NIXON TRADE BILL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. DENT) is recognized for 10 minutes.

Mr. DENT. Mr. Speaker, apparently, in an effort to pass the Nixon trade bill, nothing is being left undone. Our Ways and Means Committee, by a substantial majority, is already committed to its passage and has decided to pass it without measures that would serve to protect at least one American industry or any American jobs.

For many years, those of us who have noted the serious threats to American employment as a result of our trade policies have been opposed in our position by every phase of American business, Government, media, and labor. The labor segment has finally realized the serious damage already inflicted on the Nation evident in the country's inability to provide jobs to Americans on the growing unemployment lists. The forceful and articulate position of American labor should be read by every Member of this Body who feels that the current trade bill would solve the problems currently posed by inadequate trade policies. For that reason, I insert the resolution adopted by the AFL–CIO at their recent convention, as it relates to the trade bill:

RESOLUTION ON INTERNATIONAL TRADE AND INVESTMENT ADOPTED BY AFL–CIO CONVENTION, OCTOBER 19, 1973

INTERNATIONAL TRADE AND INVESTMENT

The Administration, Congress and other nations now recognize the new problems of the United States in the world economy of the 1970s. As the U.S. position has continued to decline, dollar devaluations and piecemeal trade actions have added to distortions at home and abroad. No prospects for a realistic improvement in the trade balance, the value of the dollar, or the health of the U.S. in the world economy are in sight, unless government remedies are adopted. The American standard of living and the jobs of American workers in all types of industries are threatened. The industrial base of the nation is being undermined. The need for action and comprehensive new policies cannot wait.

Emphasis on changing monetary relationships and machinery and misplaced reliance on agricultural exports cannot possibly solve America's problems or the world's needs. Nor can the patch-work of trade, tax and other proposals offered to the Congress as the Trade Reform Act of 1973. Solutions and requests for power are not the same. They cannot substitute for a comprehensive policy that demonstrates recognition of new realities.

America's traditional prowess in world trade had been based on high wages and high productivity, on technology and efficiency of operations, manpower skills, large volume of output and a highly educated population—as well as the availability of raw materials and sources of energy.

New factors, like the internationalization of technology, multinational corporations and banks, managed national economies with subsidies for exports and barriers to imports have changed the trade relationships of labor rates and unit costs in recent years. Foreign trade has been increasingly affected by these changes. The problems will probably get worse if the forecast of shortages of energy and raw materials come to pass, unless there is a basic change in policy.

Amidst these new factors the choice is no longer the cliches of free trade vs. protectionism. Instead, the United States must base its policy on its strength—the American people, its free institutions, its schools and skills, its standard of living, its research and development, as well as its varied resources at home.

The world is still a world of nation-states. The U.S. government and the Congress can adopt policies only for this government and the American people. Such policies may then be used to work with other nations to achieve a mutually improving world. To seek world goals and ignore national needs is to destroy the objectives of a prosperous United States in a prosperous world economy.

The Foreign Trade and Investment Act of 1973, the Burke-Hartke bill, is an effort to provide a framework for dealing, specifically, with the causes of America's deteriorating position in international economic relationships.

The Burke-Hartke bill would provide government regulation and restraint of the export of American technology and capital—regulation not elimination. It would remove the tax subsidies and other incentives that encourage U.S. companies to establish foreign subsidiary operations.

It would also set up a "sliding-door" limitation on most imports, except on those goods that are not produced here or that are in short supply—a "sliding-door" limitation, not a high wall to block out imports. Quotas would be related to the level of American production. In fact, imports would be guaranteed a share of the American market and would be permitted to increase as American production increases. But imports would not be permitted to flood American markets and quickly wipe out American industries.

Until the framework of Burke-Hartke is part of U.S. law, the government should enforce laws that now exist. The Administration can now direct agencies to stop the brokering of low-wage labor markets abroad by U.S. government officials, to stop encouraging destructive imports, to control exports of agricultural products and raw materials in short supply, to help injured industries when U.S. production and jobs have been lost, to discourage easy export of American tech-

nology, to check the outflow of U.S. capital and insist on the accurate and detailed reporting of trade flows, to require labelling of foreign-made products, to enforce already enacted consumer laws for safety, health and labelling.

Congress should retain its constitutional power to regulate interstate and foreign commerce, to levy taxes and other powers by insisting that each individual non-tariff barrier, whether product standards, tax changes or tariff classification, be carefully examined by Congress in public hearings before any international agreement is reached and that all international agreements to change non-tariff barriers be on an ad referendum basis.

Congress should reject the Administration's trade package of October 1, 1972 which would provide most-favored-nation status for Soviet exports to the U.S. and the extension of large-scale credits for Russian purchase of American goods and technological know-how.

Congress should deny the granting of preferential entry (duty-free or special tariff status) either partially or wholly from any country which subsidizes exports, grant tax subsidies to foreign investors or requires production or investment within its country.

A healthy diversified industrial U.S. economy is essential for the sound expansion of trade of other nations, both developed and developing. U.S. market shares can be available for others only if both their own markets and U.S. markets are expanding. The United States must therefore gear its own policies to putting its house in order. Other parts of the world economic structure will not be aided by further disruptions of the U.S. economic productive strength.

The national interest of the United States within its borders is the primary responsibility of the United States government—with full recognition that this nation can join with other nations to pursue the advance of the world economy. The employment and labor standards impact of the new changes in world economic relationships must be carefully identified in detail so that working people are not compelled to bear most of the burden of such changes.

The trade bill reported out by the House Ways and Means Committee grants excessive power to the President. It provides no specific machinery to regulate the flood of imports. It does not deal with the export of U.S. technology and capital to other parts of the world where multinational corporations can maximize profits and minimize costs at the expense of U.S. production and jobs. It does nothing to close the lucrative tax loopholes for American-based multinational corporations which make it more profitable for them to locate and produce abroad. It does not repeal items 806.30 and 807 of the tariff code, which encourage foreign assembly and production of goods for sale in the U.S. Moreover, the bill permits continued extension of low-interest loans by U.S. Government agencies to the Soviet Union.

This bill, known as the Trade Reform Act of 1973, H.R. 10710, is worse than no bill at all. The AFL–CIO urges defeat of this bill and asks for comprehensive new policies to restore America's social and economic strength in international relationships.

ACTIVITIES OF THE SUBCOMMITTEE ON INTERNATIONAL FINANCE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. GONZALEZ) is recognized for 5 minutes.

Mr. GONZALEZ. Mr. Speaker, the Subcommittee on International Finance will shortly be considering several important items, and I want to take this brief time to inform the House of these activities, so that any Member having an interest in these matters can be informed.

First, we will conduct another hearing in our series on progress toward international monetary reform. This hearing will be held jointly with a subcommittee of the Joint Economics Committee which also has a keen interest in the subject. This joint hearing will be on Tuesday, November 13, and the principal witness will be Under Secretary of the Treasury Paul Volcker. We will also seek the advice of a very prominent banker and economist, Freeman Huntington, of the First National City Bank of New York.

Even though the dollar has been showing renewed signs of strength lately, I think it would be foolish for anyone to conclude that the world's monetary problems are at an end; they most certainly are not. Renewed crises are possible, and renewed problems for the dollar are also possible. Monetary reform has not been accomplished, and progress toward that objective seems inordinately slow. I believe that we need to anticipate our problems, to make progress, and be prepared to deal with monetary problems before they arise. I hope that this hearing will serve as a means of bringing us up to date on progress, and the prospects for early monetary reform.

Second, the subcommittee will take up soon, legislation to authorize additional U.S. participation in the International Development Association, which was agreed to at the World Bank annual meeting in Nairobi last September. The President sent legislation to the House on October 31, pursuant to this agreement, calling for an additional $1.5 billion in U.S. contribitions to IDA. This contribution represents a smaller share of the total IDA commitment than in the past, and in terms of actual buying power, will provide about the same level of support we have given in past years.

The President has also requested an additional $50 million in soft loan resources for the Asian Development Bank, and we will take this up at the same time as the IDA request.

Hearings on these new multilateral lending commitments will begin on Wednesday, November 14, with Secretary of the Treasury Shultz. I expect to continue hearings on December 6 with David Rockefeller, chairman of the Chase Manhattan Bank, and Fred Bergsten, a fellow of the Brookings Institution. I hope also that Eugene Black, the distinguished past President of the World Bank, can also appear. Hopefully, subcommittee markups on these bills can be accomplished by December 8.

I have adopted this program in accordance with a commitment I made to the President to promptly consider his requests for IDA and Asian Bank participation. The President attaches considerable importance to these matters and is anxious for Congress to begin consideration of them. I intend to cooperate with him, and give these requests early action.

Mr. Speaker, the House has heard the President's message of October 31 on these bills. I take the liberty of including in the RECORD an additional communication I have received from him concerning these matters:

THE WHITE HOUSE,
Washington, D.C., October 30, 1973.

Hon. HENRY B. GONZALEZ,
House of Representatives,
Washington D.C.

DEAR MR. GONZALEZ: Thank you for your letter of October 1 concerning the multilateral development institutions, and in particular, the replenishment of the International Development Association (IDA).

You are correct that at the recent World Bank meeting in Nairobi, Secretary Shultz made it clear that United States participation in further replenishment of the Association depended upon the approval of Congress. I am sure you understand that the care he took in emphasizing the essential role and prerogatives of the Congress in no way implies that the replenishment is not regarded as important by the Administration. We do so regard it. However, I am also convinced that effective participation in these institutions must rest on a cooperative partnership of the Executive and the Congress in which both carefully appraise and support the value and wisdom of the expenditure. I feel confident that after full consultations and deliberation, the judgment of the Congress will coincide with my own that the IDA replenishment deserves our full support.

I am encouraged by and appreciate the spirit of bipartisan statesmanship reflected in the offer in your letter to cooperate with the Administration in handling legislation for the multilateral institutions. We will be working with you closely.

I recognize that there are competing needs for the resources we have available, and that international programs must hold their own within a framework of priorities. In my judgment, replenishment of IDA is solidly justified in terms of the totality of competing demands on our budget, and Secretary Shultz has successfully negotiated terms and conditions for the replenishment that met our essential objectives, including a reduced share of the funding by the United States. I will shortly be transmitting proposed legislation, which I hope your Subcommittee will consider promptly. I will work with members on both sides of the aisle towards passage of that legislation, and am asking White House and Treasury people to do likewise.

With your continued personal interest and support, I am confident that together we can achieve a legislative result consistent both with the responsibilities and the capabilities of the United States.

Sincerely,

RICHARD NIXON.

FUEL OIL EXPORTS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin (Mr. ASPIN), is recognized for 5 minutes.

Mr. ASPIN. Mr. Speaker, I am releasing today the results of an investigation of petroleum exports by the Cost of Living Council in which the Cost of Living Council predicts 53.3 million gallons of fuel oil will be exported from the United States during 1973.

This 53.3 million gallons represents a 284 percent increase in fuel oil exports in the past year.

I originally sought an inquiry from the Cost of Living Council after I learned from trade press reports that large amounts of fuel oil were being exported to Europe despite the fuel oil shortage at home. The Cost of Living Council confirms these charges that fuel oil exports were occurring and notes that 8.4 million

gallons were being exported during August at a price of $6.73 per barrel. The oil was exported to Denmark and Panama.

The price of $6.73 represents a 145-percent increase in the average price per barrel last year.

Apparently, the lure of big profits is persuading major oil companies to export desperately needed fuel oil despite the shortage. It is nothing less than a total disregard for the welfare of the American consumer that leads to these tremendous exports of fuel oil during the shortage.

It should be noted Mr. Speaker, that many apologists from the oil industry that the amount of fuel oil is insignificant. However, during a shortage it is absolutely necessary to use all the fuel oil which is available to U.S. consumers. I would much prefer to see a factory or school stay open in some small midwestern town for the entire winter rather than export fuel oil overseas.

Mr. Speaker, on June 20 I offered legislation to immediately clamp down on exports of propane, gasoline, and fuel oil exports. I am now offering this legislation for cosponsorship and hope that in view of the seriousnesss of the crisis we face, that my colleagues will join me in forcing a halt of exports during the shortage.

The Cost of Living Council report follows:

HEATING OIL EXPORTS

SUMMARY

(1) This report is based upon research of Industry Associations and available U.S. Statistics.

The statistics compiled for this report do not specifically identify No. 2 heating oil exports since none of the available statistics segregate that item. The available statistics also do not segregate exports which return to the U.S. after foreign processing. Additionally, Federal Regulations do not allow the U.S. Census Bureau to divulge the identity of firms involved in transactions. For the purposes of this report, the available statistics are a combination relative to No. 2 heating oil, No. 4 heating oil and light diesel fuel, all of which are categorized together in the U.S. Government Schedule "B" of classifications. This Report consists of a comparative analysis of total domestic distillate production, volume of distillate exports, sales value of exports, the average price per bbl of the exports, and the port of export and destination of substantial 1973 exports.

(2) An analysis of the available data reveals that although the export figures indicate that 1973 totals will drastically surpass 1972, comparison of these figures with the totals for 1969, 1970, and 1971 reveals that in volume of bbls, 1972 was depressed year, and the rise in 1973 appears to be a return to a historical export level. In terms of percentages the 1973 projected volume of bbls is only 69% of the 1969 total. In contrast, the total value of the 1973 projection is 113% of the 1969 total value, while the average price per bbl in 1973 is 164% of the 1969 average price per bbl. The monthly export figures for the period January–August 1973 do not indicate any consistent pattern in regard to volume. It is also considered significant from an impact point of view that when compared with total distillates produced the export volume ranges from .04% to .2%. This is given further significance when it is realized that distillates account for only slightly over 22% of refinery production. Additional research developed that the majority of exports originated from Galveston and Port Arthur, Texas, with one shipment originating at Seattle, Washington. The destinations of the majority of the 1973 volume were Mexico, Netherlands Antilles, Denmark and Japan.

(3) This portion of the report concerns the volume of exports and dollar value of sales for 1969, 1970, 1971, 1972, and the first eight months of 1973; and a projection of total exports for the full year 1973.

Year	Volume, barrels	Total value	Dollar average, per barrel
1969	1,859,825	$6,567,645	$3.53
1970	1,444,525	4,329,902	3.00
1971	1,858,471	7,909,468	4.25
1972	448,433	1,797,960	4.01
January-August, 1973	850,067	4,934,185	5.80
Projection, 1973	1,275,101	7,401,278	5.80

When the 1973 projections are compared on a percentage basis to the actual figures for 1969, 1970, 1971 and 1972, the result is the following tabulation which depicts the percentage relationship of the 1973 projection to the indicated year:

[In percent]

Year	volume barrels	Total value	Dollar average
1973/1969	69	113	164
1973/1970	88	171	193
1973/1971	69	94	136
1973/1972	284	412	145

(4) This portion of the report is a monthly tabulation of exports for January-August 1973 depicting volume and average price per bbl.

Month	Volume, barrels	Average price, barrel
January	256,618	$5.01
February	22,495	6.66
March	4,429	3.95
April	123,012	6.05
May	5,586	4.43
June	196,928	5.80
July	40,926	5.44
August	200,073	6.73

(5) This portion depicts the export figures for 1971, 1972, and the first six months of 1973 in comparison to both the total domestic distillates produced and the average percentage breakdown for total distillates of total U.S. refinery production per bbl.

Year	Export volume, barrels	Percent of total distillates produced	Average percent refiners produced
1971	1,858,471	0.2	22.05
1972	448,433	.04	22.21
January-June 1973	609,068	.1	22.30

(6) This portion of the report depicts the destination, volume, and port of shipment for the majority of shipments during the months of January, April, June and August 1973:

Month	Destination—port	Volume, barrels
January	Mexico—Galveston, Tex	60,346
	Netherlands-Antilles—Galveston, Tex.	195,812
April	Mexico—Galveston, Tex	113,647
	Denmark—Port Arthur, Tex	
June	Mexico—Galveston, Tex	128,695
	Japan—Seattle, Wash	60,000
August	Panama—Port Arthur, Tex	49,228
	Denmark—Port Arthur, Tex	148,221

LET US WORK TOGETHER TO CONSERVE FUEL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. VANIK) is recognized for 5 minutes.

Mr. VANIK. Mr. Speaker, the energy squeeze is on. For months, national attention has focused on long-range ways to increase our supply of oil. Now with the severe reduction of imports, we find ourselves in a real emergency.

The only way we are going to avoid serious trouble this winter is to cut back drastically on our consumption of energy. It is not time to cast blame for past mistakes; we must all cooperate in a serious program of energy conservation. This is the time for all of us to work together to save fuel.

VAST POTENTIAL FOR ENERGY CONSERVATION

The goal can be met. Experts tell us that as a nation, we waste up to a third of the energy we consume. They tell us that much of this waste can be avoided without jeopardizing our standard of living. Such a national effort will not be easy. It will require the conscientious dedication of every citizen. We are all energy consumers, and we are all responsible for the well-being of our country. Beginning today, right now, each one of us must become conscious of our own energy consumption. We can do this in two ways:

First, in our purchase of appliances, automobiles, and houses we should select the most energy efficient products which meet our needs; and

Second, we must begin to cut back on our day-to-day consumption of energy by taking a number of small, easy, shortcuts to energy efficiency.

To encourage the steps that we all must take, I would like to include a listing of helpful suggestions to use energy more efficiently.

TRANSPORTATION

Transportation consumes 25 percent of our national energy. In the past we have paid little attention to the efficiency of various ways of travel. For example, we have spent billions of dollars constructing highways while mass transit and railroads have deteriorated. As the table below illustrates, there are huge differences in the efficiency of various transportation methods. In the years ahead, we will have to keep these differences more clearly in mind in planning our transportation system:

TABLE 1.—ENERGY CONSUMPTION FOR TRANSPORTATION MODES

	Btu per passenger mile		Btu per ton mile intercity freight
	Urban passenger	Intercity passenger	
Bicycles	180	----	----
Walking	300	----	----
Buses	1,240	1,090	----
Automobiles	5,060	4,250	----
Railroads	----	1,700	680
Airplanes	----	9,700	37,000
Trucks	----	----	2,340
Pipeline	----	----	450
Waterway	----	----	540

SAVE GASOLINE

First. Avoid using your automobile unnecessarily. Over 54 percent of all car trips are less than 5 miles. Consolidating your trips will cut down on your auto use. In addition, for years doctors have been telling us that walking is healthy. We should all learn to walk more. More of us should also consider using a bicycle—it is the most efficient way of getting around town.

Second. Take public transportation, where possible. Although schedules and routing are often inconvenient, the first step to improvements is an interested ridership.

Third. Develop a car pool for commuting. Next time you are on the freeway, count the number of cars with only one rider. Better yet, count the number of cars with more than one rider. Car pooling is not only energy efficient, it is also economical and a good answer to the problems of freeway congestion and auto pollution.

EFFICIENT AUTOMOBILES

Gasoline for our automobiles accounts for over 14 percent of our national energy budget. In recent years car efficiency has declined by over 20 percent—and only part of this reduction can be attributed to pollution controls. American automobiles have become heavier, more powerful, and loaded with optional equipment—and this all cuts down on mileage.

First. When buying an automobile, do not overestimate your auto needs. Excessive weight, optional equipment, and large engines all contribute to low gas mileage. The table below illustrates the annual gasoline costs of an inefficient automobile.

COST OF DRIVING A CAR FOR 1 YEAR (ASSUME 10,000 MILES)

Price per gallon	Miles per gallon													
	32	30	28	26	24	22	20	18	16	14	12	10	8	6
$0.37	115.62	123.32	132.13	142.30	154.18	168.17	185	205.57	231.25	264.37	308.32	370	462.50	616.68
$0.38	118.75	126.65	135.70	146.15	158.35	172.71	190	211.13	237.50	271.43	316.65	380	475.00	633.35
$0.39	121.88	129.99	139.27	149.99	162.51	177.26	195	216.68	243.75	278.58	324.99	390	487.50	650.01
$0.40	125.00	132.32	142.84	153.84	166.68	181.80	200	222.24	250.00	285.72	333.32	400	500.00	666.68
$0.41	128.13	136.65	146.41	157.67	170.85	186.35	205	227.80	256.25	292.86	341.65	410	512.50	683.35
$0.42	131.25	139.99	149.98	161.53	175.01	190.89	210	233.35	262.50	300.01	349.99	420	525.00	706.01
$0.43	134.38	143.32	153.55	165.30	179.18	195.44	215	238.71	268.75	307.15	358.32	430	537.50	710.62
$0.44	137.50	146.65	157.12	169.22	183.35	199.98	220	244.46	275.00	314.29	366.65	440	550.00	733.35
$0.45	140.63	149.99	160.70	173.07	187.52	204.53	225	250.02	281.25	321.44	374.99	450	562.50	750.02
$0.46	143.75	153.32	164.27	176.92	191.68	209.07	230	255.58	287.50	328.58	383.32	460	575.00	766.68
$0.50	156.25	166.65	178.55	192.30	208.35	227.25	250	277.80	312.50	357.15	416.65	500	625.00	833.35
$0.60	187.50	199.98	214.26	230.76	250.02	272.70	300	333.36	375.00	428.58	499.98	600	750.00	1,000.02

Second. When you drive, keep your car tuned and your tires inflated. When you replace your tires, think about radial tires. They generally improve gas mileage by as much as 10 percent.

Third. After starting your engine, warm it up while moving. An idling car is getting zero miles per gallon. In addition, shut off your car if you are stopped for over a minute or so.

Fourth. Do not become overly dependent on your air-conditioner. Under extreme conditions, air-conditioning can waste up to 20 percent of your gasoline. Use it only when you really need it. Also think about setting the thermostat a little higher than normal.

IN THE HOME

First. Proper insulation will not only save you money in winter; it will also make your home easier to keep cool in the summer. The exact amount of insulation depends on the climate. But a good rule of thumb can be found in this table:

SOURCE OF HEAT

[In inches]

	Gas or oil	Electric
Wall insulation thickness	3½	3½
Ceiling insulation thickness	3½-6	6-9

In checking the insulation of your home, pay particular attention to uninsulated attic floors. Here insulation can be installed easily in most cases.

Second. A recent study by the Department of Housing and Urban Development revealed that the greatest loss of heat from a house comes ordinarily through the infiltration of outside air. To cut down on this heat loss, install storm windows and doors where possible. A less expensive way to insulate windows is to seal them with clear plastic sheeting. Plastic sheeting will also help in attic insulation. Heat leaks can also be prevented by using caulking and weatherstripping around windows and unused doors.

Third. Close drapes and shades in unoccupied rooms and during exceptionally cold periods. This will minimize heat loss through windows—but even on the coldest day, the sun shining through a window can help heat the room.

Fourth. A properly serviced heating system is more efficient and saves fuel.

Fifth. Set your thermostat lower in the winter. A one degree reduction can reduce fuel consumption from 3 to 4 percent. Reducing the setting by 5 degrees—say from 75 to 70 degrees—will save you 15 to 20 percent.

Sixth. Lower the thermostat at night.

Seventh. Close the damper of your fireplace if you are not using it.

Eighth. When buying a home try to remember these facts: An additional investment in energy efficiency will be more than paid back in lower fuel costs over the life of the house. Make sure your new home is properly insulated and is equipped with efficient heating and cooling systems.

Shortly, solar heating will be able to provide reliable, economical, and pollution-free energy. In buying a house, consider the adaptability of the roof and grounds to this coming new technology.

SAVINGS ON APPLIANCES

First. Check the efficiency of the appliances you buy. The Commerce Department is requesting that manufacturers voluntarily list the efficiency of their products. One way to insure that this program is successful is through consumer pressure for full disclosure of the energy costs of operating an appliance.

Second. A recent survey of air conditioners shows how important efficiency can be. Appliance manufacturers, in an effort to cut initial costs, often build inefficient products. For example, today there are over 1,400 models of air conditioners on the market sold under 52 different brand names. The least efficient unit consumes 2.6 times more electricity per unit of cooling than the most efficient.

A convenient way to check the efficiency of the model you plan to buy is to divide the number of watts listed on the label into the Btu's per hour rating. The answer will vary ordinarily between 3 and 11. The higher the number, the more effiient the unit. A number around 7 is considered good.

Third. Defrost your refrigerator when the ice on the wall becomes one-fourth inch thick. A thick ice coating cuts down on the efficiency of the cooling coils of the freezer. When buying a new refrigerator, keep in mind that a self-defrosting model consumes 50 percent more energy than a standard model.

In addition, every time you open the refrigerator door, up to 80 percent of the cold air is lost.

Fourth. In selecting a freezer or refrigerator/freezer combination you should know that upright models are less efficient by as much as 45 percent.

COOKING

First. When cooking, use pots and pans that completely cover the heating element. Heat that is not directly under the pan is wasted. Also, remember that every time you open the over door 20 percent of the heat spills out.

WASHING

First. When washing clothes, always wash a full load; you save on the total number of washings that way. When drying your clothes, avoid overdrying—it uses fuel and tends to wrinkle your clothes.

Second. Try to cut down on your use of hot water. The thermostat on your water heater should be set between 110–140 degrees. Second, in washing dishes, wash them by hand in warm water, when possible. If you use a dishwasher, make sure you use a full load. Third, clothes can be

cleaned in cold water with a cold water cleaner. Finally, when you bathe, a shower uses generally less water than a bath.

LIGHTING

First. Take care of your eyes—but, most of us use more light than we really need to. It pays to turn off unnecessary lights and use natural light when possible. There is another interesting fact to remember: A fluorescent bulb uses one-sixth the energy of a conventional standard incandescent light bulb.

These procedures together with energy research to develop new forms of clean energy will move our country through this crisis. It is totally American to be provident and self-sufficient.

THE HEALTH RIPOFF WORSENS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. BRASCO) is recognized for 5 minutes.

Mr. BRASCO. Mr. Speaker, while the average American watches the front pages and evening news reports with growing alarm and apprehension, quietly and ominously, another situation, already serious, has grown still more out of hand. In the area of health care and costs, recent months have been marked by one increase after another. Cumulatively, the caveat reading "Don't Get Sick In America" is truer than ever before. It will cost you more and you will receive less. No worse personal tragedy can be envisioned for the overwhelming majority of American citizens. Worse still, it is being accelerated by a series of Government actions.

The national health insurance plan has been scrapped after all the early fanfare. The drive announced in 1972 to increase the number of doctors, dentists, and paramedics has foundered on an ocean of budget cuts insofar as Federal aid to medical and dental schools is concerned. The National Institutes of Health have been harmed down the line, with two exceptions, as a result of budget cutbacks. Bookkeeping legerdemain has substituted for actual dollars in the actual amounts being committed by the Government to these crucial areas.

Even the national commitment to HMO's, or health maintenance organizations, has been watered down after many promises to move ahead on such a comprehensive potential solution. Through it all, the dead hand of the American Medical Association has clutched at the sleeve of government attempting to prevent vigorous experimentation on behalf of the people.

The head of the President's war on cancer, Dr. Frank Rauscher, has publicly warned that the existing cancer budget will not allow the research work required to pursue leads which might result in the saving of untold numbers of lives. A number of promising programs are endangered by governmental parsimoniousness in these areas. Among these programs are some which are concerned with moving the latest improvements in the cancer area to the bedside of patients as swiftly as possible.

Impoundment has been used by the Government as yet another weapon in what incredibly emerges as a deliberate attempt to harm the total health care delivery system in the Nation. National defense education funds have been impounded and repeated attempts have been made by the Government to close down the eight Public Health Service hospitals, including one in the New York area. At a time like this, closing down any viable hospital care facility seems the negation of what we are trying to accomplish.

Even Government specialists in this area have publicly admitted that increases in medicare costs for the aged and termination of key programs are not realistic. As a result, projected savings of $1.8 billion are not going to be realized, while much needless suffering is inflicted on many innocent Americans.

Most reprehensible of all are the attempts by Government to completely wipe out a series of essential and effective programs, such as community mental health centers, Hill-Burton hospital construction funds, and regional medical programs, all of which have scored resounding successes in delivering vital care and services to those requiring them.

When the Congress attempted to reverse this tide of negativism, it was rebuffed. For example, why in the name of all that is sensible was a $185 million program, designed to improve emergency medical service across the Nation vetoed? The Government had listed this program as one of its priorities. Now it has been vetoed, and the veto has not been overriden. Here we have a vital, successful endeavor, which has saved uncounted lives, and could save many, many more.

Yet in recent weeks, the pace of negativism by Government in the health field has increased appreciably. One warning given was that all Government aid to health manpower education will be coming to an end as soon as possible. Yet we have an acknowledged and much bemoaned shortage of all kinds of trained health manpower. This is true of doctors, dentists, nurses and all other related fields. As a matter of sad fact, more than half of all doctors licensed to practice medicine in this country last year were foreign-born and trained. Foreign physicians, seeking high incomes, are abandoning practices in foreign lands and coming here. Yet we will not turn to and increase levels of assistance to increase our own supply of trained medical and related personnel. Recently, an HEW official of the highest rank publicly stated before the Association of American Medical Colleges that such aid was very much in jeopardy.

Last month the announcement was made that the Nation's 25 million elderly will have to pay $84 toward their hospitalization commencing January 21, instead of the current $72. This is more than double the $40 paid by beneficiaries when the program began in 1966. The Cost of Living Council, humorously termed the watchdog of consumer interests, approved the move, which was announced by HEW.

Because of the change in the hospital deductible, the law also requires changes in amounts a beneficiary pays toward hospitalization care of more than 60 days or after hospital care in a skilled nursing home for more than 20 days.

What are the elderly people of the land going to do? Most of them live on fixed incomes, ravaged by growing inflation. Price hikes like this make a mockery of the increases in social security pushed through by the Congress. They eat away all the benefits we try to extend to them, making life even more frustrating and cruel to them. The few dollars for millions of them are the difference between a decent diet and hunger or malnutrition.

To compound the situation, the Cost of Living Council has now just approved proposed new price regulations for the health industry, which will allow hospital bills to rise another 9 percent annually. Although public comment is invited, no one seriously doubts that the proposals will drastically change between now and final January promulgation.

What we have now, then, is a cumulative series of setbacks for the public in the health areas. Fewer crucial segments of research will be pursued. Fewer special medical services beneficial to the public will be provided. And on all sides, while receiving less and less, the cost to the average user of health services will escalate, escalate and escalate again, with the older American bearing the brunt of all this.

Here is a syndrome which inevitably affects all of us eventually and inevitably. None can escape. It is for the Congress to have the courage to override the next veto of health care services and to insure that all such cuts and impoundments are prevented.

Impoundment is an artificial, unconstitutional method used by those who would arrogate unto themselves power not specificially granted to them by the law. Vetoes can and should be overridden when they harm the well being of the Nation. In both areas, all that is required is that Congress do its basic, essential job; protect the public interest. No one can tell me that allowing such services to be cut is responsible or in the public interest.

ISRAELI PRISONERS OF WAR

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from New York (Ms. ABZUG) is recognized for 10 minutes.

Ms. ABZUG. Mr. Speaker, sick and wounded Israeli prisoners of war remain in the hands of Egypt and Syria. They are being used and abused as political bargaining chips. This is an unconscionable situation. The Israelis have offered to conform to the Geneva Convention and exchange the sick and wounded prisoners they hold. Egypt and Syria refuse. The Israelis have permitted the International Red Cross to visit their prisoners. Egypt and Syria have not. Indeed, they have not yet, to my knowledge, released a complete list of Israeli

prisoners they hold. Instead they have issued a series of public and private assurances which are so far little more than rhetoric. Rhetoric is no comfort to the men waiting in misery behind enemy lines or to their families waiting at home in the awful agony of not knowing.

On October 29 I wrote to Secretary of State Kissinger to urge that he raise these issues with the Arab nations. He has since assured me, as has Assistant Secretary of State Joseph Sisco, that the U.S. Government has and will continue to press for the humane treatment and speedy release of prisoners in conformance with the Geneva Convention. Congress has the responsibility to add its voice and the weight of its influence to the sum of world opinion that these negotiations progress swiftly, that Egypt and Syria forthwith live up to their legal and moral obligations as set forth by the Geneva Convention, and that the exchange of sick and wounded prisoners begin at once.

Today I am introducing a resolution calling for Egypt and Syria to heed the terms of the Geneva Convention of August 1, 1949, with regard to prisoners of war, and for Egypt and Syria to accede to Israeli's offer of an immediate exchange of prisoners among the countries. I urge my colleagues to join me in this humanitarian appeal.

The text of the resolution follows:

Whereas the International Red Cross has not been given permission to visit Israeli prisoners of war in Egypt and Syria; and

Whereas the governments of Egypt and Syria have not provided the International Red Cross with requested information about the names and condition of the prisoners they hold; and

Whereas the governments of Egypt and Syria have refused to release seriously sick Israeli prisoners of war; and

Whereas the above actions by the governments of Egypt and Syria are in violation of international legal obligations provided for in the Geneva Convention of August 12, 1949; and

Whereas the government of Israel has complied with the Geneva Convention of August 12, 1949 by allowing the International Red Cross to visit Egyptian and Syrian prisoners of war; by supplying the International Red Cross with lists of the prisoners it holds; and by offering the immediate release of seriously sick Egyptian and Syrian prisoners of war in exchange for the immediate release of seriously sick Israeli prisoners of war; and

Whereas the government of Israel has offered to comply with any reasonable plan for mutual exchange of prisoners between Israel, Egypt, and Syria; and

Whereas the American people are shocked and disturbed by reports of maltreatment of Israeli prisoners of war: Now, therefore, be it

Resolved, That it is the sense of Congress that the Executive branch of the American Government continue its efforts to ensure that the International Red Cross be allowed to visit Israeli prisoners of war in Egypt and Syria as required by the Geneva Convention of August 12, 1949; and that the governments of Egypt and Syria provide the International Red Cross with information required by the Geneva Convention of August 12, 1949; and that the governments of Egypt and Syria immediately release all seriously sick prisoners of war in exchange for Israeli release of all seriously sick prisoners of war as required under the Geneva Convention of August 12, 1949; and that an immediate exchange of prisoners between Israel, Egypt and Syria be negotiated.

SLOVAK DAY, 1973

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. ROONEY) is recognized for 5 minutes.

Mr. ROONEY of Pennsylvania. Mr. Speaker, it is with great pleasure that I call to the attention of my colleagues an address given recently by Dr. Michael Novak at the Slovak Day celebration at Roduljub Park in Johnstown, Pa. Dr. Novak is currently a consultant for the humanities at the Rockefeller Foundation in New York and has demonstrated through his speaking and writing his belief in the need for a political and educational revolution in the United States.

While he inspired Americans of Slovak descent to greater efforts to obtain positions of responsibility and influence in this address, Dr. Novak also focused on some general comments on government which should be of interest to all of us.

In the light of the current uncertainty in our Government his words are especially timely:

> It is wrong in a democracy, merely to trust the government. Governments must be watched. Governments are not made to be trusted, but to be made accountable.

Mr. Speaker, Dr. Novak's speech in its entirety follows, a stirring reminder of the responsibility of each citizen for the path his country takes.

SLOVAK DAY, 1973

Just one hundred years ago began one of the greatest mass movements of human history. Over thirty million Europeans exited from the doors of their homes and fled toward America. There were then over two million Slovaks in that beautiful land of Central Europe, around the lakes in the Tatra Mountains, in sight of ancient castles, in the mountains and rolling hills beyond Bratislava. Over two million Slovaks—of whom more than one-third felt obliged to leave their homes. After a thousand years of endurance, from the time of the first King of Central Europe, the Slovak, Svatopluk, in 893; after a thousand years of assassination and murder and plunder at the hands of Attila, Genghis Khan, the Turks, and in every century others; after a thousand years of bravery, family love, and a longing for independence and peace—one out of every three Slovaks bade good-bye to the mountains they loved, the parents who had nourished them, brothers and sisters, friends—and they fled for Argentina, for Canada, and for America.

The great industrialists of America wanted Slav laborers. They respected them as hard workers, tougher than others perhaps, more reliable, more docile, and better able to make do with less. They wanted Slav labor in order to bring wages down and to keep the workers of America divided. Remember, for example, that the black people of America were first freed from slavery not long after many of our ancestors were freed from serfdom—in 1863. One hundred years ago, many of those blacks who fled north were just beginning to find jobs. The white American workers were just beginning to rebel against the great industrialists—the first great labor union strikes were just beginning. This was the jungle into which our grandparents were brought. It was part of a policy of "Divide and Conquer." Put national group against national group. The wealthy got wealthier. Think of the families that own the mines and mills and the lands of America. How staggeringly rich many are. All across America, in valley after valley, place after place, there are one or two families of predominant power and wealth. The American system is more like the system of Europe than we realize—we have our barons, dukes, and lords—the owners of television stations, newspapers, and the owners of the politicians, too.

Remember, too, the lives our people led in America. For working twelve hours in a mine, six or seven days a week, a man might take 20 cents a day, and find himself at the end of the month owing more to the company store than he had earned. Boys of 8 or 9, sometimes beaten with whips, stood at the colliery sorting slag from the coal. Six or eight persons slept in a room. At Latimer Mines, near Hazleton, in 1897, sheriff's deputies fired into a crowd of peacefully marching Slovak miners, with an American flag at their head. They were on strike. No one heard an order to disband. Many could not have understood an order in English in any case. When the seventy deputies—none of them Slavic—finished firing, twenty Slovaks and Poles lay dead, most shot in the back, and another thirty wounded. The Hungarian government protested; huge protests were held in New York and Chicago. Naturally, the deputies were acquitted.

In Connellsville, in Uniontown, and in Pittsburgh, Slovaks were shot down in strikes. In 1891, at Morewood, seven were shot. Two weeks later, in Fayette county, one Slovak man and one Slovak woman were shot, as workers were being evicted from company houses. In Adelaide the same day, two Slovak women were shot.

Why do I bring these sad events to mind? Because I do not wish to forget. Today we enjoy a happy picnic. Today, more and more in our generation are highly educated. Today, more and more among us are prosperous—not many rich, not many millionaires, not many among the powerful: on boards of directors, or high in government, or the military, or the corporate world. We are not among the powerful in America. But we have very much to be thanful for. And, if the truth be told, after so many years of disaster, perhaps we are happy not to be placed too high, so that sudden tragedy cannot make our fall too steep. Slovak people are known for a sort of modesty—content to live on little, if only they be free.

There is, the books say, a certain peaceableness about the Slovak character A certain quiet, long-range optimism, borne of the knowledge that our people have seen worse than this—that, no matter how bad things get, we are familiar with disaster. Tragedy is our nation's brother. The Slovak people stood for over a thousand years under the attacks of invaders—always the invasions would recede, and the Slovak farms and towns and families would remain. Western Europe owes much of the peace and space it has enjoyed to the defenders of the Tatra mountains and the Danube, on which almost century after century new invaders from the East or South or North have spent themselves.

Today I want to remember all the suffering that brought us this place. Perhaps all of you have sharper memories than I. You remember the men going to the mines, and coming back. You remember the conditions in the mills. You remember the explosions. You remember the mangled fingers, the shattered knees. You remember the outbreaks of influenza. You remember the infants that used to die.

Above all, perhaps, you remember the prejudices there used to be against the Slavs. Even on the Statue of Liberty, the words that greeted the immigrants were: "Welcome—ye wretched refuse of the earth." In other words, ye garbage. I've always been

grateful my grandparents couldn't read English when they sailed into Ellis Island, the water lapping against the sides of those wooden or plated ships. And they were called other names: Huns, hunkies, etc. They were pictured in the newspaper cartoons as rats and apes. They were called scum, and it was said they were dirty and strange, and their women wore black babuskas, and none of them were ready for democracy, and they would lower the quality of the nation's blood.

We shall never forget, I believe, that this nation welcomed our grandparents and gave them a chance. We should never forget what they met when they got here, and what they did for us. . . .

But I don't only want to think about the past. My own thoughts are toward the present and the future. Why, in Pennsylvania and elsewhere, are Slavs so poorly represented among those of power and money and influence? Why have we still so few writers and artists and television personalities? Why don't we cut a greater mark than we do, politically?

Do not misunderstand. I say these things gently, not in blame. Remembering where we were, we have come very far. And it takes time, even in a nation like this, to penetrate the places of power. And I do not mean for power's sake. It is not obvious that power makes people happy—or good—or admirable.

What I mean is that the nation needs some of the things our hearts tell us, some of the things our history has taught us. We are a people of enormous spiritual wealth, which our new nation needs.

What is our wealth? Above all, it is a sense of family, and home, and neighborhood. The Slovaks understand picnics like this—family picnics. Why is it, then, that the policies of our government and our corporations penalize families so much, rather than helping them? The great industries of this nation do not think first about the welfare of families. They do not design their factories, or their schedules, or their openings or their closings down with the good of families in mind. The government does not supervise medical costs or medical practices with the needs of families in mind. Almost everything in American life is distinctive of families. Keeping a good, healthy family is a full-time job—much harder than making money. America makes it easier for our people to make money than to keep healthy families.

America is a great danger for the Slovak public. It gives us money and wealth. Slovaks are not the richest Americans, by far. But when you look at the automobiles owned by every family here, they are better than the coaches Janosik used to rob—the coaches of the barons or dukes, in order to give to the poor.

In one more generation, the Slovak spirit may be dead in America. Soon, most of those who speak Slovak will be dead. Fewer and fewer of our young people know the history of Slovakia. I never learned about Slovakia in public schools or in college. . . . What about in the high schools of Johnstown, Uniontown, Pittsburgh, and Cleveland—what are our young people learning? What is becoming of them?

The Slovak people are so enormously trusting. They trust the government. They trust the universities. The schools. They obey the law. They pay their taxes. And they trust. After a thousand years of distrusting governments, in this country they began to trust. America has been good to our people. But we should not be deceived.

For over a thousand years, one thing held the Slovak people together—their love for their language. The Slovak language was the center of the life of the people. The Magyar tried to drive that language out of existence. Some 500 Slovaks were arrested in the 1870's, and put in jail, for speaking Slovak in public.

Now in America, in less than three generations, the language is disappearing. Knowledge of Slovak history is not taught. What the Magyar could not do with vinegar, America has done with sugar.

In the big cities, too, the leaders of government and industry abandoned the Slovak neighborhoods and churches. Visit these parishes today—isolated—alone—surrounded by factories or expressways or slums. People did not move out of these neighborhoods by accident. The policies of our government and industry drove them out—policies forcing people into the suburbs, making neighborhood life less attractive.

My purpose is not to lay blame. It is only to urge all to act with open eyes. It is wrong, in a democracy, merely to trust the government. Governments must be watched. Governments are not made to be trusted, but to be made accountable. In my opinion, the Slovak people in America have not been well served by the government.

When I look over the faces of this crowd, I wonder about all the stories your lives represent. Think of the history of your family over the last 100 years. What stories there are! What disaster, what war, what illnesses and accidents, what moments of luck and achievement.

Many of these stories will perish if we do not care for them. The world will never learn of them. We must try to get the historical societies and the universities and the high schools and the television stations and the newspapers to collect this material and to mind it. If you have old letters in your house, old newspapers, old books—do not destroy them. The Archives of Pennsylvania and universities need them. Please save things. Please get grandparents to tell or tape what they remember.

Secondly, we must put pressure on the schools. How many historians have told the story of the Slovak people (and other Slavs) in America? How many social scientists? How many literature courses teach Slovak children the novels of Thomas Bell (Belejcak)? The universities belong to us. They should keep our traditions alive.

Thirdly, in politics, I beg you to think carefully. It does not seem to me that we Slovaks have yet made our mark in politics. We have not been as smart as we ought to be. We have been taken advantage of. Above all, we have not organized and shown really great political skills. We have to do better in the future. I'm not sure how. But let's at least keep our eyes open for young talent—push it—help it.

Leads me to young people—great to see so many young faces—long hair—short skirts—the things of youth and love and rebellion and song are very Slovak. Think of Janosik—he was visiting his girl friend when he was caught. . . .

Young people are different. Each generation is different. Immigration is a hundred-year story. We haven't even begun to make our contribution yet.

THE NASHVILLE BANNER'S "YOU DECIDE" IMPEACHMENT POLL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Tennessee (Mr. FULTON) is recognized for 5 minutes.

Mr. FULTON. Mr. Speaker, over recent days there have been many measures of public sentiment on the subject of support for or against the President. My own mail and phone calls have run heavily against President Nixon. The latest count total as of this afternoon of letters and telegrams show 1,585 against and 125 for.

These figures are in no way a scientific sampling of the sentiment in my district. They do, however, reflect the views of those who felt strongly enough about the issue to write or call their Congressman.

Conversely, the Nashville Banner over recent days has been conducting a ballot poll on the same question and its findings run sharply contrary to my mail.

The Banner, also, makes no claim of scientific sampling and its publisher, Mr. Wayne Sargent, goes to very objective lengths to point this out.

Thus while neither the Banner's poll nor my mail may necessarily reflect true public sentiment on this issue—who is to say—both are of interest.

I feel the Banner poll findings to be quite interesting as well as the comments and story reporting them. Therefore I ask unanimous consent to place this material in the RECORD at this point and commend it to the consideration of my colleagues.

71 PERCENT IN "YOU DECIDE" POLL SAY "DON'T IMPEACH"

(By Larry Brinton)

President Nixon should not be impeached. That's the opinion of 71 per cent of the 5,434 readers of The Nashville Banner voting in this newspaper's new You Decide feature.

The question was "Should the President be impeached?" The vote was 3,878 against, 1,545 in favor and 11 undecided who mailed ballots anyway.

The President scored heavily on his domestic and foreign policies and his Vietnam War successes, according to ballot comments. However, many of those voting against impeachment were not nearly as concerned with the issue as they were in vehemently castagating those whom the voters felt responsible for Nixon's problems—mainly a blasted news media and Sen. Ted Kennedy (D-Mass.).

CAN NO LONGER BE TRUSTED

The 1,545 persons voting for the President's impeachment in You Decide charged in their comments that the Chief Executive can no longer be trusted and has lost his ability to govern.

Told of the numerous detrimental comments made by the voters against Sen. Kennedy and asked for a comment, the Massachusetts Democrat's press secretary, Dick Drayne, in Washington, said:

"What did Sen. Kennedy have to do with the attempted subversion of the Department of Justice, CIA, FBI, Secret Service, Department of State and the U.S. Constitution? If you find Sen. Kennedy guilty of those sins, I'll be surprised. Those are Nixon Administration devices and he'll be judged on that basis."

There were some interesting facets about the You Decide balloting:

—The vote on the impeachment question closely paralleled the 69.5 per cent vote Nixon garnered statewide in the 1972 presidential election.

—Sixty-six per cent of the 5,314 ballot envelopes received by The Banner were mailed in Nashville. Votes were submitted from 50 Tennessee counties. There were some from Kentucky and one from Missouri.

—In November 1972, Davidson County voted 63 per cent for Nixon. The You Decide ballot showed 71 per cent against impeachment, with the majority of votes cast by Nashvillians. While the issue of electing a president and voting for impeachment are not the same, the distribution of votes indicates a probability that the President has increased rather than decreased his voter strength in Davidson County.

"We do not offer the results as a statistically perfect sample of voter opinion," explained Wayne Sargent, president and pub-

lisher of The Banner. "The Banner is conservative politically and has generally supported the President. We recognize the logic that readers of similar views tend to read The Banner and thus had greater opportunity to participate in the poll."

Sargent said, "But we are gratified with the tremendous response and recognize also that the larger the vote, the better statistical probability that it represents the true feelings of all the voters of the area.

"By contrast, Congressman Richard Fulton has been quoted in the media as saying the people he talks to in his district favor impeachment by as much as five to one. We believe You Decide results come much closer to the true voter sentiments. The parallel between our ballot and the results of last November's Presidential vote also indicate the people of this area have not reversed their position."

Ballots and envelopes showing mailing origin will be retained by this newspaper for six months. Access to the material will be made available to students, historical or political groups having legitimate interest and who wish to appraise or audit the results.

Newspapers across the country have conducted polls in recent weeks on the impeachment question. Some polls were conducted by mail, others by telephone and others by personal interviews. They have had varied results.

OTHERS TEST OPINIONS

For instance, a recent telephone survey of 267 persons by the Atlanta Constitution showed 59.6 per cent were against impeachment and only 28.4 per cent were in favor of impeachment proceedings against Nixon.

Nine days ago the Gallup Poll announced 55 per cent of 623 persons interviewed responded that Nixon should not be compelled to leave the presidency. A week earlier the Oliver Quayle organization said 44 per cent of 1,000 Americans favored impeaching the President, while 43 per cent were against the move and 13 per cent were undecided.

Newspaper polls in Cocoa, Fla., and Binghamton, N.Y., indicated a majority for impeachment. The Rochester (N.Y.) Times-Union reported their poll showed 48.5 per cent didn't believe Nixon should be impeached, 36.6 per cent were in favor of the proceedings and 14.9 had no opinion. Fifty per cent of the 303 persons interviewed said they felt Nixon should resign.

In The Banner's You Decide vote, there were a number of persons who believed that Nixon should resign, but that impeachment was not the solution. Some who voted for impeachment said they had rather see him resign.

FEATURE OF OP-ED PAGE

The You Decide feature printed its first poll ballot on Oct. 30 and the ballots appeared on the Op-Ed page for the next three days.

It was only two days after the first ballot was published that Nixon's lawyers admitted in federal court that two of the highly-publicized nine Watergate tapes never existed.

Oddly, this startling development had no effect on the day-to-day voting results.

The first batch of about 500 ballots received by this newspaper indicated 71 per cent of the readers were against impeachment. Ironically, this initial reading turned out to be the final vote percentage. The second day's mail of 600 ballots was 70.7 per cent against impeachment, the third day's mail of 1,600 ballots was 69.2 per cent against the President being impeached, etc.

The conclusion from this is that the announcement of the missing tapes didn't mean that much to the voters and the tapes were mentioned only sparingly in ballot comments.

A MAN GENUINELY CONCERNED

For the President, his voters found him to be a man genuinely concerned with the duties of running this country, or at least, the best statesman available. Two of the better 'against impeachment' comments which seemed to best sum up the consensus of those voters were these:

—It is the presidency, not the President, that is under assault. Destroy the President and you destroy Richard Nixon. Destroy the Presidency and you destroy the nation.

—Current hysteria by a wild-eyed, biased news media and opportunistic opposition party members is in no way a condemnation of the President. He is a great President conducting the work of his office in a calm, dignified way, despite vicious attacks.

Despite the many setbacks of the Nixon Administration, Nixon, himself, has kept his image at a high level in the eyes of many, as evidenced by the comments. "God Bless President Nixon," said one. "History will reveal the greatness of Nixon," said another. And still another said, "He should have received the Nobel Peace Prize."

PEACEFUL EFFORT HAILED

Some of the pro-Nixon voters were not so much concerned with what he has been accused of doing in the Watergate Affair and other investigations, but the good he has done in the past. "His accomplishments toward world peace far outweigh the charges made without proof by his opponents," read a ballot. "We re-elected him for four years. Let's keep him!!!"

Declared another, "Absurd. What has he done that has placed the country in peril or danger? Nothing . . . Watergate? . . . Phooey."

A voter asks, "What crime has the President committed? Name one politican who has not taken large contributions to be elected and promised something in return."

CONSIDER THE CONSEQUENCES

Three of the voters said the same things, only using different words, in reflecting their feelings. "In spite of his faults, we need him"—"Consider the consequences"—"We have no assurance that any replacement would do better."

The You Decide poll shows there are still plenty of people proud of President Nixon and would vote for him again, if given the chance. "I'm 68 years old and I think Richard Nixon is the best President during my time. I've voted for him three times and would be glad to vote for him again."

Those in favor of impeachment picture the President as a tyrant, dictator, thief, irresponsible, untrustworthy, God, immoral, irrational and a disgrace. Whether he actually committed a crime himself didn't concern a voter.

"Guilty or not he was responsible for the government. Birds of a feather flock together," the comment read. But, there also were comments from people who had seriously considered the situation. "To impeach is merely to charge before a proper tribunal," wrote one person. "It is a logical constitutional means to determine guilt or innocence. It is the best and most direct procedure to resolve the whole Watergate matter and to restore faith in our country."

GOD SAVE THE REPUBLIC

Along the same lines, another said, "At the very least we must have the House sit as grand jury to explore and investigate as provided by the Constitution. God Save the Republic!"

The voters who cast ballots for impeachment seemed to do so just as conscientiously as their opponents. "I am a mother and I try to teach my children right from wrong and how to be good citizens," wrote a woman. "I am fighting a losing battle when we have President Nixon."

The "for" comments go on, and on, and on. Examples are:

There is no reason to think that Nixon could answer the charges pending in criminal, civil or tax courts aside from his executive clemency.

I don't know if irresponsible judgment is enough reason to impeach a President, but it was enough reason for getting rid of a vice president.

Unless impeachment is pursued in this flagrant breach of trust, no future president will ever consider impeachment as a serious limitation.

Some of the voters used vulgarity in describing the President. It was also used to describe his opponents, many of them in Washington.

BIGGEST KENNEDY BASH YET

Sen. Kennedy drew the most. "Biggest Kennedy bash yet," was the way one voter explained the impeachment turmoil. "Since Mr. Cox was so anxious to tell Mr. Kennedy of his being fired, I only wish he had gone there to investigate Mr. Kennedy's past," said another. Here's another. "If anything needs investigating it was the 'Chappaquidic Affair'." And, another: "To hell with Ervin, Baker, Kennedy, Gore." Many were too libelous to publish.

KENNEDY DRAWS IRE

The media fared little better than the Massachusetts senator:

The credibility of the press is at its lowest ebb.

The news media should be censored. Should this country fall, the major cause would be the undermining by the news media.

The television networks should be controlled if they can't report news objectively. Get rid of John Chancellor and Walter Cronkite.

I am in favor of impeaching some news people. They should be held responsible for lies. I hate those three words—'from reliable sources.'

And what single quotation did the voters find solace the most in their support of Nixon? It was right in the Bible, John 8:7: "Let him without sin cast the first stone." They also found other verses to support the President, but John 8:7 was used scores of times.

The For Impeachment voters, likewise, were united in coining an expression. "He is not above the law," they commented frequently.

MIXED REACTION

The ballot comments brought mixed reaction. Some people voiced strong resentment that a newspaper would even take such a poll, as evidenced in the following quotes:

There are no grounds (for impeachment). By your even taking this poll you are joining the rest of the Kennedy-Cox lynch mob.

It saddens me that The Nashville Banner would dignify such an outrageous proposal by asking this question.

I think it's a shame and disgrace that the editor of this paper should allow such a "poll" to be taken.

Do you think that a poll such as this could be at all representative when you're soliciting replies from the basic conservative element?

THE ENTIRE ISSUE SEEMS SO PARTISAN

How much part did partisan politics play in the vote results? Probably a great deal. Those against impeachment of their President were most vocal about the Democrats. "The entire issue seems so partisan," said one person. "The Democrats are working hard to regain their popularity lost in the last presidential election. It's so sad to see these partisans stopping at nothing to fool the American public."

"Repeating what I said when Nixon was elected. He is the biggest mistake ever made in American history," was the way another described it.

How's about this one? "The Democrats are a sorry bunch. I have one at my house. They are stubborn, contrary and hateful most of the time." It was signed, "A 75-year-old youth."

Said another, "If President Nixon had beat me as bad as he beat the Democrats this last time, I would try to get rid of him, too." Here's one: "These narrow minded greedy Democrats will destroy our country." Oddly, the comment was made by a Democrat who added, "I love my country. The thought (of impeachment) is the epitome of stupidity."

Retorts a Republican: "I voted for him, so I feel partly guilty for the country's mess."

SHADOW OF DOUBT ON MANY

The present situation has cast a shadow of doubt on many, many politicians, according to the voter comments:

The only difference between what Nixon did and other politicians is he violated the Eleventh Commandment—thou shall not be caught.

Too much time, energy and money is being spent attempting to prove the Republicans are bigger liars than the Democrats. They're all a bunch of crooks.

He is no worse than his accusers. There is no such thing as an honest lawyer or politician. The only fault with Mr. Nixon is just being caught. All politicians are owned by the unions.

Maybe he is a crook, but then, what politician isn't? Even an honest man would wither under the onslaught of the press.

Most of the 11 voters who failed to be either "for" or "against" impeachment, either thought Nixon should resign or accidentally forgot to mark their ballot.

ON THE PRESIDENT'S ENERGY MESSAGE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts (Mr. HARRINGTON) is recognized for 5 minutes.

Mr. HARRINGTON. Mr. Speaker, last night, President Nixon delivered another energy message to the American people. In it, he outlined a number of belt-tightening steps to conserve energy this winter. Among them were lowering the thermostats in homes, schools, and businesses; reduction of speed limits; limitations on air travel, adjustment of work schedules and shopping hours; and relaxation of environmental standards. He also spoke of the possibility of outright rationing and heavy taxes on fuel use. According to Senator JACKSON, our leading expert in the Congress, fuel rationing is more a probability than a possibility.

I cannot quarrel with these measures. Given the present situation, they are necessary. In the long run, they may even have some positive effects, especially those measures designed to prevent some of the more blatantly-wasteful abuses of our energy resources.

But I cannot help feeling that the message was incomplete. The President only told half the story, and provided half the solution. The energy crisis was not created by suddenly gluttonous energy consumers. The growth of our energy demand has been remarkably consistent over the last 15 years—at about 3.6 percent a year. Nor was it caused by the recent events in the Middle East. As the President pointed out, he perceived our energy difficulties as early as 1971.

Rather, the energy crisis is the result of the combined mismanagement and miscalculation of the energy industry and the Federal Government. On this subject, the President was silent.

The fact that we discovered, just this week, that we are twice as dependent on Arab crude oil as we thought we were offers striking evidence of the inability of American policymakers to collect even the most rudimentary data necessary to base decisions on.

Unfortunately, this was not the first time we have been caught by surprise with unexpected shortages. Just last winter, and again this summer, optimistic forecasts were withdrawn at the last minute, shortages appeared, and prices went up. Not once, throughout the entire message, did the President refer to the weaknesses in the energy industry and in Government policy that have directly caused our present difficulties.

While Mr. Nixon had a long list of sacrifices for consumers to make, he did not ask the energy industry to undertake any sacrifice of its own; nor did he recommend any changes in Government policy that could help ease the energy crisis without consumer sacrifice, higher prices, and relaxation of environmental restrictions.

Among the steps that can be taken, but were not recommended, are the following:

First, adoption of a strong mandatory allocation system to assure that all consumers share in the shortage equally. The President remains opposed to congressional legislation designed to meet this end.

Second, ask the major oil companies not to channel the billions of dollars in windfall profits they are reaping from the shortage into dividends for their stockholders. So far this year, Exxon has made over $1½ billion in after-tax profits—up around 80 percent since last year. At the very least, he could ask revision of the tax laws to require them to pay fair taxes on this money, rather than 8 percent they presently pay.

Third, act to increase supply by increasing competition in the oil industry. The Federal Trade Commission reported the major cause of the shortage is the monopolization of the industry by eight or nine huge firms. The Justice Department has not challenged an oil company since the early 1950's.

Fourth, require oil companies to utilize all their refinery capacity and develop all of their available oil and gas. Federal Power Commission experts have testified that major oil companies are simply sitting on fields which could be producing oil and gas today.

Fifth, revise the tax laws to encourage recycling and energy efficiency. Our present tax laws reward depletion and waste.

Sixth, have the U.S. Government assume a more creative role in international oil negotiations. If the State Department had not abdicated its responsibilities and permitted private American oil companies to represent the United States in oil negotiations, companies which have become tax-collecting agents for the Arabs, the present oil boycott could not have have happened.

At the present time, American corporations, with facilities in Canada and Europe, as well as the Middle East, are refusing to sell oil to their fellow American citizens. Instead, we are being forced to buy domestic crude from these same companies at prices which are skyrocketing. I find this situation hard to accept.

To conclude, President Nixon has recommended several necessary steps to deal with our present shortage—steps necessary only because of the failure of both the industry and the Government to act responsibly.

Unfortunately, energy conservation is the only way to get through the winter. But while conservation, and the sacrifices needed to make it work, may ease the shortage, it will not solve the problem.

The energy crisis will not be solved until we change the Government policies and industry structures that created it.

THE ENERGY CRISIS—WASTE NOT—WANT NOT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. DANIELSON) is recognized for 30 minutes.

Mr. DANIELSON. Mr. Speaker, I have today introduced legislation, H.R. 11351, to impose a graduated excise tax upon passenger automobiles which consume wasteful amounts of gasoline.

The petroleum shortage, which has reached critical proportions, is the result of unlimited demand accompanied by a limited supply. The best, the quickest and the easiest way to increase our supply of petroleum, and to increase it permanently, is to quit wasting it; to encourage more efficient use of our limited supplies and place sanctions on wasteful practices.

Much has been done, or suggested, to increase the supply of petroleum, or at least to spread the shortage around equitably, but nothing has been done to decrease the demand. One of the most obvious reasons for the demand problem is the inefficient use of gasoline by our passenger automobiles.

Unbelievably, the administration has skirted around the problem of wasteful automobile fuel consumption as though it were some kind of sacred cow if animal metaphors are appropriate, our automobiles are more like dinosaurs than cows—their voracious appetites have greatly exceeded the capacity of the good Earth to satisfy them. The time has come to replace these wasteful monsters with automobiles that are more efficient.

Petroleum is important as a source of energy, for the generation of power and transportation, as an industrial fuel, and for other purposes. Everyone is familiar with petroleum when used as motor fuel or heating oil, but few people outside of the petroleum industry realize that petroleum is vitally important in other areas as well. It is the raw material from which nitrogen fertilizer is manufactured to provide us and the world with the abundance of food and fiber we so desperately need. It is used for the manufacture of many synthetic materials from which we make fabrics, the double-

knit suits we wear, plastic products, synthetic rubber, phonograph records, pharmaceuticals, and vinyl. Even the ink on a page of newsprint was probably manufactured from carbon black, a petroleum product.

So the petroleum shortage is not just a matter of gasoline for our automobiles, heating oil for our homes and schools, and fuel for our electrical generating plants and industries. The list of necessary petroleum products is practically endless—and they all come out of the same barrel of crude oil.

Shortages of gasoline this summer, the present shortage of fuel for our buses and trucks and aircraft, the imminent shortage of heating oil this winter, are only the tip of the iceberg. The great abundance of natural resources which America has enjoyed for centuries, which has made America the richest country on Earth, is rapidly coming to an end. The current shortage of petroleum is impairing our capacity to provide some of the most essential ingredients of what we have proudly called "the American standard of living:" unlimited and low-cost fuel, food, and fiber.

Increasing the supply of petroleum cannot be the entire answer. On our planet, there is only a certain amount of petroleum, and much of it is located in foreign lands and may not always be available to us. By pulling out the stops on production from our own reserves, we will be using up those critical reserves and hastening the day when all of our petroleum will be gone, and we are risking severe environmental and economic consequences as well.

It is essential that petroleum, which is the raw material for so many vital products, be used as efficiently and wisely as is possible. Our supplies are fixed, and limited; when they are gone they will be gone for all time. There will be no second crop.

Mr. Speaker, the tax contemplated by the bill which I have introduced today is designed to provide a severe sanction, an economic disincentive, against the manufacture and sale of automobiles which burn, and waste, an unacceptable amount of gasoline. It would be an incentive to develop and market smaller, more efficient automobiles; more efficient in their consumption of gasoline and more efficient in their consumption of other precious natural resources.

This legislation would add a new subsection to section 4061 of the Internal Revenue Code of 1954, imposing, on the sale of gasoline-powered passenger automobiles, an excise tax that increases as the vehicle's efficiency in miles-per-gallon of gasoline decreases. This tax would be imposed upon every car manufactured, produced, or imported after June 30, 1975, and it would be phased in over three time periods, until 1984, when the tax would be in full force. The reason for this gradual phasein is to prevent economic dislocation in the automobile industry which has become accustomed to manufacturing and promoting big cars. Another reason is to give industry lead-time for the research and development of cars and engines which will use fuel more efficiently, or perhaps even consume something other than gasoline. A most important collateral benefit would be the reduction in the wasting of other precious resources, such as iron.

Under my proposal, the gasoline consumption rates of automobiles, upon which the tax would be based, would be determined by the Secretary of Transportation in accordance with rules and regulations promulgated pursuant to the provisions of the Administrative Procedure Act. The gas mileage of the car and the tax imposed would be required to be posted on each car sold after the effective date of the tax.

To demonstrate how this tax would work, I will use the Nation's most voracious gas-guzzler, the Oldsmobile Toronado, as an example. The gas mileage of this car, as determined by the Environmental Protection Agency, is about 6.8 miles to the gallon. Under my bill, after June 30, 1975, a car in that category would be subject to a 20-percent tax. If we assume a before-tax selling price of $8,000 for that car, after June 30, 1975, the price would be increased by an excise tax of $1,600, bringing the retail price to $9,600.

The rate of the tax would increase thereafter by stages in 1978, 1981, and 1984, so that after August 31, 1984, it would be practically prohibitive to manufacture and sell an automobile which could not travel at least 16 miles per gallon of gasoline.

Would you pay $33,600 for a gas guzzler? This is what an $8,000 car getting only 6.8 miles to the gallon would sell for after 1984 under my proposal. You might be more inclined to buy a Ford Pinto or a Dodge Colt which sells for $2,000 to $3,000 and gets 22.8 miles to the gallon, or a Chevrolet Vega, in the same price range, which gets 24.6 miles to the gallon. None of these would be subject to the excise tax under my proposal.

There is no car sold in this country for use on public streets which gets less than 6 miles to the gallon, but just in case anybody got the urge to manufacture one, the tax on such a car after August 31, 1984, would be 640 percent. On the other hand, cars getting better than 16 miles per gallon after 1984, would be subject to a tax of only 10 percent. Cars getting better than 18 miles per gallon would be subject to an excise of only 5 percent, which is less than the excise tax we imposed on all cars before the repeal of the tax in 1971. Cars getting between 20 and 22 miles to the gallon would not be subject to the excise tax until 1984, and at that time it would be only 2.5 percent.

It has been suggested that people should be able to buy big gas-guzzling cars if that is what they want. If we had unlimited supplies of petroleum as well as iron ore, this would be true. But we do not have unlimited supplies, and once a gallon of gasoline is burned, it cannot be unburned, it cannot be replaced.

Under these existing circumstances, there is no reason why one person should be permitted to use two or even three times more gasoline than is necessary to move himself from one place to another, particularly when such wasteful consumption might very well prevent somebody else from getting anywhere at all.

Nor should this proposal be regarded as an attempt by Government to create impossible goals for industry, which is a criticism that is being leveled at the clean air requirements. Today, it is entirely possible, and well within the state of the art, for automobile manufacturers to build cars that get 20 or 25 miles to the gallon. There would be no new technology or crash research projects required, although certainly our technology in this area can be improved.

The tax I am proposing would make the worst gas guzzlers—those cars which get less than 10 miles per gallon—prohibitively expensive within a very few years. Those which get between 10 and 16 miles per gallon would be increased in price to the extent that a potential purchaser would think at least twice before buying one. Those getting more than 16 miles per gallon would be within the budget of most people, and those getting 22 or more miles to the gallon would be free of the excise tax.

The text of my bill is as follows:

H.R. 11351

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) Congress finds and declares that—

(1) petroleum is an essential and major raw material and source of energy used in the production of goods and services vital to the common defense, the economy, and the general welfare of the United States;

(2) petroleum is an essential and major source of energy needed for the transport of goods and persons in commerce among the several States, commerce with foreign nations, and for the maintenance and operation of the Armed Forces of the United States;

(3) petroleum is an essential and major natural resource used in the petro-chemical industry to manufacture other substances vital to the production of food, fiber and industrial products necessary to the economy and general welfare of the Nation;

(4) there are not sufficient known reserves of petroleum in or available to the United States to meet current and foreseeable needs, and that a shortage of petroleum is contrary to the best interests of the United States, and will impair commerce among the several States, and with foreign nations;

(5) there is a direct relationship between weight, engine size, and accessory equipment of passenger automobiles and the efficiency with which such automobiles consume fuel and other limited natural resources; and

(6) because of excessive weight, engine size, and accessory equipment, substantial numbers of passenger automobiles manufactured, distributed, sold and operated in interstate commerce needlessly consume and deplete limited petroleum and other natural resources in or available to the United States.

(b) It is the purpose of this Act to encourage the design, production, manufacture and sale of passenger automobiles which are more efficient in the consumption of petroleum and other natural resources through the imposition of an excise tax upon the sale of automobiles, which tax shall increase as automobile fuel economy decreases.

SEC. 2. Section 4061 of the Internal Revenue Code of 1954 (relating to motor vehicle excise taxes) is amended by adding at the end thereof the following new subsection:

"(c) Passenger automobiles.—

"(1) Tax imposed.—There is hereby imposed upon every gasoline-powered passenger automobile manufactured, produced, or im-

ported after June 30, 1975, a tax upon the price for which such automobile is sold by the manufacturer, producer, or importer thereof, based upon the rate at which such automobile consumes fuel, according to the percent specified in the following tables:

"(A) for the period beginning July 1, 1975, and ending August 31, 1978:

"Tax—in percent

"If the rate of consumption (in miles per gallon) is:	
Over 18	0
Over 15, but not over 18	2.5
Over 12, but not over 15	5
Over 9, but not over 12	10
Over 6, but not over 9	20
Not over 6	40

"(B) for the period beginning September 1, 1978, and ending August 31, 1981:

"Tax—in percent

"If the rate of consumption (in miles per gallon) is:	
Over 18	0
Over 16, but not over 18	2.5
Over 14, but not over 16	5
Over 12, but not over 14	10
Over 10, but not over 12	20
Over 8, but not over 10	40
Over 6, but not over 8	80
Not over 6	160

"(C) for the period beginning September 1, 1981, and ending August 31, 1984:

"Tax—in percent

"If the rate of consumption (in miles per gallon) is:	
Over 20	0
Over 18, but not over 20	2.5
Over 16, but not over 18	5
Over 14, but not over 16	10
Over 12, but not over 14	20
Over 10, but not over 12	40
Over 8, but not over 10	80
Over 6, but not over 8	160
Not over 6	320

"(D) after August 31, 1984:

"Tax—in percent

"If the rate of consumption (in miles per gallon) is:	
Over 22	0
Over 20, but not over 22	2.5
Over 18, but not over 20	5
Over 16, but not over 18	10
Over 14, but not over 16	20
Over 12, but not over 14	40
Over 10, but not over 12	80
Over 8, but not over 10	160
Over 6, but not over 8	320
Not over 6	640

"(2) Determination of fuel consumption rate.—The rate of fuel consumption of automobiles taxable under paragraph (1) shall be determined solely on the basis of the Automobile Fuel Consumption Schedule prepared by the Secretary of Transportation.

"(3) Liability for payment.—The tax imposed by this subsection shall be paid by the manufacturer, producer or importer of an automobile taxable under paragraph (1) at such time and in such manner as the Secretary shall prescribe."

Sec. 3. (a) The Secretary of Transportation is authorized and directed to prepare and transmit to the Secretary of the Treasury, annually and at such other times as circumstances may require, an Automobile Fuel Consumption Schedule setting forth, for each make and model of automobile which is or may be subject to the tax imposed by section 4061(c) of the Internal Revenue Code of 1954, as amended, the rate at which such automobile consumes fuel, according to—

(1) each type of engine, including each type of carburetion or other variation which affects the rate at which such automobile consumes fuel, which is available for such automobile; and

(2) each item or combination of items available for such automobile as optional accessory equipment which affects the rate at which such automobile consumes fuel.

(b) In preparing the Automobile Fuel Consumption Schedule provided for under subsection (a), the Secretary of Transportation is authorized and directed to make any and all tests necessarry to determine the fuel consumption rates of automobiles under driving conditions most representative of the uses to which an average automobile owner puts his automobile under normal driving speeds and circumstances, and with the fuel recommended by the manufacturer for use in the automobile being tested.

(c) The methods and types of testing to be employed for purposes of subsections (a) and (b) shall be established by rules and regulations to be promulgated by the Secretary of Transportation in accordance with the Administrative Procedure Act: *Provided*, That notwithstanding any other provision of law, the rate of fuel consumption specified in the Automobile Fuel Consumption Schedule for any automobile shall be binding and conclusive upon the Secretary of the Treasury for purposes of assessing the tax imposed by section 4061(c) of the Internal Revenue Code of 1954, as amended, unless and until a different rate is established by a superseding Automobile Fuel Consumption Schedule or by an administrative or judicial decision which is final and not subject to any further appeal or review.

Sec. 4. (a) In the case of any automobile distributed in commerce after June 30, 1975, on the sale of which by the manufacturer, producer, or importer tax was imposed by section 4061(c) of the Internal Revenue Code of 1954, as amended, any person required by section 3 of the Automobile Information Disclosure Act (15 U.S.C. 1232) to affix a label to such automobile shall include in such label a clear, distinct, and legible endorsement stating—

(1) that Federal excise tax was imposed and paid on such sale;

(2) the percentage rate at which such tax was imposed; and

(3) the rate at which such automobile consumes fuel, as determined by the Secretary of Transportation.

(b) Any person required by subsection (a) of this section to endorse any label who willfully fails to endorse clearly, distinctly, and legibly such label as required by subsection (a), or who makes a false endorsement of such label, shall be fined not more than $1,000. Such failure or false endorsement with respect to each automobile shall constitute a separate offense.

PHASE 4 ENERGY MESSAGE—WRONG AGAIN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Arizona (Mr. UDALL) is recognized for 5 minutes.

Mr. UDALL. Mr. Speaker, at a time when the country faces serious problems both home and abroad, and when those problems are caused, in large part, by a flagging national belief in its leaders and institutions, it gives this Member no great pleasure to take the floor in order to criticize the President of the United States.

Delivering no less than the fourth energy message in a single year, necessitated by the failure of each of its predecessors to correctly assess the dimensions of the problem, Mr. Nixon once again slipped into the pattern of inadequate measures and bland reassurances that are responsible in no small part for bringing us to the brink of this stark energy crisis. It was the kind of speech that reflects an administration policy that has allowed us to stumble into a virtually insoluble energy dilemma that could close factories and schools and leave millions of homes unheated this winter. For despite Mr. Nixon's protestations about the Congress, this ostrich administration had pretended for 2 years that the energy crisis was not serious. Their defaults have put us in such a vulnerable posture that the Arab's "oil weapon" will inevitably have a devastating impact on our lives and our economy in the months immediately ahead.

And now that we teeter on the brink, here is in summary what Mr. Nixon said:

We will have a shortfall of oil temporarily running in the neighborhood of 2 to 3 million barrels per day.

Wrong. The shortfall we now face, as I will detail later, will likely in the first quarter rise to more like 6 million barrels each day, running between 20 and 30 percent of total demand.

A combination of modest cutbacks in personal and industrial consumption can save us in the short term.

False. The hard fact is that, at this late date, the actions he called for, though desirable and necessary, could be inconsequential. They are either too slow, that is, the conversion of industry to coal or an accelerated nuclear power program, or they are far too modest, that is, temporary speed limits—which will save us only 6 percent of our predicted shortfall—and airline flight cutbacks which would save even less.

Legislation in the Congress will alleviate the problem.

Untrue. If construction began today on the Alaska pipeline, the first drop of oil could not possibly emerge before sometime in 1978. The energy research and development program he belatedly seeks holds promise for the next decade and the next century, but none for next year. It must be pointed out that such a program has been stymied by Nixon administration opposition as late as June of this year.

Moreover, in his speech there was the hint of two egregious policy errors.

First, was the underlying suggestion that technology will bail us out, somehow, just before disaster. We risk catastrophe if a blind confidence in technology lulls us into procrastinating on painful decisions. We are foolish to believe any longer that technological tricks can relieve us of our need to husband nonrenewable resources. No Manhattan project or Project Independence, no amount of cheerleading, will provide an instant solution.

Second, to retreat completely from our commitment to clean water and air, to go ahead damming wild rivers and desecrating wilderness and national parks would be an irreparable mistake. Some short-term tradeoffs may be required, but when the tough decisions come, it would be folly to abandon environmental reforms. We must have a sensible policy that balances our resource budget while remaining respectful of nature's laws.

In a speech 3 days ago, I charted the

deteriorating and serious energy picture for this winter. The hard facts are these:

Before the Mideast embargo, the Interior Department was estimating shortages of 100,000 to 300,000 barrels per day.

On October 12, White House Aide Charles DiBona predicted possible shortages of not more than 8 percent or about 1.2 million barrels per day.

On October 20, this estimate was raised to 1.6 million barrels per day to cover indirect Arab supplies in the form of products imported from third countries which import Arab crude directly, refine it, and reexport the refined products to us.

On October 24, the Treasury Department's Office of Oil and Gas raised this estimate to 2 million barrels per day.

Duke Ligon, OOG's Director, on October 30 gave newsmen an estimate of 2 to 2.5 million barrels per day.

Now Dr. Kissinger has supplied the Senate and House Foreign Relations Committee with a new estimate from the Defense Department of a total shortfall of 3 million barrels per day. This includes Arab supplies of 0.5 million barrels per day formerly available from the Caribbean, and 0.4 million barrels per day from the European refineries. Also included are Defense Department purchases of one-third million barrels per day which it formerly obtained overseas.

But I believe that even this figure is too low.

One. Domestic needs for imports were anticipated by the Interior Department to rise from the present 6.5 million barrels per day to 8.4 million barrels per day in the first quarter of 1974. Most of this increase would have had to come from direct or indirect Arab sources, since no other crude producer can materially increase production. If this is true, then the Defense Department estimate, which assumed a necessary level of winter imports at 7 million barrels per day, underestimates our shortage by over 1 million barrels per day.

Two. Further, if we do nothing to curb demand during November-December—and it appears unlikely that drastic cutbacks will be achieved so soon—inventories will be reduced by the lack of imports—expected to begin about the middle of November—of 3 million barrels per day or about 135 million barrels. This reduction of inventories means that much less will be available to draw from during the winter quarter, which will cause an additional shortfall of 1.5 million barrels per day.

Thus, during the peak of the winter demand period we face a potential shortage of not 100,000 to 300,000 barrels per day, not 1.2, 1.6, or even 3 million barrels per day, but possibly 6 million barrels per day and, of course, the maximum shortage will be even greater than the average shortage.

What can we do? We cannot look to economic incentives to persuade the Arabs to increase production. They have actually increased total revenues by raising prices more than they cut production. Our options include:

First. The beginning of every solution is a thorough understanding of the problem. The President did little in his speech last night to educate the country on the seriousness of the current situation. We must tell the country the whole truth; only then will we be able to build a sense of teamwork and broad citizen cooperation.

Second. Begin to take extraordinary steps now. If we wait until the gas pumps are empty and the pipes are frozen, it will be too late for rational response.

Third. With all the potential inequities these measures suggest, we must immediately take steps to limit gas consumption by either imposing high gas taxes or rationing. These are bitter pills to swallow, but we may have no alternative.

Fourth. Immediately investigate the possibility of requiring a limit on commercial hours, car pooling, a temporary surcharge on excessive energy consumption, an elimination of unnecessary lighting including an absolute ban on neon advertising.

Fifth. The Government must undertake a crash energy education program for individuals and industry, utilizing all media, and providing a steady flow of information to every household in the country on an energy savings program.

Mr. Speaker, we face hard times, and the country deserves to know it. The President proposes halfhearted measures and more delay; I call on the Congress to take urgent action. The price of procrastination is unacceptable.

THE CONVERSION OF COAL TO GAS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Iowa (Mr. SMITH) is recognized for 10 minutes.

Mr. SMITH of Iowa. Mr. Speaker, the President's energy message represented an almost complete turnaround within the administration compared to a year ago. A subcommittee which I am privileged to chair has been investigating, holding hearings and warning for several years that an energy crisis has been developing in the United States. As late as a year ago, the official response by the administration was that there was really no energy problem. The evidence cited was that they had asked the big oil companies and had been told this was the case. The first step toward solving any problem is to realize there is a problem and the second step is to realize the dimensions of the problem. Last winter, the administration was rudely awakened and became convinced there was a problem but only this week have they become convinced how big the problem really is. They now have taken the first two steps.

But to go from realizing the problem to proposing solutions is quite another thing. Based upon what we have heard during the past 2 or 3 years in our subcommittee, I think most of the President's recommendations, and indeed most of those I have been hearing from my colleagues as well, have been nonsolutions for our particular problem. For example, both the President and some of my colleagues talk in glowing terms about the amount of fuel which can be saved by placing a 50-mile-per-hour speed limit on the highways. The President indicated 10 percent of our shortfall could be saved that way. I challenge them to find any rational statistics proving such huge savings.

The best engineers in the business say that the speed at which an automobile will use the least fuel depends upon a large number of factors including the weight of the automobile compared to the size of the engine, the surface of the highway on the particular day in question, the amount of traffic to be carried on that highway at that time, and even the temperature. In many cases slowing traffic to 50 miles per hour can actually increase gas consumption. While under some conditions operating automobiles at a slower speed may save gasoline, depending upon this type of action to yield 10 percent of the energy savings needed would be a drastic mistake.

The unquestioned fact is that we have huge resources of coal in this country and that until the breeder reactor is available on a widespread basis in about 1985, the United States cannot hope to be self-sufficient in noncoal energy supplies, according to present preferences for those sources of energy. If we are to bridge this 12-year gap and to depend less upon imports of oil, it is necessary to concentrate on a national policy of using coal for more of our energy needs. The question is how to accomplish substituting more coal for oil and gas.

We have had many research projects underway for many, many years for the conversion of coal to gas. Contracts for this research have been given to oil companies. Claims have been made that oil companies did not care enough about finding solutions to a problem which would create more competition for oil. Whether that is the reason for the slow progress or whether there is some other reason is not clear, but it is clear that this research has not proceeded as rapidly as it should have. Without any changes in any laws, emergency can be given to these projects.

Although converting coal to gas results in a great loss of British thermal units, the fact is we have large reserves of coal and we do not have enough of other forms of fuel. Therefore, in spite of the loss, it needs to be done. It would be too difficult for homes to convert from gas and oil to coal but electric powerplants could convert from other fuels to coal where necessary and a large share of them already have the capacity to use coal. Coal with the required pollution control equipment is a more expensive source of energy than gas and in some cases oil has been and using coal would require some readjustments of rates but in looking at total energy supply, it seems crystal clear to me that we need to have a national policy of encouraging the use of coal for the next 12 years and that one of the easiest places to make a huge dent in the problem is converting electric powerplants from gas to coal.

Allocating existing fuels on an historical basis will not permit the adjustments that are absolutely imperative to avoid high unemployment and great shortages in our society. For example, gas is used as a derivative for fertilizer and without increased supplies of fertilizer, there

will not be enough of the kind of food supplies which are being programed. Allocating the same amount used in prior years is simply not enough. Making nitrogen from coal would be much more inefficient than converting gas to nitrogen and then using coal in more heating plants instead of gas. This demonstrates how we must look at total energy supplies and the shifting of energy sources rather than simply allocating fuel supplies according to some historical base.

Although many British thermal units are lost in converting coal to electricity for use in homes compared to using gas, huge coal resources can be converted to a usable form in this way and more homes can use electric appliances. Also if more new homes were all electric, then the suppliers of electricity could be the ones in the future to convert back and forth between fuels so as to use the most plentiful fuel that is available at that particular time. Those electric plants using coal during this interim period could switch over to another fuel if and when the other form becomes more plentiful or cheaper per British thermal unit.

There are also some large industrial users of fuel who have been using gas because it was so cheap. Many of them could use coal and tremendously relieve the drawdown on gas which is needed for homes and small users where distribution of fuel by surface methods is a major problem. This may mean a need to revise tax statutes to provide an incentive to use coal instead of other energy resources.

Another problem connected with the increased use of coal is the lack of transportation facilities for delivery of the coal. Much of the coal in the United States contains a huge sulphur content. I think antipollution devices can and soon will be developed which will permit greater use at a reasonable cost of this kind of fuel without polluting the atmosphere. There are also large reserves of coal which are low in sulphur content. Whichever kinds of coal are used, a tremendous increase in transportation facilities will be necessary. I am sorry that the President did not even mention the word "transportation" in his speech because that is one of the very keys to solving this problem.

There are a number of other things which can be done, such as importing more oil from the Western Hemisphere, letting more contracts for explorations in the Gulf of Mexico and other areas on the Outer Continental Shelf, and entering into outright barter agreements with countries with supplies of LPG and crude which would be stored or derived from places where they are just as dependent on our food products as we are dependent upon their energy resources. All of these kinds of things need to be looked at but each one is small in importance by comparison to zeroing in on a huge domestic increase in the mining and distribution of coal as the major source of energy needed to fill the gap.

Weatherstripping around the front door and cleaning the furnace filters are all-right things to do but it is a mistake to think that these kinds of things will be enough to fill the energy gap to the extent needed to prevent unemployment and shortages of food and other consumer goods. It is time to think in terms of increasing total available domestic supplies of energy instead of concentrating almost exclusively upon allocating particular kinds of fuel on an historical basis.

I strongly urge my colleagues and those who are working on energy problems to focus on the central major solutions which will overcome the total energy gap instead of spending so much time on proposals which will be insignificant by comparison and turn out to be disappointing in the end.

ARKANSAS LAW SCHOOL RESPONDS TO GOVERNMENT ACTION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Arkansas (Mr. ALEXANDER) is recognized for 5 minutes.

Mr. ALEXANDER. Mr. Speaker, recently I received a report from Paul Riviere, president of the Student Bar Association of the University of Arkansas School of Law at Little Rock. Mr. Riviere advised that of the 180 students enrolled at the Little Rock Division of the University of Arkansas School of Law that approximately one-half participated in a questionnaire which was circulated among the students. The poll is clear and convincing evidence of the failure of the institutions of government to inspire the confidence of the Arkansas Law School student body and is cumulative proof of the crisis of confidence that many students have expressed during the past several years.

It may be appropriate to note that the U.S. House of Representatives is in the process of responding to the need for change as evidenced by the Legislative Reform Act which was passed in 1971. Remembering, the report by Chief Justice Warren E. Berger on the state of the Federal judiciary in September of 1971 would likewise fall into the category of a call for reform. The executive branch is in constant, almost daily need for improvement that is fitting to serve the needs of a dynamic society.

I commend the poll to my colleagues for their consideration.

RESULTS OF POLL

Questions I, II, Better than 80% disapproved President Nixon's actions.

Question III, 73 of 88 said Congress should consider impeachment.

Question IV, 82 of 89 indicated they felt that members of Congress had not adequately fulfilled their obligation as representatives of the people in the past 10–15 years.

Question V—Comments: 1. The results of the poll should be sent to each member of the Arkansas Congressional delegation in Washington, D.C.

2. Consider impeachment, but on what substantial grounds?

3. They (Congress) have acted like lambs during his administration . . .

4. I considered the appointment of a Special Prosecutor as a promise that the President made to the country . . . his interference was inexcusable. . . .

5. The firing of Cox was the straw that broke it. After having staunchly supported Mr. Nixon and voted for him, I find it very embarrassing to admit that fact in intelligent company.

6. Actions of President Nixon have hurt the country and the Republican Party.

7. Congress has abdicated too much responsibility to the President.

8. It is long past time for the Congress to assert its constitutional authority, regain its posture by impeaching the President and thereby, replace in all America a feeling of confidence in our government.

9. All aspects of impeachment should be fully considered.

10. The Executive has for some time sought to increase its power beyond constitutional limits, but Nixon has gone too far. . . .

11. Congress should re-appoint Cox as Special Prosecutor.

12. During the past 20 years our country has had more of the powers of the people delegated to the Federal Government . . . The power of the President has increased and the power of Congress has decreased . . . Our leaders are shown to be incompetent . . . New leaders must be found, leaders that can become aware of our problems and work actively to solve them. . . .

OPINION POLL

I. What are your feelings or beliefs concerning the firing of Special Prosecutor Archibald Cox? (Circle the appropriate letter.)

(A) I approve President Nixon's actions.

(B) I disapprove of President Nixon's tions.

(C) No opinion.

II. What are your feelings or beliefs concerning the resignation of Attorney General Elliot Richardson and the firing of Assistant Attorney General William D. Ruckelshaus? (Circle the appropriate letter.)

(A) I approve President Nixon's actions.

(B) I disapprove of President Nixon's actions.

(C) No opinion.

III. In light of what has happened this weekend when coupled with the events of the past year, I believe that: (circle the appropriate letter).

(A) The Congress should agree to the "compromise" proposed by the President and *not consider* impeachment.

(B) The Congress should agree to the "compromise" proposed by the President *and* consider impeachment.

(C) The Congress *should consider* immediate impeachment.

(D) No opinion.

IV. Do you believe that the Congress of the United States has adequately fulfilled its obligation "as representative" of the people in the last 10–15 years? (Circle one.)

Yes. No.

V. Comments:

ON OIL EXPLORATION IN THE GULF

(Mr. SIKES asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. SIKES. Mr. Speaker, I am very pleased that the entire Florida House Delegation in the Congress has joined with me today in introducing a bill which is designed to prevent wholesale oil exploration and drilling without concern for essential military test ranges or facilities in the Gulf of Mexico off the Florida coast. The bill provides that no test ranges or facilities which are required for defense programs of the military services of the United States may be released by the Department of Defense for purposes of oil drilling or exploration until a determination has been made by the Secretary of Defense that

there is not a military requirement for the test range or facility involved and until full and complete environmental studies have been made by the Environmental Protection Agency and such studies have been approved by the Appropriations and Armed Services Committees of the Congress; or unless such leasing is directed by the President as essential to the national interests.

We recognize the need for providing additional oil resources in the Western Hemisphere. We know that the Department of the Interior is under pressure to find oil for America's needs. We know the Government wants the revenue which will come from oil leases. Nevertheless, the most optimistic predictions indicate the oil reserves which might be discovered in the gulf would provide only a minor part of America's growing requirements, or approximately 1 million barrels per day against present requirements of 18 million barrels and projected future requirements of 25 million barrels. These limited resources would materialize 3 to 4 years hence and not immediately when additional oil is needed. It is conceivable that the achievement of permanent peace in the Middle East would meet all of America's additional oil requirements, possibly within months.

Drilling off the Florida coast brings the risk of weakening America's defense. I do not think we can afford this. Modern weapons require long and careful testing to insure efficient operation. Today's sophisticated weapons require test ranges which can only be obtained over water. The cost of the Government's investment in defense installations in the Mississippi, Aabama, and Florida areas of the Gulf of Mexico is more than $1.5 billion, and the estimated replacement value of these facilities is $3.4 billion. The normal activities of these installations include hazardous activities such as the testing of live armament over water ranges. Such tests are essential to the maintenance of the combat readiness of the military services. The construction of permanent installations, such as oil rigs, in test areas could result in the creation of dangerous conditions both for military personnel and for those involved in oil exploration and production. Ranges in the Gulf of Mexico are essential to testing and training for the Naval Air Station at Pensacola, Eglin Air Force Base, Tyndall Air Force Base, the Naval Coastal Systems Laboratory at Panama City, and MacDill Air Force Base at Tampa. Moving their functions would not insure adequate test ranges elsewhere. There simply are very few, if any, areas anywhere in the Western Hemisphere where ranges comparable to the present Gulf test ranges are available.

We know that we face a threat of constantly improving Soviet weapons. They are pacing us step by step in progress and surpassing us in numbers of modern weapons. We could lose the next war before a shot is fired if the Soviets know we do not have the weapons to stand up to theirs. This can become a case for America's survival, and America's survival is far more important than the possibility of oil revenues from the Gulf.

A strong case can also be made on economics and tax revenues. The bases named pour $500 million per year into Florida's economy. This is reflected in a very substantial tax return to the Government. Revenues from oil leases would fall far, far short of this figure. Oil spills, which are a constant threat where there is oil drilling, would play havoc with the rich and growing potential of Florida's unmatched beaches. The specter of oil rigs sitting offshore and the always ominous threat of oil spills would certainly place a damper on beach development and, again, on tax returns to the Federal Treasury. Other States have already experienced this problem and know that it is real.

The administration has shown a disappointing lack of concern of the possible serious consequences of drilling in the gulf. We share the concern which is felt on the need to provide additional oil supplies, but we feel that alternative sources and procedures are much more to be desired. Apparently it is necessary that Congress take this matter into its own hands to insure that there will be no disruption of the testing of equipment vital to the Armed Forces, to avoid the unnecessary and very heavy expenditures which would be required to relocate activities which might be compromised by oil activities, and to prevent possible irreparable damage to our beaches and to the development of our State from oil spills.

THE NATIONAL COMMANDER OF THE AMERICAN LEGION SPEAKS BEFORE THE NATIONAL GUARD ASSOCIATION

(Mr. PRICE of Illinois asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PRICE of Illinois. Mr. Speaker, someone has just brought to my attention the address of the National Commander of the American Legion given before the National Guard Association at its recent meeting in Oklahoma City on October 11, 1973. The present National Commander of the American Legion is a retired Air Force major general and is the first career military officer ever to be elected National Commander of the American Legion. For some 17 years, while serving on active duty in the Air Force, he maintained his legal residence in my district and his wife is from Belleville, Ill. We, in my district in Illinois, commend the American Legion in their selection of Major General Eaton as National Commander.

In his address to the National Guard Association, National Commander Eaton expressed the American Legion's apprehension in regard to the future pattern of our defense structure. The American Legion, and all of us, regard the zero draft armed services as a commendable goal but in order for it to have any chance of success the pay of military personnel must be set at a high level and this raises the personnel cost of the defense establishment astronomically.

In approaching the solution to this, the American Legion feels that we must be aware of the danger of parochialism in the Defense Department in arriving at their solutions. In the utilization of reserve forces, to use the words of the national commander:

> If the ceiling is dollars, more defense can be produced under the dollar ceiling. If the ceiling is force structure required, the force structure can be produced at a lower cost. These economies are possible because it is demonstrably cheaper to fund reserve forces both from the standpoint of personnel cost and maintenance and operation cost, than it is to fund the active force.

The American Legion has a resolution on this subject and I place in the CONGRESSIONAL RECORD the remarks of the national commander as well as the American Legion resolution passed at its recent convention in Hawaii in the hopes that my colleagues will find both interesting.

AN ADDRESS BY ROBERT E. L. EATON

Thank you very much.

Mr. Chairman, distinguished guests, I am honored by your kind invitation to be with you today.

Throughout our 55 year history, The American Legion has favored a strong national defense. Indeed, one of the principal reasons for founding our organization was the concern of far-sighted World War I veterans who saw the folly of inadequate military preparedness.

It follows that we have enjoyed an equally long, and equally supportive relationship with the reserve components. My purpose today is to discuss with you the Legion's current position on the national defense, and the contribution we believe the reserve components must make to national defense.

Almost as a matter of course, it seems, prevailing American public sentiment urges the dismantling of the military forces following a long period of conflict. This was true following World War I and it is true again today following the long cold war years and the Vietnam Conflict. General George Marshall called attention to the dangers inherent in this type of let-down when, after World War II, he said:

"We finish each bloody war with a feeling of acute revulsion against this savage form of human behavior. Yet, on each occasion, we confuse military preparedness with the cause of war and drift almost deliberately into another catastrophe. The first thing we must remember with the end of war is that to avoid war we must remain militarily strong."

The existing atmosphere of detente with our cold war adversaries has also had an impact on public opinion concerning our defense posture. The doves, who are always with us, are doing their share of hand-wringing, and attempting to bring about disarmament even if it must be on a unilateral basis. Their prime target is the defense budget which they would reduce to a completely unreasonable degree under the guise of "reordering priorities."

We tend to overlook the fact that in the 3400 years of recorded history there have been only 268 years when a major war has not been in progress. The conflict which seems to be developing into major proportions in the Middle East at this moment appears to bear out the lessons of history in this regard.

The rationale for maintaining a strong defense as a national priority was set forth

eloquently some years ago by British Air Chief Marshal Slessor, who observed:

"It is customary in Democratic countries to deplore expenditures on armaments as conflicting with the requirements of the social services. There is a tendency to forget that the most important social service that a government can do for its people is to keep them alive and free."

While there are hopeful signs of a desire for improved conditions on the part of the Soviets and the Communist Chinese, we of the Legion do not believe the climate is such that we can afford universal or unilateral disarmament. We will require a defense establishment strong enough to provide absolute deterrence. We remain unconvinced that our potential enemies had given up long term goals of military superiority and ultimate aggression in one form or another.

The obvious question here is "how much is enough defense to deal with the threat posed by our adversaries?"

First consideration, in our view, is the maintenance of an adequate nuclear posture for defense. We give our total support to our TRIAD forces and the measures necessary to insure that these forces are kept in fighting readiness.

If we are to provide a counter force with the effectiveness to combat the Soviet threat, we must have a replacement for the now obsolete B–52. We therefore consider the early development and deployment of the B–1 bomber a must.

Additionally we now have evidence of a Soviet submerged missile system with a 4000 mile range, making imperative the deployment of an operational TRIDENT Submarine force at the earliest possible time to replace our aging Polaris System.

Thirdly, we are committed to the rapid updating of the land missile element—our Minuteman system. Our mandate calls for immediate action to improve the survivability and effectiveness of the Minuteman force. This includes replacement of older missiles with Minuteman III, and continuation of research and development action on advanced missiles.

While attaching priority to updating strategic forces, we believe we must act now to improve our general purpose forces. We are committed to continued development and procurement of the F–14 and F–15 air superiority fighters; a return to a position of naval superiority through the continued improvement of our surface and submarine fleet and a modernized air defense system.

While we regard the zero-draft, all volunteer armed services as a commendable goal, we do not believe that it will work. We will give the program our support as long as it is policy. Zero draft has pushed up our personnel costs enormously, and thus the costs of the armed services have skyrocketed for this reason alone.

Now the costs of updating weapons systems plus the zero draft have made defense tremendously more costly, and we deplore the conditions which force the need for it. In spite of the fact that current spending for defense is lower today on the basis of a percentage of gross national product—or measured against the dollar value of a decade ago—the dollar figure is higher. Increasing inflation can be expected to push it even higher in the future. The continuing need for a strong defense must be explained to the American public, sold if you will, and organizations such as yours and mine can be expected to do our best in doing this selling job.

In the face of these skyrocketing costs—the costs for personnel and new weapons systems—it seems to us that the Defense Department itself should be innovative and should try new methods to bring down the cost of defense. We believe that one of the ways the cost of defense can be brought down is a more intelligent and a more aggressive approach to the use of the reserve components. It will be necessary for the Defense Department itself to get away from parochialism in order to take full advantage of the reserve forces and insure proper utilization of these components. There needs to be a radical change in thinking concerning the role of the reserve forces. In past history, the reserve forces have been considered a mobilization force, operating under a requirement that months, and even years of equipping, manning and training elapse in order to bring them to combat effectiveness. Regardless of what has been said on this score, unfortunately our reserve forces are still constituted to a major degree on this basis. We regard this as an unacceptable posture in view of world conditions and our defense requirements. We can't buy a reserve concept that is tied to the idea we have all the time in the world to prepare for war.

Former Defense Secretary Laird, in a rare moment of statesmanship, adopted the obvious solution for utilization of the reserve force in embracing the Total Force Policy—the complete integration of the reserve forces into the nation's combat ready force in being. We need look no further than the example provided by the quick and effective reaction of the Israeli reserves in today's ongoing action to prove that it can be made to work, but sadly we must report that despite a display of lip service, we fail to see vigorous moves toward implementation of this idea by the Congress or the Department of Defense.

As a matter of fact, and more importantly, even now we hear rumors of action planned and papers circulated indicating that the first element of the Defense structure to undergo reduction in force structure will be the Air National Guard and the Army National Guard. It is obvious that if money is to be saved these elements should be the last to undergo cutbacks.

We believe that developing and using the reserve forces in accordance with the Total Force Policy will not only provide an effective defense, it is without question, the most dollar effective approach. If the ceiling is dollars, more defense forces can be produced under the dollar ceiling. If the ceiling is force structure required, the force can be produced at a lower cost. These economies are possible because it is demonstrably cheaper to fund reserve forces, both from the standpoint of personnel costs and maintenance and operations costs, than it is to fund the active force.

In order for the Total Force Policy to be a viable, living thing we must have a commitment to man the force—to equip the force and to train the force. And this is where we should be fighting today—you and I—The American Legion and the National Guard Association. We of the Legion are committed to this policy by the strong mandate of our recent National Convention and I know the depth of your commitment.

Let me say in conclusion that you have the salute of The American Legion and our pledge of complete support. We are, in the words of our theme program for the year, willing to stand up and be counted again in the interests of a national defense structure powerful enough to keep America strong and great. That much defense, ladies and gentlemen—no less—is what we of the Legion consider "enough" defense.

RESOLUTION No. 276

Committee: National Security.

Subject: Total force concept of providing modern aircraft to regular and reserve forces.

Whereas, The Secretary of Defense on 21 August 1970, in anticipation of major curtailments of the force levels within the Defense Establishment of the United States due to rising manpower costs, directed implementation of the Total Force Concept; and

Whereas, The Total Force Concept would provide a greater degree of national defense capability and potential through reliance upon both active and reserve elements of the Defense Establishment; and

Whereas, This increase in capability would be attained and maintained at less expense to the United States; and

Whereas, The Total Force Concept dictates equipping both the regular and reserve forces with modern first line equipment; and

Whereas, The Air National Guard Tactical Fighter Force of the Reserve Forces are equipped with obsolete tactical equipment such as the aged and ineffective F–100 tactical fighter aircraft whose current and projected maintenance and safety modification costs alone exceed production costs of first line tactical aircraft; now, therefore, be it

Resolved, By The American Legion in National Convention assembled in Honolulu, Hawaii, August 21, 22, 23, 1973, that we urge the Congress and the Secretary of Defense to implement the Total Force Concept without delay and equip the Reserve Forces with modern first line aircraft from production as well as Regular Force assets, at the earliest possible date.

LATIN AMERICA: THREE TRENDS TO WATCH

(Mr. FASCELL asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. FASCELL. Mr. Speaker, recently one of America's most distinguished newsmen, Lee Hills, chairman of the board and chief executive officer of the Knight Newspapers, and publisher of the Miami Herald, addressed the annual meeting of the Inter-American Press Association in Boston. In his address Mr. Hills, a former IAPA president, perceptively analyzed the principal trends in the hemisphere today. I know that all those in the Congress who are vitally concerned with Latin America will want to read this excellent speech and I, therefore, include it at this point in the RECORD:

[From the Miami Herald, Oct. 21, 1973]

LATIN AMERICA: THREE TRENDS TO WATCH

(By Lee Hills)

I would like to address myself to what appears to be an unhappy hallmark of relations between the two halves of our hemisphere: A lack of understanding on both the government level and at the press and private level.

The American press is accused of only being interested in Latin America when there is an earthquake or revolution. It is equally fair to say that the Latin American press can be as fickle in covering events in North America, highlighting our "spectaculars" like Watergate or Agnew, or a racial riot but seldom really exploring the underlying issues and attitudes.

Today let me attempt to outline some of the things beyond the revolutions and the earthquakes that I think are important to a changing Latin America.

We in the Knight Newspapers believe that Latin America is an important and vital part of the world and we cover it as though it were, on a day-to-day basis.

So, to our Latin American members, let me

ask whether, in what I am about to say, we are perceiving correctly some of the underlying changes on which you have embarked in your societies. And to our North American members, let me point out by implication some of the kinds of things that Knight Newspapers are reporting about Latin America.

Generalizations about Latin America, of course, are dangerous and often misleading. This is an enormous, diffuse area. It defies any neat description. Each of the 24 separate nations has its own unique set of problems and prospects. What's true in one country may be false in another. What held in the late 1960s may be reversed in the '70s. Indeed, the only constant I can detect is flux and change.

The rules of the game keep changing dramatically for investors. U.S. capital isn't as prized as it once was, and neither is the concept of private enterprise among some of the governments. More of them favor joint venture, and want local control either by private capital or the state itself.

And American capital, which once had Latin America pretty much to itself, now finds stiff competition both from West Europe and Japan.

Nevertheless, it strikes me there are at least three significant trends occurring in Latin America that apply, in varying degrees, pretty much across the board:

1. Latin America, as a whole, is experiencing an economic boom. It began about five years ago—partly as a result of sizable increases in both public and private investment—and it shows no sign of abating. The Latin economy, again as a whole, is expanding at a higher rate than either the already developed areas and the other under-developed regions of the world.

Overall, the combined gross domestic product of Latin countries—what we call our GNP in the United States—has been rising at a rate of about six per cent every year since 1968. That's real growth, in constant dollars, with the inflation taken out.

Even so, this growth is spotty.

In Brazil, the economic showcase of Latin America, the growth rate has been running over 10 per cent for the past five years.

In Argentina, it's barely four per cent.

And Uruguay shows a negative economic growth rate of minus two per cent.

And in most countries, the new wealth is still concentrated in the top 30 to 40 per cent of the population. A good deal "trickles down" eventually, but sudden riches may actually increase economic envy and social tensions. As President Medici of Brazil put it recently: "Brazil is doing well, but the people are not."

But the Latin economic growth is offset by a three per cent yearly birth rate rivaled only in southern Asia. There are now 65 million more Latin Americans than there were when President Kennedy declared the Alliance for Progress. And there will be another 80 million mouths to feed in 1980.

Nevertheless, the growth is so fast that per capita income is rising at three to 3½ per cent a year. There is a lot more money around for Latins to buy things with.

2. My second generalization has to do with nationalism and expropriation. Every nation wants the right to settle its own destiny in its own way.

Riffling through back copies of The Miami Herald, which devotes at least four to five columns daily on a special page to Latin American news, is like a classroom in nationalism.

They tell, for example, of Latin American foreign ministers planning to meet in Bogota next month to prepare a common list of grievances and desires for presentation to the new U.S. Secretary of State Henry Kissinger.

Or of the Law of the Sea Conference scheduled for Santiago in 1974 with Latin nations sure to loudly reiterate their claim to sovereignty over 200 miles of ocean off their shores; of Latin America's increasing Third World leadership role; of Panama's assertion that the Panama Canal is a natural resource which it should control; of Brazil angrily rejecting suggestions from abroad that perhaps it should control its population and place a greater emphasis on the environment in its phenomenal development. The list goes on and on.

Miami Herald Latin American Editor Don Bohning likens the continuing manifestations of nationalism to an outbreak of measles. He regards it as the single most significant trend to emerge in Latin America in recent years and perhaps in recent decades.

Its impact is felt not only on U.S.-Latin American political relationships but by the business community that is so active in Latin America.

Latins are most sensitive about foreign involvement in what they regard as their national patrimony—their land and its crops, the minerals under the soil, the fish in their coastal waters, basic communications, transportation and power networks.

These are the areas that got ITT, International Petroleum and the copper companies into difficulties. This is where the political pressure for nationalization is strongest, and where private foreign investment is regarded with the greatest suspicion.

Unfortunately, most U.S. companies operating in Latin America tend to be lumped together with all the multinational corporations, which have been described by Progreso, the Latin American magazine of business and economic development, as the hottest controversial subject in Latin America.

On the other hand, Latin Americans generally welcome foreign investment in commerce and manufacturing. They may be touchy, sometimes, about repatriation of profits and about the extent of foreign ownership and management. But on the whole, they are glad to see new plants that spell a better life for people with the manufacture of autos, trucks, radios, appliances and consumer goods of all kinds.

Despite the troubles and turmoils of recent years, American investors continue to pour money into Latin America.

The most recent figures from the Department of Commerce show $750 million in net U.S. private investment in 1971, almost 10 per cent above the year before. Over half of these investments went into the manufacturing sector—trailed, way back at about 16 per cent, by petroleum. The book value of U.S. investments in Latin America passed the $16 billion mark last year.

The point is this—expropriation of oil and copper companies may get the headlines, but there are a lot of solid, relatively non-controversial investment opportunities in Latin America that benefit both parties. They create jobs and needed products for Latins—and reasonable earning opportunities for Americans.

Some Latin countries now make a distinction between acceptable and unacceptable forms of foreign investment. The United States may have to do so, too.

3. The third significant trend of recent years—although it makes a lot of us uncomfortable—is the prevalence of military rule. Approximately 70 per cent of the Latin American population lives under some form of military regime that came to power by force. Chile is only the latest example of this trend.

Says William Montalbano, The Miami Herald's prize-winning Latin American correspondent: "It used to be that you could immediately assume that any general in Latin America kept a good seat in the saddle. Today it's a safe bet that any given general is as comfortable with a slide rule as he is with a horse.

"It used to be that the Latin American military intervened in political affairs as an arbiter to preserve the status quo on behalf of the elite. Today all bets are off.

"The Peruvian generals, as an example, care more about water supply to the slums around Lima than they do about the health of the local oligarchs."

As free Americans, we find it difficult to accept governments that are not freely and democratically elected.

Personally, I find it hard to swallow because for 20 years I saw human freedom grow in those countries along with the standard of living. A courageous free press with the same ideals as ours in North America helped lead to the downfall of such old-style military dictators as Peron in Argentina, Trujillo in the Dominican Republic, Perez Jimenez in Venezuela, and others. The Inter-American Press Association was the catalyst.

As recently as 1968, when I addressed the Annual Assembly of the IAPA in Buenos Aires as your president, I was able to say that Latin America enjoyed one of the highest degrees of press freedom of the world. This is no longer the case. Even while we were meeting in Buenos Aires, we received the news about the military coups in Peru and Panama.

In the early years of the Alliance for Progress, the U.S. government also used to raise hell about military takeovers, and intervened actively to promote democratic forms of government. Since the Dominican revolution in 1965, however, Washington's ardor for sermons against military intervention has cooled.

And President Nixon has deliberately sought to maintain a "low profile"—on the premise that the United States ought to accept governments as they are and not as we think they ought to be.

A new kind of military rule is a fact of life these days in most of Latin America. And there are a couple of things that can be said about what this means:

Just as the Catholic Church has switched from being a virtual arm of the upper classes, as it was in previous centuries, to becoming a vigorous engine of social justice, so the Latin military is no longer what it used to be. The officer corps, by and large, no longer represents the feudal aristocracy of the old Spanish and Portuguese colonizers. Most officers now come from the middle and lower classes.

Chile's military revolted on behalf of the wounded middle class. The soldiers, then, rather than being reactionary guardians of the status quo, tend to be pragmatic, progress-oriented bureaucrats in military garb.

Furthermore, in many under-developed countries, the military establishment may be the only disciplined, well-organized, effective institution on the scene. Political leadership may simply lack the managerial and organizational capacity to get the country on its feet and keep it there.

Certainly there are plenty of examples from recent history to support the argument that under-developed countries may be doomed to go through an undemocratic, dictatorial phase, perhaps under military rule, in order to build the economic and social base for a modern society.

If we have learned one thing from our experience in Southeast Asia, it is that Uncle Sam can no longer call the shots in the world. This is also true in Latin America.

Most Latin Americans would like to have in their relations with us the kind of balance between independence and friendship that Mexico has been able to establish. But their cry is that when they try to redress the social and economic structure by democratic means, it doesn't work. So, they have turned in large numbers to undemocratic regimes.

Now, let me outline some major trends

that are developing in key countries and what I see as the outlook in these areas:

Brazil—Purely from the standpoint of economics, Brazil is one of the most exciting countries in the hemisphere with explosive growth and a people gripped by the spirit of nation-building. Inflation is way down. Exports have tripled to $4 billion. The policies of the military government have inspired a high level of international confidence. The business picture is encouraging.

It appears to me that military rule is likely to be around for quite a while, and that probably means continued press restrictions.

In Chile, which went from one extreme to the other in the Sept. 11 coup against the last Marxist President Salvador Allende, the new military junta could be in trouble if it can't hold the country together without terrible repression. If that is necessary, our correspondents believe a sapping civil war of the Northern Ireland variety is a possibility.

In Argentina, economic stagnation and political frustration helped bring Peron back. He is regarded by many as the last best hope for Argentina. Even so, the short term outlook is unfavorable, the midterm at best uncertain and the long-term unpredictable.

In Peru, a "new" military continues to exert its independence from both the Communist and Capitalist blocs and experiment with social and economic programs patterned after, if not imported from Yugoslavia. Again, the generals appear destined for a long run and the direction which they are taking the country could be continued for some time.

In Venezuela, political democracy as it is most commonly practiced gets another test in December with presidential elections. It will be the fourth free election since Perez Jimenez was overthrown and there is nothing to suggest that constitutional government will be interrupted.

Panama, for its size, continues to be one of the most perplexing and potentially explosive political problems for the United States in Latin America. It's important, and the importance of reaching an amicable agreement on the Panama Canal was demonstrated recently by President Nixon's appointment of Ellsworth Bunker as the chief U.S. diplomat in the ongoing negotiations. Even so, no resolution to the canal problem is in sight.

On a broader and less tangible scale, some of the things that bear watching are efforts to reform the Organization of American States; the Law of the Sea conference in Chile next year; Venezuela's extension of its influence into the English-speaking Caribbean; and the increasing weariness of Brazil by some of its neighbors who see the country becoming the hemisphere's newest imperial power.

Now, let me conclude with a few observations about the future of U.S. relations with Latin America, and of IAPA itself.

It was before the IAPA four years ago that President Nixon outlined his "low profile" approach to Latin America and stated U.S. willingness to accept governments as they are in the area.

Rightly or wrongly, that policy has been greeted ambivalently by Latin Americans. While they appreciate the non-interference in their affairs, they also have regarded it as a form of benign neglect.

There is some evidence that this may change. The appointment of Henry Kissinger as U.S. Secretary of State and his recent pronouncements on Latin America have been hailed as a good omen, especially when he said that we must pursue a "policy of partnership in the Western Hemisphere . . . a spirit of compromise produced by a sense of common destiny."

IAPA itself has had a fairly low profile, but not because of neglect or any lack of faith in our principles. And we certainly do have a sense of common destiny.

One reason for the change is that the press is confronted with a whole new ball game in Latin America. Most military rulers fear a free, independent press as a threat to their control. And it is the old story of the people themselves being willing to give up some freedom in exchange for stability and the promise of a better life.

A second and vital factor at this critical time for IAPA is what is happening in the United States.

If your particular country to the south sometimes feels neglected, remember that we in the north are increasingly preoccupied by massive problems of our own—such as inflation and strains on the economy, the scandals of Watergate and Agnew, the war in the Mideast, the energy crisis, food and fuel shortages, federal controls, etc., etc.

Many of us remember the early struggles and the many successes of IAPA. We always took for granted freedom of the press in the U.S. We have enjoyed that freedom for nearly 200 years without serious threat even in war time. This is no longer the case.

The press here is under serious challenge on many fronts:

Illegal wiretaps and undercover investigations of newsmen; the first attempt in our history to invoke prior restraint to prevent publication of material the government doesn't want printed; a rash of subpenas of reporters' notes; a widespread propaganda campaign to discredit and intimidate the press, and especially the government-licensed electronic news media; attacks on newsmen's rights to protect their sources. An even greater danger, I believe, is the growing collision between the press and the judiciary. A current example is The Miami Herald case on right of reply.

The U.C. press has fought back. It has refused to be intimidated. Newsmen have gone to jail to protect sources. The press has played a major role in uncovering scandals that have rocked the administration. The adversary relationship between a free press and the government has proved again to be crucial to the democratic system. Nevertheless, the fight has left its scars in a growing public skepticism of the press.

Thus, we have our problems, north and south. We in IAPA must not give up the fight in some countries simply out of frustration or because previous tactics no longer seem to work. Public opinion is still the most powerful force in the hemisphere.

THE ISSUE OF RESIGNATION

(Mr. MICHEL asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. MICHEL. Mr. Speaker, Members of this House are quite well aware that we do not have a parliamentary system in this country where prime ministers rise and fall depending upon their popularity, the positions they espouse at any given time, or the number of call girls operating among their cabinet members.

Just because our Vice President saw fit to resign because of his problems there is no good reason for our President to pursue that course of action, for the cases are not comparable.

All this talk of the prospects of the President resigning is ridiculous and only serves to disrupt and confuse.

Our Constitution specifically provides for the removal of a President by way of impeachment and the House Judiciary Committee is currently in the process of considering the several impeachment resolutions that have been introduced. I suspect that if an impeachment resolution were brought to a vote in this House today it would be soundly defeated, which makes all this talk with respect to resignation purely academic.

Mr. Speaker, yesterday's editorial entitled "Resignation" in the Washington Star-News, it seems to me, is very appropriate for the times, as is the article by Richard Wilson appearing in the same edition and entitled "The Case Against Nixon's Resigning." I include the text of both to be reprinted at this point in the RECORD:

RESIGNATION

Some of President Nixon's erstwhile supporters have joined with many of his ancient foes in clamoring for his resignation. We have no intention of adding our voice to that chorus, which is unseemly, unfair and unwise, from the point of view not only of Mr. Nixon but of the nation.

Which is not to say that we are convinced of the pristine purity of the President. Far from it: We have the gravest doubts as to Mr. Nixon's fitness to occupy the highest office in the land.

The point is that resignation would resolve none of those doubts. Indeed, such an act would obscure, perhaps forever, the vital question of Mr. Nixon's innocence or guilt in the Watergate affair and its attendant scandals. There would be no catharsis in this. Indeed, resignation would leave a legacy of bitterness and suspicion in at least that 27 percent of the electorate which, by some mind-boggling leap of faith, continues to believe that Mr. Nixon is doing a good job as President and is innocent of complicity in Watergate.

Some of those who are asking Mr. Nixon to step down are doing so on the grounds that he has lost his capacity to govern, that he is politically "crippled." It is true that Mr. Nixon's power and prestige have been impaired and, given what we now know about Watergate, that is not altogether a bad thing. But "crippled"? That must come as news to the President's opponents on the Hill, who have been unable to override one of his eight vetoes (the most recent on October 30) this year. It must also come as news to both sides in the Mideast crisis.

When a tide of emotion is running high, it is easy to get swept away. So perhaps it is worth recalling that Mr. Nixon's popularity has not yet fallen to the 1951 level of a president now widely regarded as one of our near-great leaders—Harry S. Truman.

In any event, ours is not a parliamentary system under which a president is accountable to sudden gusts in the fickle wind of public opinion. No charges of criminality have been lodged against him and the President cannot be compelled to resign an office to which he was lawfully elected.

If he is to be required to step down, Mr. Nixon is first entitled to his day in court. If he has been guilty of "high crimes and misdemeanors," if he has violated his oath to see to it that the laws are justly enforced, then he—and the American people—are entitled to a bill of particulars.

There are those who draw back in fear from the trauma of impeachment proceedings. We have a greater faith in the toughness of the American people, the resiliency of our institutions and the genius of our Constitution.

In our view, the first order of business ought to be the confirmation by the Senate of Vice President-designate Gerald Ford. For if Mr. Nixon is to be swept aside, it is essential that the people's mandate of 1972 be assured. It is to the credit of House Majority Leader Carl Albert, at present the next in line for the presidency, that he realizes that a democratic succession would destroy the legitimacy of the government.

Once Ford has been confirmed, the House

Judiciary Committee ought to move with all deliberate speed in its investigation to establish whether a case for the impeachment of the President exists. Should it so find, it will be up to the House to act upon the committee's recommendation, either rejecting it or sending it forward to the Senate.

The national weal requires a speedy and definitive end to the Watergate scandal. But that end must be fair to the President and to the country, and it must be seen to be fair.

Article II of the Constitution provides for the removal of a president from office. It would be the final irony if a president charged by his opponents with abusing the Constitution were hounded from office by a constitutional short-cut which might poison the well of American politics for generations to come.

A forced resignation would leave an intolerable question mark on the political horizon and create more stresses than it would relieve. It ought not to be contemplated.

THE CASE AGAINST NIXON'S RESIGNING

(By Richard Wilson)

A president skulking from office in tacit admission of horrendously described crimes against the people is not to be compared to the Agnew incident. The event would be of an entirely different magnitude.

The consequences which would flow from it would be unpredictable, and this must be a factor which President Nixon has taken into consideration in standing firm against resigning.

The case which is publicly made by the advocates of resignation can be summed up in one long and flaming paragraph. Nixon's moral and political authority has disintegrated for these reasons:

Illegal acts against domestic radicals. Guilty knowledge of the Watergate coverup. Corrupt political financing on a multi-million dollar scale by seekers of favorable government action. Erratic and tricky moves in blocking full inquiry of corruption. Avoidance of income taxes through legally dubious deductions. Offense to public sensibilities by major government expenditures on two private homes beyond his means purchased through the financing of friends. He can no longer govern.

Every charge and implication in the foregoing flaming paragraph is categorically refuted by a president who, if he resigned under fire, would be held as guilty as Agnew. It would be little comfort to him that his final act as president was for the good of the nation. His name would be disgraced for all time.

This unfolding is scarcely in the design of a man who has dominated the political scene for the past 25 years. Nixon has been with us for a quarter of a century in varying degrees of controversy and it should be no surprise to anyone that after periods of agony and doubt he always decides to fight.

He is not in the position of former Vice President Agnew, faced with documented testimony of four prosecution witnesses, and bargaining to escape jail. The case against Nixon has not yet been made on a legal basis.

The very extremity of the statements being made against him renders it virtually obligatory that he fight to clear his name of any tinge of criminality.

There are other consequences. The alternative to Nixon is not an inviting one. He would be followed by an untested successor whose first act would be to pick another new vice president. The country would enter a new period of doubt and uncertainty at a critical time in world affairs.

Impeachment, with a fair and impartial judgment, might be better for the health of the country than the festering doubt that he had been fairly treated.

As for capability to govern, the President is governing. He is preparing a new budget to be submitted to Congress in January. He is proceeding with a settlement in the Middle East after successful coordination with the Soviet Union under ominous circumstances produced an Arab-Israeli cease-fire.

Certain circumstances can be imagined in which the President might find it impossible to continue. If the Republican leadership demanded his resignation, of which there is no sign, he would be hard pressed.

But the demand for his resignation from hostile partisan sources and from publications he does not respect—and in the ferocious terms which have been used—merely serves to bring home to him that resignation would be equal to acknowledgment of a guilt which he denies.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows to:

Mr. MAHON (at the request of Mr. POAGE), for today, on account of illness of his wife.

Mr. DE LA GARZA (at the request of Mr. O'NEILL), for today, on account of official business.

Mr. GUYER (at the request of Mr. ARENDS), from 3 p.m. for the remainder of the day, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. SYMMS) and to revise and extend their remarks and include extraneous matter:)

Mr. HUNT, for 5 minutes today.

Mr. EDWARDS of Alabama, for 5 minutes, today.

The following Members (at the request of Mrs. COLLINS of Illinois), to revise and extend their remarks, and to include extraneous matter:)

Mr. CULVER, for 10 minutes, today.

Mr. DENT, for 10 minutes, today.

Mr. GONZALEZ, for 5 minutes, today.

Mr. ASPIN, for 5 minutes, today.

Mr. VANIK, for 5 minutes, today.

Mr. BRASCO, for 5 minutes, today.

Ms. ABZUG, for 10 minutes, today.

Mr. ROONEY of Pennsylvania, for 5 minutes, today.

Mr. FULTON, for 5 minutes, today.

Mr. HARRINGTON, for 5 minutes, today.

Mr. DANIELSON, for 30 minutes, today.

Mr. UDALL, for 5 minutes, today.

Mr. SMITH of Iowa, for 10 minutes, today.

Mr. ALEXANDER, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. LANDRUM, and to include extraneous matter.

(The following Members (at the request of Mr. SYMMS) and to include extraneous matter:)

Mr. SCHERLE in 10 instances.

Mr. FINDLEY in five instances.

Mr. DEL CLAWSON.

Mr. QUIE in two instances.

Mr. ERLENBORN.

Mr. VANDER JAGT.

Mr. ARCHER.

Mr. BROYHILL of Virginia.

Mr. HUNT.

Mr. BAKER.

Mr. FRENZEL.

Mr. POWELL of Ohio in two instances.

Mr. GILMAN.

Mr. ARMSTRONG in two instances.

Mr. KETCHUM.

Mr. HUBER in two instances.

Mr. STEIGER of Wisconsin.

Mr. FROEHLICH.

Mr. DERWINSKI in three instances.

Mr. RAILSBACK.

Mr. WYMAN in two instances.

Mr. SPENCE.

Mr. SNYDER.

(The following Members (at the request of Mrs. COLLINS of Illinois), and to include extraneous matter:)

Mr. ROYBAL in 10 instances.

Mr. RODINO in two instances.

Mr. KYROS.

Mr. GONZALEZ in three instances.

Mr. RARICK in three instances.

Mr. BADILLO.

Mr. VANIK in two instances.

Mr. DORN in three instances.

Mr. ICHORD.

Mr. RIEGLE.

Mr. REUSS in seven instances.

Mr. MAZZOLI.

Mr. PATTEN.

Mr. HARRINGTON in four instances.

Mr. JOHNSON of California.

Mr. CAREY of New York in two instances.

Mr. BRASCO in six instances.

Mr. LONG of Maryland in 10 instances.

Mr. DOWNING.

Mr. DRINAN in five instances.

Mr. ANDERSON of California in two instances.

Mr. BOLAND in two instances.

SENATE CONCURRENT RESOLUTION REFERRED

A concurrent resolution of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. Con. Res. 55. Concurrent resolution authorizing the printing of the report of the proceedings of the 46th biennial meeting of the Convention of American Instructors of the Deaf as a Senate document; to the Committee on House Administration.

BILL PRESENTED TO THE PRESIDENT

Mr. HAYS, from the Committee on House Administration, reported that that committee did on November 7, 1973, present to the President, for his approval a bill of the House of the following title:

H.R. 9286. An act to authorize appropriations during the fiscal year 1974 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test and evaluation for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each reserve component of the Armed Forces, and the military training student loads, and for other purposes.

ADJOURNMENT

Mr. DANIELSON. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 40 minutes p.m.), under its previous order, the House adjourned until Monday, November 12, 1973, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1536. A letter from the President of the United States, transmitting a letter from the Acting Secretary of the Navy recommending increased production of petroleum from the Elk Hills Naval Petroleum Reserve for national defense purposes (H. Doc. No. 93–183); to the Committee on Armed Services and ordered to be printed.

1537 A letter from the Secretary of Transportation, transmitting a report on Department of Transportation contracts for experimental, developmental, or research work negotiated under 10 U.S.C. 2304(a) (11) and (16) during the 6 months ended September 30, 1973, pursuant to 10 U.S.C. 2304(e); to the Committee on Armed Services.

1538. A letter from the chairman, Committee for Purchase of Products and Services of the Blind and Other Severely Handicapped, transmitting the annual report of the Committee for fiscal year 1973, pursuant to section 1(i) of Public Law 92–28; to the Committee on Government Operations.

1539. A letter from the Secretary of the Interior, transmitting a report recommending the addition of the Little Miami River, Ohio, to the National Wild and Scenic Rivers System, pursuant to Public Law 90–542 (H. Doc. No. 93–184); to the Committee on Interior and Insular Affairs and ordered to be printed with illustrations.

RECEIVED FROM THE COMPTROLLER GENERAL

1540. A letter from the Comptroller General of the United States, transmitting a report on the limited success of federally financed minority businesses in three cities; to the Committee on Government Operations.

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. ROONEY of New York: Committee of conference. Conference report to accompany H.R. 8916 (Rept. No. 93–625). Ordered to be printed.

Mr. FLOOD: Committee of conference. Conference report to accompany H.R. 8877 (Rept. No. 93–626). 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. UDALL (for himself, Ms. BURKE of California, Mr. DELLENBACK, Mr. HOSMER, Mr. OWENS, Mr. RUNNELS, and Mr. WON PAT):

H.R. 11343. A bill to provide for a national fuels and energy conservation policy, to establish an Office of Energy Conservation in the Department of the Interior, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr BROYHILL of Virginia:

H.R. 11344. A bill to extend daylight saving time to the entire calendar year; to the Committee on Interstate and Foreign Commerce.

By Mr. STAGGERS:

H.R. 11345. A bill to amend the Public Health Service Act to establish a comprehensive program of health care benefits (including catastrophic coverage) to be available to all individuals and families in the United States at a cost related to their income; to the Committee on Interstate and Foreign Commerce.

By Mr. BROTZMAN:

H.R. 11346. A bill to provide a 7-percent increase in social security benefits beginning with March 1974 and an additional 4-percent increase beginning with June 1974, to provide increases in supplemental security income benefits, and for other purposes; to the Committee on Ways and Means.

By Mr. CLANCY:

H.R. 11347. A bill to provide a 7-percent increase in social security benefits beginning with March 1974 and an additional 4-percent increase beginning with June 1974, to provide increases in supplemental security income benefits, and for other purposes; to the Committee on Ways and Means.

By Mr. COHEN (for himself, Mr. HEINZ, and Mr. PRITCHARD):

H.R. 11348. A bill to provide income tax incentives for the modification of certain facilities so as to remove architectural and transportational barriers to the handicapped and elderly; to the Committee on Ways and Means.

By Mr. CORMAN (for himself, Mr. ST GERMAIN, Mrs. HECKLER of Massachusetts, and Mr. MEZVINSKY):

H.R. 11349. A bill to amend the Social Security Act to provide the States with maximum flexibility in their programs of social services under the public assistance titles of the act; to the Committee on Ways and Means.

By Mr. CULVER:

H.R. 11350. A bill to assist in community development, with particular reference to small communities; to the Committee on Banking and Currency.

By Mr. DANIELSON:

H.R. 11351. A bill to provide for the conservation of petroleum and other natural resources by imposing an excise tax on the sale of certain gasoline powered automobiles according to the rate at which such automobiles consume fuel, and for other purposes; to the Committee on Ways and Means.

By Mr. DULSKI:

H.R. 11352. A bill to amend the Community Mental Health Centers Act to provide for the extension thereof, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. DUNCAN:

H.R. 11353. A bill to provide a 7-percent increase in social security benefits beginning with March 1974 and an additional 4-percent increase beginning with June 1974, to provide increases in supplemental security income benefits, and for other purposes; to the Committee on Ways and Means.

By Mr. GONZALEZ:

H.R. 11354. A bill to provide for increased participation by the United States in the International Development Association; to the Committee on Banking and Currency.

H.R. 11355. A bill to provide for increased U.S. contributions to the Special Funds of the Asian Development Bank; to the Committee on Banking and Currency.

By Mr. MILFORD:

H.R. 11356. A bill to amend the Social Security Act to make certain technical and conforming changes; to the Committee on Ways and Means.

By Mr. PETTIS:

H.R. 11357. A bill to provide a 7-percent increase in social security benefits beginning with March 1974 and an additional 4-percent increase beginning with June 1974, to provide increases in supplemental security income benefits, and for other purposes; to the Committee on Ways and Means.

By Mr. ROY:

H.R. 11358. A bill to direct the President to halt all exports of gasoline, No. 2 fuel oil, and propane gas until he determines that no shortage of such fuel exists in the United States; to the Committee on Banking and Currency.

By Mr. SIKES (for himself, Mr. HALEY, Mr. BENNETT, Mr. PEPPER, Mr. FUQUA, Mr. ROGERS, Mr. FASCELL, Mr. GIBBONS, Mr. BURKE of Florida, Mr. FREY, Mr. YOUNG of Florida, Mr. CHAPPELL, Mr. GUNTER, Mr. BAFALIS, and Mr. LEHMAN):

H.R. 11359. A bill requiring studies to be made prior to leasing military facilities for oil drilling or exploration, and for other purposes; to the Committee on Armed Services.

By Mr. THONE:

H.R. 11360. A bill to provide the authorization for fiscal year 1974 and succeeding fiscal year for the Committee for Purchase of Products and Services of the Blind and Other Severely Handicapped, and for other purposes; to the Committee on Government Operations.

H.R. 11361. A bill to provide for the appointment of a Special Prosecutor, and for other purposes; to the Committee on the Judiciary.

H.R. 11362. A bill to define the powers and duties and to place restrictions upon the grounds for removal of the Special Prosecutor appointed by the Acting Attorney General of the United States on November 5, 1973, and for other purposes; to the Committee on the Judiciary.

By Mr. YOUNG of South Carolina (for himself, Mr. ROSE, Mr. YOUNG of Texas, Mr. CASEY of Texas, Mr. BREAUX, Mr. HUBER, Mr. SYMMS, and Mr. DAVIS of South Carolina):

H.R. 11363. A bill to provide for the control of imported fire ants by permitting the judicious use of Mirex in coastal counties; to the Committee on Agriculture.

By Mr. ANDERSON of Illinois (for himself and Mr. CONTE):

H.R. 11364. A bill to amend section 1951, title 18, United States Code, act of July 3, 1946; to the Committee on the Judiciary.

By Mr. ANDERSON of Illinois (for himself, Mr. HORTON, Mr. BELL, Mr. FINDLEY, Mr. GUDE, Mr. HARRINGTON, Mr. JOHNSON of Pennsylvania, Mr. MILFORD, Mr. ROBISON of New York, Mr. PODELL, Mr. J. WILLIAM STANTON, Mr. WARE, and Mr. WHITE):

H.R. 11365. A bill to reorganize and consolidate certain functions of several Federal agencies and departments in a new Criminal Justice Services Administration in the Department of Justice to promote more effective operations and management of the Federal systems of criminal justice; to the Committee on the Judiciary.

By Mr. CARTER:

H.R. 11366. A bill to provide a 7-percent increase in social security benefits beginning with March 1974 and an additional 4-percent increase beginning with June 1974, to provide increases in supplemental security income benefits, and for other purposes; to the Committee on Ways and Means.

By Mr. CLANCY:

H.R. 11367. A bill to amend titles II and XVIII of the Social Security Act to provide for payment of wife's and husband's insurance benefits at age 50 in cases of disability, and to provide medicare coverage at age 50 for disabled wives and husbands, on the same basis as is presently provided for disabled widows and widowers; to the Committee on Ways and Means.

By Mr. CONLAN:

H.R. 11368. A bill to amend the Social Security Act to prohibit the disclosure of an individual's social security number or related records for any purpose without his con-

sent unless specifically required by law, and to provide that (unless so required) no individual may be compelled to disclose or furnish his social security number for any purpose not directly related to the operation of the old-age, survivors, and disability insurance program; to the Committee on Ways and Means.

By Mr. DENNIS (for himself, Mr. SMITH of New York, Mr. MAYNE, Mr. HOGAN, Mr. COHEN, and Mr. BUTLER):

H.R. 11369. A bill to define the powers and duties and to place restrictions upon the grounds for removal of the Special Prosecutor appointed by the Acting Attorney General of the United States on November 5, 1973, and for other purposes; to the Committee on the Judiciary.

By Mr. GILMAN:

H.R. 11370. A bill to provide a 7-percent increase in social security benefits beginning with March 1974 and an additional 4-percent increase beginning with June 1974, to provide increases in supplemental security income benefits, and for other purposes; to the Committee on Ways and Means.

By Mr. HORTON:

H.R. 11371. A bill to establish an independent Special Prosecution Office, as an independent agency of the United States, and for other purposes; to the Committee on the Judiciary.

By Mr. HOWARD (for himself, Mr. CLEVELAND, and Mr. SNYDER):

H.R. 11372. A bill to conserve energy on the National System of Interstate and Defense Highways; to the Committee on Public Works.

By Mr. HUNT (for himself, Mr. SYMMS, Mr. KING, Mr. RONCALLO of New York, Mr. BAUMAN, Mr. BAKER, Mr. GUYER, Mr. LOTT, Mr. CRANE, Ms. HOLT, Mr. SNYDER, Mr. HUBER, and Mr. FROEHLICH):

H.R. 11373. A bill to require an investigation conducted by the Attorney General of any person designated as next in line to act as President in the case of a vacancy in the Office of Vice President, whenever such vacancy exists, to the Committee on the Judiciary.

By Mr. McSPADDEN:

H.R. 11374. A bill to return to the Congress those things which shall reflect the intent of Congress without bureaucratic misinterpretation; to the Committee on Rules.

By Mr. MARAZITI:

H.R. 11375. A bill to amend title 5 of the United States Code with respect to the observance of Veterans Day; to the Committee on the Judiciary.

By Mr MATHIAS of California (for himself, Mr. YOUNG of Alaska, Mr. HINSHAW, Mr. MICHEL, Mr. MAYNE, Mr. ROYBAL, Mr. WON PAT, Mr. REES, Mr. FORSYTHE, Mr. CHARLES H. WILSON of California, Mr. DERWINSKI, Mr. COLLINS of Texas, Mr. CHARLES WILSON of Texas, Mr. ZWACH, Mr. BURGENER, Mr. NICHOLS, Mrs. HECKLER of Massachusetts, Mr. WARE, and Mr. HASTINGS):

H.R. 11376. A bill to amend the act which created the United States Olympic Committee to require such committee to hold public proceedings before it may alter its constitution, to require arbitration of certain amateur athletic disputes, and for other purposes; to the Committee on the Judiciary.

By Mr. MOAKLEY (for himself, Mr. YATRON, and Mr. HAMILTON):

H.R. 11377. A bill to amend title 3 of the United States Code to provide for the order of succession in the case of a vacancy both in the Office of President and Office of the Vice President, to provide for a special election procedure in the case of such vacancy, and for other purposes: to the Committee on the Judiciary.

By Mr. OWENS:

H.R. 11378. A bill to authorize the Atomic Energy Commission to enter into a cooperative agreement with the State of Utah to contain and render harmless uranium mill tailings, and for other purposes; to the Joint Committee on Atomic Energy.

By Mr. OWENS (for himself and Mr. JONES of Oklahoma):

H.R. 11379. A bill to provide for testing of the fuel consumption per mile of all motor vehicles sold or manufactured in the United States, and to limit vehicle purchases by the Federal Government to motor vehicles which have relatively low fuel consumption; to the Committee on Interstate and Foreign Commerce.

By Mr. PATTEN:

H.R. 11380. A bill to provide Federal assistance to cities, combinations of cities, public agencies, and nonprofit private organizations for the purpose of improving police-community relations, encouraging citizen involvement in crime prevention programs, volunteer service programs, and in other cooperative efforts in the criminal justice system; to the Committee on the Judiciary.

By Mr. PATTEN:

H.R. 11381. A bill to reorganize and consolidate certain functions of several Federal agencies and departments in a new Criminal Justice Services Administration in the Department of Justice to promote more effective operations and management of the Federal system of criminal justice; to the Committee on the Judiciary.

By Mr. PREYER (for himself, Mr. CULVER, and Mr. STOKES):

H.R. 11382. A bill to confer jurisdiction upon the district courts of the United States over certain civil actions brought by the Congress, and for other purposes; to the Committee on the Judiciary.

By Mr. RAILSBACK:

H.R. 11383. A bill to establish a Federal Elections Commission, to reform the conduct of campaigns for Federal office, and for other purposes; to the Committee on House Administration.

By Mr. ROE:

H.R. 11384. A bill to amend title II of the Social Security Act to reduce from 60 to 50 the age after which a widow or widower may remarry and still receive at least a reduced widow's or widower's insurance benefit, retroactive to 1970; to the Committee on Ways and Means.

By Mr. ROGERS (for himself, Mr. KYROS, Mr. PREYER, Mr. SYMINGTON, Mr. ROY, Mr. NELSEN, Mr. CARTER, Mr. HASTINGS, Mr. HEINZ, and Mr. HUDNUT):

H.R. 11385. A bill to amend the Public Health Service Act to revise the programs of health services research and to extend the program of assistance for medical libraries; to the Committee on Interstate and Foreign Commerce.

By Mr. ROGERS (for himself, Mr. SATTERFIELD, Mr. KYROS, Mr. PREYER, Mr. SYMINGTON, Mr. ROY, Mr. NELSEN, Mr. CARTER, Mr. HASTINGS, Mr. HEINZ, and Mr. HUDNUT):

H.R. 11386. A bill to amend the Public Health Service Act to provide Federal assistance for information and education programs respecting sudden infant death syndrome and for projects respecting its cause; to the Committee on Interstate and Foreign Commerce.

H.R. 11387. A bill to amend the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970 and other related acts to concentrate the resources of the Nation against the problem of alcohol abuse and alcoholism; to coordinate the National Institute of Mental Health, the National Institute on Alcoholism and Alcohol Abuse, and the National Institute on Drug Abuse; and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. SHRIVER (for himself, Mr. HUDNUT, Mr. WYMAN, Mr. ANDERSON of Illinois, Mr. BAUMAN, Mr. BUTLER, Mr. FRENZEL, Mr. FULTON, Mr. HARRINGTON, Ms. HOLTZMAN, Mr. REES, Mr. REID, Mr. ROE, and Mr. TOWELL NEVADA):

H.R. 11388. A bill to amend the Community Mental Health Centers Act to provide for the extension thereof, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. SPENCE:

H.R. 11389. A bill to authorize financial assistance for opportunities industrialization centers; to the Committee on Education and Labor.

By Mr. TAYLOR of North Carolina:

H.R. 11390. A bill to amend title 23, United States Code, to insure that no State will be apportioned less than 80 percentum of its tax contribution to the Highway Trust Fund; to the Committee on Public Works.

By Mr. WRIGHT:

H.R. 11391. A bill to amend the Federal Property and Administrative Services Act of 1949 and other pertinent statutes of the United States Code in order to establish Federal policy concerning the selection of firms and individuals to perform accounting services for the Federal Government, and for other purposes; to the Committee on the Judiciary.

By Mr. ANDERSON of Illinois:

H.J. Res. 818. Joint resolution to amend title 5, United States Code, in order to designate November 11 of each year as Veterans Day, to the Committee on the Judiciary.

By Mr. MILLER:

H.J. Res. 819. Joint resolution proposing an amendment to the Constitution of the United States with respect to the attendance of Senators and Representatives at sessions of the Congress; to the Committee on the Judiciary.

By Mr. RHODES (for himself, Mr. BADILLO, Mr. BROWN of California, Mr. BURGENER, Mr. COLLINS of Texas, Mr. GUDE, Mr. MOAKLEY, Mr. MURPHY of New York, Mr. RANGEL, Mr. SCHNEEBELI, Mr. TEAGUE of California, Mr. TOWELL of Nevada, Mr. CHARLES H. WILSON of California, and Mr. YOUNG of Alaska):

H.J. Res. 820. Joint resolution to express the sense of Congress that a White House Conference on the Handicapped be called by the President of the United States; to the Committee on Education and Labor.

By Mr. TIERNAN:

H.J. Res. 821. Joint resolution to express the sense of Congress that a White House Conference on the Handicapped be called by the President of the United States; to the Committee on Education and Labor.

By Ms. ABZUG:

H. Res. 690. Resolution calling for the immediate exchange of prisoners of war between Israel, Egypt, and Syria and for other purposes; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of rule XXII, private bills and resolutions were introduced and, severally referred as follows:

Mr. WINN introduced a bill (H.R. 11392) for the relief of Raymond Monroe, which was referred to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

HERITAGE OF HISTORIC AND FAMED CUMBERLAND COLLEGE OF TENNESSEE—SERVANT OF THE NATION

HON. JOE L. EVINS

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 7, 1973

Mr. EVINS of Tennessee. Mr. Speaker, more than 130 years ago—in 1842—historic, famed, and beloved Cumberland University was created in Lebanon, Tenn., and since that time thousands of the graduates of this great institution have gone forth to provide spiritual and secular leadership in all walks of life throughout America.

Mr. G. Frank Burns, author and talented journalist of Lebanon, Tenn., where Cumberland College is located, in the district which I am honored to represent in the Congress, has recently prepared a current history of this great institution in which he describes Cumberland College as "truly the servant of the Nation."

Fourteen thousand students have graduated from Cumberland and some 5,000 graduates are living today. Graduates have included more than 100 Members of the U.S. House of Representatives, two Justices of the U.S. Supreme Court, a great Secretary of State—Cordell Hull—and a score of Senators, Governors, Federal, district, and State judges, leaders of the bar, education and other professions—in addition to many other State and National leaders.

The ideals and high principles that are a part of the Cumberland heritage have provided this Nation and many of its States with outstanding leadership through the years.

Indeed Cumberland College can properly be called a servant of the Nation because of the vital and important contributions of many of its graduates in the national interest.

Colleagues who were graduated from Cumberland and who are currently serving in the Congress include Representative Wright PATMAN, Democrat of Texas, dean of the Congress and chairman of the House Committee on Banking and Currency; Representative OMAR BURLESON, Democrat of Texas, former chairman of the Commitee on House Administration and member of the Committee on Ways and Means; Representative ABRAHAM KAZEN, Democrat of Texas, a member of two important committees of the House, Foreign Affairs and Interior and Insular Affairs; and myself.

At one time in recent years there were some six chairmen of committees or subcommittees in the Congress who were Cumberland graduates. Mr. Burns points out in his excellent treatise on Cumberland that only Harvard University has had a higher percentage of its graduates in Who's Who in America.

At the turn of the century, in 1906, the Presbyterian Church became the sponsor of the university—from 1946 to 1951 the Tennessee Baptist Convention sponsored Cumberland.

In the spring of 1951 the operation of Cumberland was restored to its own independent board of trustees. Today Cumberland is nondenominational but strongly Christian in its interests and emphasis.

Since 1962 when the law school was moved to the campus of now Samford University, Birmingham, Ala., Cumberland College at Lebanon, Tenn., has entered a new and most rewarding phase of its development, with interest on liberal arts—and recently Cumberland College reached the highest enrollment figures in its history.

I want to commend Dr. Ernest K. Stockton, president of Cumberland College of Tennessee, for his outstanding work in planning and moving forward with a program of progress—and I want to commend Mr. David K. Wilson, chairman of the board of trustees, and other fellow members of the board of directors of Cumberland College for their fine work and dedication to the growth and progress of this grand old school and Tennessee institution.

Today Cumberland College continues a noble tradition at Lebanon, Tenn., as does the law department under the name Cumberland at Birmingham, Ala.

Because of the interest of my colleagues and the American people in leading centers of learning throughout the Nation, I place in the RECORD herewith the excellent review and history of Cumberland College prepared by Mr. Burns—and I commend his beautifully written article concerning an institution that has served our Nation so well for so many years to the attention of my colleagues, alumni and friends.

Mr. Burns' review and history follow:

THE HERITAGE OF CUMBERLAND COLLEGE, SERVANT OF THE NATION

(By G. Frank Burns)

In 1842 a college was born in Lebanon, Tennessee. Its name was Cumberland University. Its godfather was the Cumberland Presbyterian Church. Its lineage included two earlier schools—Cumberland College of Nashville and Cumberland College of Princeton, Kentucky. Its parents were the people of Lebanon, who gave the money necessary to establish the new institution of higher education. And it was to have children—thousands of children—who, coming to Middle Tennessee from all fifty states of the Union and many foreign countries, have gone out to serve in vocations both public and private.

Over this period of one hundred thirty-one years, some fourteen thousand students have graduated from Cumberland. About five thousand are living today. They are in positions of trust throughout the land, serving in religion, in law, in education, in the armed services, in business, in the halls of the Congress. Here Cumberland has proven itself to be truly the servant of the nation.

The town of Lebanon, founded in 1802 and named for its cedars, had been a cultural, religious, and political center of Middle Tennessee from the beginning. The desirability of education was apparent to the group of prominent citizens who supported Cumberland University in 1842—to Robert L. Caruthers, lawyer, soldier, jurist, member of Congress, and president of Cumberland's board of trustees for forty years; to James Chamberlain Jones, governor and United States senator; to Jordan Stokes, speaker of the State House of Representatives; and to Josiah Scott McClain, Zachariah Tolliver, Thompson Anderson, Nathan Cartmell, Colonel M. A. Price, Dr. Miles McCorkle, Andrew Allison, William L. Martin, Dr. Benjamin Owen, and Thomas J. Munford.

The first classes were held that fall in a little brick church building, but within its walls the seedling flourished. Only two years later, backed by these men of wealth and culture who made their homes in Lebanon, Cumberland occupied the finest new college building in the South. Within five years, it had started to train young lawyers; within ten, young ministers, in new colleges of the university, professional schools of law, theology, and medicine enlarging the original liberal arts and college preparatory curricula.

The first graduates made their mark on the expanding nation before twenty years had passed. There were Cumberland men in the Congress, in the state houses, on the bench, in pulpits from New York to Oregon before 1861.

The American Civil War slashed across the story of Cumberland like a sabre stroke. From civil life the college's sons went onto the battlefield, some to earn a general's stars, others only a shallow grave. When the war was over, the magnificent building lay in ashes. On a fragment of Corinthian column, after the cannon were quiet, a graduate of Cumberland scrawled in charcoal—"Resurgam."

"I shall arise," W. E. Ward wrote, and arise Cumberland did, by sheer determination. The School of Law, re-opening around the nucleus of the Green family, a family whose members made a contribution to jurisprudence spanning the one hundred ten years from 1831 when Nathan Green Sr. was named to the Supreme Court of Tennessee to 1947 when Chief Justice Grafton Green died, developed the hard-as-nails discipline of instruction which paid off for graduates.

The real gift of the Cumberland University School of Law, looking back over the century and a quarter, was not its graduates who have won fame and renown but rather the spirit of faith in the lasting tenets of democracy, passed on, like an unfailing torch to five generations of young men and women.

In 1871, the School of Law reduced its course of study from fifteen months to two semesters. The one-year course, with concentrated study of textbooks, augmented by lectures and moot court practice, was adopted to meet the impoverished economic state of the South and Southwest after the Civil War. The intense study required to complete the prescribed work within the brief period proved precisely the ingredient necessary to produce competent trial lawyers. The number of Cumberland graduates who attained success on the bench, in government, and in business is almost incredible. Only Harvard University has had a higher percentage of its graduates in Who's Who in America.

Dedicated teachers remaining at their posts for a lifetime—Nathan Green Jr. for 63 years, Andrew Bennett Martin for 42, William Richard Chambers for 14, Albert Bramlett Neil for 13, Samuel Burnham Gilreath for 30—produced a rich harvest from their labors in the vineyard.

From these Reconstruction years on, a

great if poorly paid faculty was teaching a student body in the College of Arts and Sciences, the Theological School, and the School of Law whose members would reach the highest levels of their vocations. The average length of service of a Cumberland teacher in this era was 43 years. From scattered, impoverished buildings in the small town of Lebanon, Cumberland gradually acquired new homes for its classes, survived three great wars, surmounted economic depressions, and focused single-mindedly on its chosen mission—to teach sound principles of life.

Women students were admitted to Cumberland University after 1897. Co-education had been seen as inevitable for several years before; the expedient of a contractual alliance with Lebanon College for Young Ladies had preceded the official acceptance of the new policy.

In 1906, the Presbyterian Church in the United States of America became the sponsor of the university. This relationship continued until 1944. From 1946 until 1951, Cumberland was sponsored by the Tennessee Baptist Convention. In the spring of 1951 the operation of Cumberland was restored to its own independent board of trustees. Today Cumberland is non-denominational but Christian in its emphasis.

Changing conditions in higher education have modified the program of the college. The school deliberately began to concentrate its efforts into a sphere in which it could excel. In September, 1956, after a five-year interim during which only the School of Law was operated, the Cumberland College of Arts and Sciences was reopened as a two-year liberal arts college. It is a member of the Southern Association of Colleges and Schools, the Tennessee College Association, and the American Association of Junior Colleges, with full accreditation. Cumberland has been the coordinating institution for the AAJC program with developing institutions in the Central South. Enrollment steadily increased, and by 1970 reached the highest figure in the institution's history.

Cumberland began in 1962, when the School of Law moved to the campus of Howard College (now Samford University) in Birmingham, Alabama, a development program formulated by the board of trustees. Two phases are complete; the completion of Phase III is anticipated. It includes the construction of a new library and fine arts building and a new health and physical education building.

Under the leadership of David K. Wilson, chairman of the board, and President Ernest L. Stockton, Cumberland's mission has been formulated; reasonable and attainable goals have been established. As a teaching institution Cumberland today places emphasis on the individual student, in an atmosphere where the classroom provides the setting and the opportunity for the student and the teacher to know each other, to seek knowledge and truth together, and to share a mutual concern for learning.

Cordell Hull, father of the United Nations and the Good Neighbor Policy, winner of the Nobel Price for Peace, and Secretary of State for longer than any other man, graduated from Cumberland in 1891. Shortly before his death he said:

"This school was created at a vital stage of our history to meet crying educational needs. Let me here assert with all emphasis, however, that urgent and important as those needs were at that juncture, the necessity for the educational services of Cumberland is immeasurably more important and imperative today."

DIRECT POPULAR ELECTION OF THE PRESIDENT: ONE OF MANY ANSWERS

HON. GUS YATRON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 7, 1973

Mr. YATRON. Mr. Speaker, through election reform legislation which I have sponsored, I hope to see the establishment of a meaningful and responsible method of electing the President and Vice President: The direct popular vote.

I have long endorsed the concept of "one man, one vote" and I believe that the implementation of this system would represent a major improvement in the elective process.

An excellent narrative on this subject has been written by my friend and constituent, Mr. Henry Wolfe, of Reading, Pa. In his paper, Mr. Wolfe raises a number of salient points which I feel merit the consideration of my colleagues.

I am, therefore, pleased to offer these ideas, which follow:

THE DIRECT POPULAR ELECTION OF THE PRESIDENT

(By Henry Wolfe)

With some philosophic overlay beyond a pragmatic view that an external change, perhaps a scaffold realignment, may be a better way to put it, when, from time to time, it becomes necessary to adjust the calendar clock of our political house to withstand ephemeral-induration, or technical accelerations-within-accelerations, that pressure the Congress to respond—sometimes unwisely, q.v., Eighteenth Amendment.

Moreover, coterminous with misguided moral merchants come the parasitic ideologists, domestic and foreign, to infect the blood stream of our American political process; indeed, as this admixture of phony morality and designed evil spills over into political campaigns, that, by innuendo, directly or indirectly besmirch Presidential candidates, stigmatize honorable Americans, or to fragment the nation into ethnic, religious, or racial vote potentials . . . clearly, this induced internal gut rot invites communistic vultures who salivate, ever alert, to pick clean the bones of America's body politic.

With this background, my remarks are addressed to a method felt to be within Constitutional guidelines with a timeless safeguard that each State and every American may share in the meaningful words: "The President of the United States.

Indeed, the Congress, and the people at large, know this awesome High Office represents much more than a geographic 50-State Union: That the President serves the Congress, the Congress in turn, serves the President and the people via the Senate which guarantees 50-State territorial concern, while the House of Representatives touchstone of the people, serves the Congress. Clearly, both the physical, and the people, blend into a single Congress whose bifurcated root stock pinnacles at full bloom with the Presidency.

Out of this magnificent gesture of representative government, Constitutionally established, the selection of our President by direct popular vote must not violate the fundamental context in which the President serves; indeed, the President (like the Congress), embraces a twofold function concerned with our 50-State Union, and the people, in whatever State they may reside.

The one man one vote as proposed by Congress to elect our President by direct vote overshadows tne more fundamental rights of the people in the several States, notwithstanding, no citizen would be denied the right to cast his ballot as advanced by H. J. Res. 318/681; but, in one State, the representative value of his vote may be attenuated to a negligible voice, while in another, a vote may well add unearned increment to a bloc of States that, by population concentration, create a problem less desirable than the electoral college the direct vote would replace; or if one wills, consider such provisions: "40% of majority lacking, run-off election, selection by Congress from two highest votes, etc.", as a cumbersome, inherent, weakness, which may invite gerrymander abuse on a grand scale.

Political guidelines must change from the old way of selecting, then electing, our President; indeed, a direct popular vote is long overdue — cumulative abuse mandates change—but, to assure every citizen in the nation that his vote will be a fair share product of his desire whether cast in New York, California, Pennsylvania, large population States, or in Alaska, Vermont, Wyoming, small population States, to cite an example.

Logically, if State and Federal Congressional Districts form a base for equal representation, then, without value adjustment a direct vote for President cannot be contained within this premise for a number of reasons, chiefly: Without a percentage adjustment to population, less populated States would be denied a fair voice in choosing their President: A gerrymander concept of an Eastern Seaboard-Northern Tier, or a West Coast-Southern Tier (or any other possible population shift), under a direct popular vote for the President—literally would invite manipulative campaigning.

At any rate, a vote for the President cast in Alaska would have approximately 66 less vote power than a vote cast in California, that is, on a one man one vote base. Therefore, to sharpen a valid point, the largest and the smallest population States show a percentage voter gap between two (of the 50) political subdivisions in a direct popular vote. And, without Congressional action to narrow this disparity gap to an acceptable tolerance, then, every American's vested interest in his President, via the ballot (nationwide) will be self-evident—unrequited or overstated.

The Watergate Hearings produced hindsight, to be sure, but with a measure of foresight the American people, whether they live in Wyoming—332,416, or Pennsylvania—11,793,000, or Vermont—444,330, or New York—18,236,000, or a like comparison in any of the 50 States, can see an imbalance that can, should be, corrected merely by adjusting State whole vote values to national percentages, say, by multiples of quarter vote factors. What could be more fair, an equal voice in choosing our President—with a built-in self-adjustment with every 10-year census count?

Every American worth his salt should be proud to percentage-wise share his President with all fellow Americans, and, to express his faith in the American political process (other than a tie) that a simple majority is enough to elect.

In deference to the Congress, certainly, but it is felt that encumbrances under H.J. Res. 318/681 should be reconsidered.

STALIN'S MACABRE "RELOCATION" PLAN

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 7, 1973

Mr. DERWINSKI. Mr. Speaker, evidentally, the House leadership has finally decided to permit consideration on the Trade Reform Act of 1973, next Tuesday. I believe it is necessary for all of us to recognize the foreign policy complications as they relate to sections of the bill which apply to the Soviet Union.

Since there is so much misunderstanding over the word "détente" and many may have innocently misconstrued the ideas that may have developed concerning the continuing purpose of the Soviet foreign policy, I insert into the RECORD an article by John Boland, carried in the October 6 issue of Human Events, which is a timely reminder of the policies consistently followed by the Soviet dictatorship:

LAKE BAIKAL EXAMPLE—STALIN'S MACABRE "RELOCATION" PLAN

(By John Boland)

The brutality of Soviet-style communism was dramatically underlined in 1943 when a mass grave containing some 4,143 bodies was discovered in the Russian Katyn Forest. It had been proven beyond a doubt that the bodies were those of Polish military officers being held in one of three Soviet prisoner-of-war camps near Smolensk. Over 10,000 additional prisoners occupying the other two camps have never been accounted for; some believe the Reds packed the men into old barges and scuttled them in the White Sea—a less detectable mode of mass liquidation.

Now there is evidence that thousands of Soviet Jews were similarly "eliminated" on orders from Stalin. The exact number cannot be ascertained, however, because the victims were allegedly loaded in boxcars and rolled over a cliff into Russia's huge Siberian freshwater lake—Lake Baikal—currently attracting the attention of world ecologists and even the White House's Council on Environmental Quality director, Russell E. Train.

Last September, Train traveled to the USSR to personally inspect Lake Baikal, which the ecologists say is becoming increasingly polluted by Soviet factories dumping raw waste, alkalines and other matter into it. No one is apparently concerned about possible past use of the lake as a Stalinist graveyard of the thousands of frightened, helpless human beings packed like sardines in wooden crates and drowned like so many unwanted kittens.

With the spirit of *détente* in the air, official Washington would probably think it impolite, if not in bad taste, to bring the matter up with the Soviets at all. While it's perfectly "relevant" to speak of past injustices of our government to, say, the original Indian victims of Wounded Knee, the same critical yardstick cannot be held up to crimes committed by the current Kremlin leadership's predecessors.

The ghastly story of Lake Baikal was related last February to members of a subcommittee of the U.S. Senate's Committee on the Judiciary. It was included in the official record and subsequently released by the Superintendent of Documents under the title "USSR Labor Camps." Yet neither the New York *Times* nor the Washington *Post*—the two most powerful and most read newspapers around the Capital—gave it a nod. The national television networks were likewise silent about the revelation, absorbed as they were with the latest anti-war proclamations and the antics of Daniel Ellsberg, the Brothers Berrigan and such.

Testifying before the Senate subcommittee was Avraham Shifrin, a Russian-born former legal adviser to the Soviet Defense Ministry who, after spending 10 years in various Russian slave labor camps, defected to the West. Political prisoners in the Soviet Union, Shifrin testified, are kept constantly on the move, rarely remaining in any one camp for more than six months or a year. The reason for this, he said, is strategic: to prevent the formation of an *esprit de corps* and reduce the possibility of organized opposition, revolt and escape.

It was in one of these prison complexes in Tayshet that Shifrin said he first heard of a bizarre story about Stalin's plan to liquidate Soviet Jews. From other prisoners who had been there, he learned that in 1952—a time which coincides with the peak of the Stalinist anti-Jewish terror—they had been sent to the Lake Baikel area to help construct a railroad spur running from the main line of the Trans-Siberian Railroad for a distance of two or three kilometers to the shore of the lake. Actually, the line ended on the edge of a vertical cliff several hundred feet high that overlooked Baikal.

The prisoners worked overtime every day, seven days a week, on the project. As a bonus for their special efforts they were given 10 days' credit for each day's work, meaning that in three months each prisoner was given credit for 30 months off their sentence.

Some of the men were curious, however, wondering what possible use a railroad that ended at the edge of a cliff would have. The officers in charge explained to them that Stalin wanted the railroad completed in a hurry because he planned to announce the forcible deportation of all Soviet Jews to the "Jewish Soviet Republic" of Birobidjan.

Under Stalin's plan, the Jews would never get as far as Birobidjan, Shifrin said. Loaded in boxcars, they would be switched off the Trans-Siberian line to the newly constructed spur that ended at the edge of the cliff overlooking Lake Baikal. The railway spur to the cliff was clearly being constructed so that the Jews could be liquidated without the trouble of building crematoria as Hitler did in Germany to solve *his* "Jewish problem."

Shifrin told the Senate subcommittee that he was skeptical about the story he had heard at Tayshet prison. But, in the course of his travels around the Soviet Union in 1966–67 after being released from prison, he made a point of visiting the Lake Baikal area to search for the railroad tracks. To his surprise—just as his fellow prisoners had said—he found the tracks terminating on the top of a cliff several hundred feet high. Everything was as had been described, except that the roadbed was overgrown with weeds and the rails badly rusted.

He peered over the cliff. Below was the deepest lake in the world; containing more water than in all the U.S. Great Lakes. Who knows how many innocent victims gasped their last breath in the darkness of the now-polluted Soviet Lake Baikal?

PERSONAL ANNOUNCEMENT

HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 7, 1973

Mr. MAZZOLI. Mr. Speaker, I wish to announce my necessary absence from the House on Tuesday, November 6, due to elections held on that day in my home district in Louisville, Ky.

If I had been present, I would have voted "yes" on roll No. 558; "yes" on roll No. 559; "yes" on roll No. 560; and "yes" on No. 561.

THIS IS NO TIME TO DECREASE OIL EXPLORATION INCENTIVES

HON. BILL ARCHER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 7, 1973

Mr. ARCHER. Mr. Speaker, there is pending before the two Houses of Congress a proposed tax provision that would sharply increase the minimum tax for tax preferences by raising the rate from 10 percent to one-half the regular income tax rate and by denying the taxpayer any credit for regular income taxes paid. Moreover, the House version of the proposal would reduce the $30,000 exclusion to $10,000 and the Senate version would repeal the exclusion outright. These proposals are H.R. 11155 and S. 2520.

Under the proposals, the statutory depletion rate for the energy industries would, in effect, be cut in half. This proposed tax increase would have a major negative impact on this Nation's efforts to become self-sufficient in energy in order to eliminate its rapidly increasing political and economic subservience to the oil-producing nations. I should like us to think together for a few moments on just how serious our problem of oil import dependency has become.

Recently, just over 15 percent of our normal oil supply has been coming from Eastern Hemisphere countries, either directly as crude oil or indirectly as refined products processed in refineries in the Caribbean, Canada, and Europe. Of the 15 percent, about 10 percent originates in Arab countries. Western Hemisphere imports account for about another 20 percent of total supply—making us 35-percent dependent on imports from all sources.

With 15 percent Eastern Hemisphere imports, we have already exceeded the peril point specified in 1970 by the President's Cabinet Task Force on Oil Import Control, which stated that imports from the Eastern Hemisphere should not exceed "an absolute maximum" of 10 percent of domestic demand. Venezuela is producing at capacity; Canada has imposed a ceiling on its exports to the United States; and U.S. production is declining.

Consequently, virtually all of the increase in our oil supply required to meet growing demand must come from the Eastern Hemisphere. Even with much more careful use of energy by our people, oil demand could easily increase by 15 percent in 3 or 4 years—it was up half that much in 1972 alone. That means a total of more than 30 percent in Eastern Hemisphere imports in several years—15 percent now plus a 15-percent growth in demand, plus whatever is needed to offset declining U.S. production; and 30 percent is far above the Cabinet Task Force peril point. If the Alaskan pipeline is

finally opened, there will be more domestic oil, but enough for only 2 year's growth in consumption.

In view of the demonstrated unreliability of imports from many Eastern Hemisphere countries, the Cabinet Task Force 10 percent peril point was certainly well taken. Testimony presented by petroleum industry spokesmen at hearings before the Committee on Ways and Means last March listed 11 interruptions of the flow of world oil supplies during the past quarter century. Today, I should like to include that list of interruptions in the RECORD at this point and then resume my remarks to bring the list up to date. The list from the testimony before the Ways and Means Committee is as follows:

There have been, since World War II, 11 interruptions of international petroleum movements.

1. At the start of the 1948 Arab-Israeli War, Iraq shut down a pipeline to the Mediterranean at considerable financial loss to itself. It also prohibited the completion of other lines (which are still unfinished).

2. In 1951 Iran seized the properties of the Anglo-Iranian Oil Company; and production was shut down for three years.

3. During the 1956–57 Arab-Israeli War, the Suez Canal was closed. The pipeline from Iraq to the Mediterranean was sabotaged.

4. In 1961, Iraq seized a giant undeveloped oil field. Iraq proceeded to develop and produce the field with Russian help.

5. In 1966, Syria—seeking higher transit fees—shut down the Iraq Petroleum Company pipelines which cross Syrian territory. This was a case where a country's vital need for its oil production revenues did not prevent an interdiction. It was Iraqi oil that was shut in, not Syrian.

6. Nigerian oil production was sharply reduced during much of the 1967–1970 civil war.

7. At the start of the 1967 Arab-Israeli War, production was temporarily stopped by Arab producers. The Trans Arabian Pipe Line was shut down; shipments were embargoed to three countries; and the Suez Canal was closed and remains closed.

8. On several occasions during 1969, the Trans Arabian Pipe Line was sabotaged by Arab guerillas. The economic cost to the guerillas was nil, since it was Saudi Arabian oil which was shut in. The guerilla organization was reported to have called this action the beginning of a confrontation with American interests in the area.

9. The Trans Arabian Pipe Line was shut down in the spring of 1970 because—despite the protests of Saudi Arabia—the government of Syria refused to permit repairs of an accidental break in the line. Early in 1971, a new government in Syria negotiated a reopening of the line. Acts of sabotage occurred again in September, 1971.

10. In mid-1970, the government of Libya ordered oil production cut back substantially and interdicted shipments of liquefied natural gas. Some restrictions on oil production are still in effect. After imposing these restrictions, and with the Suez Canal and the Trans Arabian Pipe Line closed, Libya was able to force the companies to increase their tax payments by about 15 percent.

11. Late in 1971, Libya seized the Libyan properties of British Petroleum because of the British Government's failure to prevent Iran from occupying strategic islands in the Persian Gulf (2000 miles from Libya) one day before the British were scheduled to withdraw from the Gulf.

Mr. Speaker, I would now like to bring that list of 11 supply interruptions up to date as follows:

12. In 1972, Kuwait placed a ceiling on its production and exports in order to conserve its oil for future sale.

13. In the spring of 1973, Canada placed a ceiling on its rapidly growing exports to the United States in order to make sure that it could provide for its own internal requirements in the future. There have also been repeated references by Canadian officials to the possible movement of Western Canadian crude to Eastern Canada, that would divert some of the oil now coming to the United States.

14. In the fall of 1973, Libya nationalized 51 percent of the properties of the larger oil companies operating there, thereby diverting some of the Libyan exports to East Bloc countries.

15. In the fall of 1973, the latest Arab-Israeli war led to the following series of events in the Middle East:

(a) The pipelines from Iraq and Saudi Arabia to the Mediterranean were virtually shut off as the result of military action (one terminal was attacked and tanker insurance rates rose sharply).

(b) Iraq nationalized the American and Dutch holdings in the one foreign-owned company still operating in that country; the rationale was American and Dutch support of Israel.

(c) All Arab exporting countries agreed to cut production by at least 5 percent initially and 5 percent per month thereafter until Israel withdraws its forces to its pre-1967 boundaries and "the legitimate rights of the Palestinian people are restored".

(d) All Arab exporting countries totally embargoed petroleum shipments to the United States because of this country's support of Israel. Several also embargoed shipments to other countries, e.g., the Netherlands. The combined result of the cutbacks and U.S. embargo in Saudi Arabia, the largest exporting country, is a 29 percent reduction in exports below the planned November level. Exports from all Arab countries are reportedly down by about 20 percent.

16. Late in 1973, a number of European countries embargoed refined product exports to the United States, which needed the heating oil for the coming winter. Italy embargoed before the Arab-Israeli conflict, Britain and others after.

Mr. Speaker, this somber series of events demonstrates beyond question the dangers of undue reliance on imported oil—even oil imported from friendly countries. How can we validly criticize the Canadians for making sure that they can satisfy their own requirements? Would that this country had pursued energy policies which would have us, today, in a position where we need not worry about the security of our oil supplies if our foreign policy is not acceptable to a particular group of other nations.

Imported oil is not only subject to interruption. It is also no longer the bargain it once was. Middle East governments have more than tripled taxes and royalties in the space of 3 years; the latest increase was 70 percent. Venezuela has increased its tax take on 10 different occasions in 1973; with Arab production cut back, the latest increase was 56 percent. North African governments have raised the price of government-owned oil sharply; Algeria was seeking $7 per barrel, exclusive of freight charges, before the Arab-Israeli war, and Libya doubled its tax take after the war began. Canada levied an export tax of 40 cents per barrel before the Arab-Israeli war. That tax is now $1.90 per barrel. And so it goes around the world—except in the United States, where the price of oil from existing fields is frozen at an average of about $4 per barrel.

Thus, the United States is now spending some $10 billion annually for imported oil of doubtful reliability, with the bill rising continually. More correctly, the country would be spending $10 billion if its supplies from Arab countries were not shut off. And dependence on imports continues to increase.

These conditions cannot be tolerated. We must begin at once to take significant steps to increase domestic production of all energy sources. This is going to take time because of the long leadtimes needed to develop new productive facilities. Consequently, we must have an immediate crash national effort to develop offshore oil, shale oil, coal—to be burned directly, gasified, and liquefied—and nuclear power.

But, Mr. Speaker, even as we find the country in the midst of an acute oil supply crisis, the advocates of this so-called minimum tax proposal would increase taxes on the domestic energy industries by cutting in half the statutory percentage depletion allowances for the minerals industries—including all of the key energy sources: oil, gas, coal, uranium, and shale. I can think of no more counterproductive and dangerous action against the national interest. Approval of this proposal to increase the minimum tax on energy fuels would be a national disaster. To even propose it is irresponsible because of its discouraging psychological effect on potential investors in oil and gas exploration ventures.

NATIONAL VETERANS DAY CEREMONIES AT ARLINGTON CEMETERY A RESOUNDING SUCCESS

HON. ROBERT McCLORY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 7, 1973

Mr. McCLORY. Mr. Speaker, it is with a great deal of pleasure that I can inform the Congress that National Veterans Day Ceremonies held this year at Arlington National Cemetery on Monday, October 22, were a resounding success in all respects. Crowds of people took advantage of the Monday holiday, and the beautiful fall day in Washington, D.C., to pack the Arlington National Cemetery Amphitheater, to listen to the speeches, band music, and to take part in this inspiring and patriotic exercise.

Hosts for the National celebrations were the Disabled American Veterans. Support troops were provided by 1st battalion—REINF—3rd Infantry—The Old Guard—of the Army, commanded by Col. H. H. Perritt, Jr., USA. Music was supplied by the U.S. Marine Band conducted by Maj. Jack Kline.

The President's Veterans Day National Committee coordinated ceremonies at Arlington and elsewhere in the Nation. Chaired by the Administrator of Veterans' Affairs—the group has an executive committee which includes representatives

of the 10 national veterans organizations chartered by Congress. The Governor of each State appoints a Veterans Day chairman who works in cooperation with the national committee in planning and projecting suitable ceremonies within his State. Regional ceremony sites, and hosts were as follows: Alameda County—San Leandro—Calif., Military Order of the Purple Heart; Albany, Oreg., Congressional Medal of Honor Society; Birmingham, Ala., Veterans of Foreign Wars; Indianapolis, Ind., the American Legion; and Milwaukee, Wis., the American Veterans of World War II.

At 11 o'clock, the Honorable Donald E. Johnson, Administrator of Veterans' Affairs, as personal representative of the President of the United States, placed the Presidential wreath on the Tomb of the Unknown Soldier. A combined color guard representing all military services, presented arms at the Tomb of the Unknown Soldier, while a bugler sounded "taps." The remainder of the ceremony, which included a brief address by Mr. Johnson, took place in the amphitheater.

At the Arlington ceremonies, an ex-marine, Mike Johnson, 25, of Provo, Utah, who is the outstanding Disabled American Veteran of the Year, led the 2,500 persons who filled the amphitheater in reciting the Pledge of Allegiance. In 1968, while serving in Vietnam, about 20 miles southeast of Danang, Mike stepped on a land mine. He lost both of his legs and most of his fingers. Now married and the father of a 17-month-old child, Mike gets about in a wheelchair. He said that he averages 30 points a game in wheelchair basketball. He is employed as an engineering draftsman.

In his introductory remarks, VA Administrator Donald E. Johnson elaborated upon the theme of the 1973 celebrations, "Peace With Honor," which was enunciated by the Greek historian Polybius more than 2,000 years ago when he wrote:

> For peace, with justice and honor, is the fairest and most profitable of possessions.

The National Committee, in selecting this theme, noted that:

> Every war that we have ever participated in was fought with the highest ideals and terminated with an honorable peace. This theme will serve as a reminder of part of our history.

Administrator Johnson noted that:

> Veterans Day, distinguished from Memorial Day, is a national observance in which we honor the living veteran. But, certainly, it is fitting that we do so in the memory of those who gave their lives.

Originally Veterans Day was called Armistice Day, and was celebrated on the 11th hour of the 11th day of the 11th month to commemorate the end of World War I. Later, the name of this national holiday was changed to Veterans Day in honor of the veterans of all wars. In the 90th Congress, the national observance of Veterans Day was changed to the fourth Monday in October, as a part of the comprehensive Monday holiday legislation. However, each State has jurisdiction over the holidays which it wishes to observe.

The main speaker for the national ceremonies this year was Mr. John T. Soave, national commander, Disabled American Veterans, who in his moving talk pointed out that, "despite sincere efforts by this administration, the disabled Vietnam veteran is having a harder time fitting himself back into our civilian culture than any veteran generation that preceded him," and that veteran organizations find this to be a very disconcerting situation. He said:

> Slowly these men are being assimilated back into our society, but for them, "Peace with Honor" will not truly be here until they are fully contributing members of the civilian world around them. We must all pledge ourselves to see that this day comes soon.

Mr. Speaker, based upon what I have heard and what my staff has reported to me, the observances this year were successful beyond earlier expectations. The fact that all Federal employees and many other persons were enjoying a weekend holiday resulted in far greater participation than woud have been possible if the celebrations were conducted in accordance with the earlier practice of observing the World War I armistice with relatively brief and solemn ceremonies at the 11th hour of the 11th day of the 11th month.

Mr. Speaker, it is somewhat ironic that those who have clamored for a return of Veterans Day to the calendar date of November 11, will not, indeed, observe that date this year. Instead, since November 11 falls on a Sunday, they will observe their own Monday holiday on Monday, November 12.

There are many reasons for retaining Veterans Day as the fourth Monday of October, and I am hoping that an increasing number of veterans, on deep reflection and without undue emotion, will decide to retain the many advantages inherent in the Monday holiday concept. By observing Veterans Day as a Monday holiday, many Americans are able to visit historic shrines which we associate with the sacrifice of our veterans; more important is the realization that hospitalized veterans are better able to be with family and friends when Veterans Day falls on Monday. Indeed, they are the special beneficiaries of this legislation.

EAGLE SCOUTS

HON. JOHN J. DUNCAN

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 7, 1973

Mr. DUNCAN. Mr. Speaker, I would like to take this opportunity to recognize before my colleagues two fine young men from Knox County in Tennessee who recently achieved the rank of Eagle Scout. In reaching the highest goal of the scouting program, these young people displayed the courage and leadership which will prepare them to take on the responsibility of guiding our great Nation in the future. My own sons were in scouting, and I personally know of the great value of this organization to young men. I have listed their names below.

Charles Julian Siler, Knoxville, Tenn.
John Chapman Duffy, Knoxville, Tenn.

HOW RESPONSIVE IS PUBLIC TELEVISION TO MINORITES?

HON. WILLIAM (BILL) CLAY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 7, 1973

Mr. CLAY. Mr. Speaker, the Advisory Panel on Minorities and Public Television recently issued its findings as to how effective noncommercial broadcasting has been to minority groups.

The Ford Foundation which has been a major supporter of public television reviews those programs to which it has given assistance. The Foundation's Office of Public Broadcasting, therefore, asked Mr. Robert C. Maynard, associate editor and ombudsman of the Washington Post, to carry out a review and analysis of the portrayal of minorities on public television. Mr. Maynard suggested the setting up of an independent panel to implement a study.

The panel concentrated its attention on the programs broadcast on the public channels of New York, Boston, Washington, and Los Angeles—and specifically those programs involving and addressing themselves to blacks. In its findings the panel found criticism with the present form and content of noncommercial television which it stated "must be re-evaluated and restructured, if it is to realize its potential."

Their findings, conclusions, and recommendations should be of interest to all Members of Congress and hopefully the panel's suggestions will be used as a basis for improving those areas of public television which have to date been ineffective.

"Minorities and Public Television: An Appraisal by the Advisory Panel on Minorities and Public Television" follows:

MINORITIES AND PUBLIC TELEVISION: AN APPRAISAL

(By the Advisory Panel on Minorities and Public Television, October 1973)

PANEL MEMBERS

Dr. Andrew Billingsley—Vice President for Academic Affairs, Howard University.

Emma Bowen—Executive Secretary, New York City Department of Mental Health and Mental Retardation Services.

Dr. Robert Butler—Research Psychiatrist and Gerontologist, George Washington School of Psychiatry.

Dr. Phyllis A. Harrison—Pediatrician and Child Psychiatrist, Director of Community Mental Health Center, Metropolitan Hospital.

Roger Holguin—Free-lance television producer, Assistant to President, East Los Angeles College.

Robert C. Maynard—Associate Editor and Ombudsman, The Washington Post.

Kellis E. Parker—Associate Professor.

Marquita J. Pool—Producer, "Like It Is," WABC–TV News.

Eugenia Ramos—former school teacher, mother and wife.

Jack E. White, Jr.—Contributing Editor, Time Magazine.

(Organizational affiliations are listed here for purposes of identification only.)

INTRODUCTION

We begin with the general proposition that the role of television has become critical to intergroup relations in the United States. How Americans determine their attitudes about each other is deeply affected by the images portrayed by television.

Because public television relies for its resources on contributions from institutions and individuals in all sectors of our society, the panel believes it is imperative that this medium accurately reflects the variety of the American experience.

During the fall of 1972, the members of this panel carefully observed the programs broadcast on the public channels of New York, Boston, Washington, and Los Angeles. Our intention was to learn how extensively, and by what means, the interests and images of minority groups were being portrayed on the screen.

In doing so, we concentrated on programs involving or addressing themselves to blacks, since this group has at least a discernible place on public television. Other groups in our society were served too irregularly and rarely to provide material for productive observation. However, we are acutely aware of these wider needs. Therefore, for the purposes of this report, the definition of minority is meant to include those groups this panel found to be in the minority on public television. Under this broadened definition, we include ethnic minorities, women, the elderly, adolescents, and the physically handicapped and mentally retarded. These are important elements in American society whose interests depend on a public system of presentation to achieve an understanding of their particular problems.

I. PROGRAM OBSERVATIONS

The following are a number of observations of public television programs made by the panel from October 8 through October 30, 1972. They serve to illustrate unevenness in the quality of minority images to be found on public television. Some programs earned commendation from the panel; others were found wanting.

"Behind the lines" is as guilty as any other program of ignoring the opportunity to use black spokesmen, even when they are the most effective advocates of a particular position. For example, it was found that during a program on the accuracy and propriety of political polls, not one question was asked regarding the polls' notorious inaccuracy in black and other minority communities. In addition, no questions were asked as to whether special efforts were made to include representative minority group members in polls taken in crime-ridden ghetto areas, where interviewers are often reluctant to venture and residents tend to be afraid to open their doors.

"Behind the Lines" provided an example of a phenomenon we found throughout public broadcasting. It confines the use of minority group members to subjects that are of special concern only to minorities, and ignores minority group members, despite their expertise, at times when the subject does not directly affect them, even when their contributions might well be significant. On one evening when the panel was observing public television, "Behind the Lines" had as its subject the problem of confidential sources of reporters. All the participants on both sides of the discussion were white. Yet, one of the principal cases decided on this issue by the Supreme Court involved Earl Caldwell, a black correspondent of *The New York Times*. None of the many black journalists who have spoken eloquently on this subject in other settings appeared on the program. We found it to be generally true that if the issue under discussion concerns "civil rights" or poverty, the minority presence is deemed obligatory. In discussions of any number of other subjects of general interest, the tube tends to be all white. It is important that public television, especially, assist in the destruction of the stereotyped notion that blacks and other minorities—disadvantaged women and the elderly included—know of nothing else but those things that uniquely concern them.

"The 51st State" has provided some excellent local coverage, such as the dispute over a public housing project in Forest Hills, N.Y., and the integration of 31 public housing children in the Canarsie schools. On the whole, "The 51st State" did the best job of including the viewpoints and concerns of minority groups of any show observed. Moreover, it did not create its own issues; its stories seemed to derive from the actual fabric of the news, and thus did not have as patronizing an effect as do some other PBS programs.

"Soul!" and "Black Journal" are the only two nationally televised programs on public television which are cast in the role of providing a forum solely for blacks to display their talent and their expertise on matters of interest to the black community. Each has a responsibility and a task rendered more difficult by the fact that together they total only an hour and a half a week. The merits of the two programs aside, "Soul!" and "Black Journal" cannot realistically be expected to do the entire job of presenting the black perspective. Attempting to make them the sole voice of the black minority distorts the real world.

"Black Journal," the lone Public Broadcasting Service vehicle for reporting on public affairs in the black community, should be improved in several important areas. There must be increased use of timely filmed reports. A broad spectrum of viewpoints should be presented by involving a variety of voices in the production, presentation, and selection of program materials. A substantial increase in high quality investigative reporting should replace some of the studio-bound discussions that now are the program's mainstay. These changes are not likely to be achieved in the context of the program's present 30-minute, once-a-week format. At the very least, the time allotted to "Black Journal" should be doubled.

"Soul!" does not give equal time to all of the performing arts. The most frequent guests on the show are rhythm and blues singers, jazz musicians, and poets. This kind of program has wide audience appeal because many persons like to see performers promoting their latest hit records. Occasionally the program does adopt a public affairs orientation. In these instances, it attempts to comment upon issues that affect the black community through the art forms it presents. The range of this program is limited, but successful as far as it goes.

One interpretation of black culture cannot be expected to satisfy an entire community of black people with diverse interests and backgrounds. However, because programs like "Masterpiece Theatre" and "International Performance" do not present the works of black playwrights and black performing artists as part of their regular programming, one becomes dependent upon "Soul!" to do so. This places a responsibility on "Soul!" that other cultural programs should share.

It is unfair to expect "Soul!" to be all things to all black art forms, and it is unfair to judge its effectiveness by standards that do not apply to all other cultural programs on public television. However, a greater variety of artists should be scheduled to appear on "Soul!"

"Book Beat" is a very good and appropriate format for the discussion of books by and about minority groups. However, like other PBS programs, it misses a number of opportunities to consistently portray minorities in an accurate light. One exception was the discussion of Senator Edward Kennedy's book on health care, a topic which is relevant to nonwhite people, who are likely to be ill more often, die younger and suffer more serious economic deprivation as a result of sickness than other Americans.

II. FINDINGS

The panel found:

That public television has taken a leadership role in communications and has innovated in areas heretofore alien to the television industry. Its emphasis on local issues has resulted in an increased interest on the part of minorities, the elderly, the poor, children, etc. And the increased appetite on the part of these views has certainly been whetted by public television's programming policies. Nevertheless, the present form and content of non-commercial television must be reevaluated and restructured, if it is to realize its potential.

Beyond the internal problems that public television must surmount—funding and a variety of political and group pressures, among others—the medium must address itself to a fundamental issue in communications in America: to enrich the *quality* of minority involvement. This issue deserves particularly high priority on the agenda of a publicly supported medium.

That the act of determining what and who is going to be on television gives some values a higher priority in the minds of the viewing audience. In as diverse a society as ours, program content can only be planned fairly by establishing multi-ethnic group panels to make such judgments.

That public television is a public service institution, supported principally by government funds; therefore, its obligations are similar to those of such other public institutions as universities and public schools. The obligation of public television is to help extend equal educational opportunities to all segments of the public. Indeed, the profound impact of television gives this medium a greater opportunity to bring education and intellectual stimulation to segments of the population that have long suffered from educational neglect.

That insensitive programming has the potential of subtly reinforcing negative attitudes that are all too frequently found in this society. Furthermore, it could force whole segments of minority populations to turn off—to become non-viewers—by failing to respond to their interests.

That public television fails to provide adolescents with the sort of information that is most important to their immediate personal concerns.

III. CONCLUSIONS

We hope this report will serve as a healthy first step toward a full appraisal of the public television system' performance as a medium that should reflect the realities and the aspirations of the entire American community. We recognize that as a difficult challenge to the public system, one that cannot be achieved instantly. We also recognize this report as one of many enterprises aimed at assisting the public system in pursuit of this goal of excellence and comprehensiveness.

This is not intended to be the last word on the problems of minorities and the public system. It is, instead, the collective observations of one group of concerned citizens who believe in the principle of a public system, and who believe the system is obligated to strive to reflect the diversity of American life and culture.

More should be done to examine other aspects of the problem. We confined ourselves to our assigned task of reporting on what we saw on the screen. We have made no attempt to go behind it, to examine the employment practices of the various outlets or to raise with the various funding sources the question of what criteria they have set in granting funds to stations and programs.

We trust others, with a broader mandate and greater resources, will follow us in examining some of the issues raised by this study. The panel is convinced that the system, to judge from what it has accomplished to date, will need much encouragement if it is to achieve the goals implicit in these findings.

The panel concluded:

That while public televsion provides more consistent attention to minority concerns

than does its commercial counterpart, it leaves much to be desired in the quality and quantity of material provided.

Furthermore, the panel has concluded that public television only partially fulfills its obligation to important groups in America.

That programs attempting to embrace the experience of the nonwhite, the young, the old, and women, frequently suffered from the infirmity of estrangement from their subjects, or were vastly underfunded by comparision to those programs dealing with more conventional subjects.

Naturally, we noticed exceptions to this general observation but they were sufficiently rare to lead us to the conclusion that public television, nationally and locally, must correct these imbalances if it is to reflect America.

That public television has a moral obligation to correct these imbalances. A necessary first step is the inclusion of more minority group members representative of women, young people, the elderly, and residents from outside the Northeast in public television decision-making at the national and local levels. This broadening of the membership of the policy-making bodies of public television should occur within the existing organizational framework. If it is necessary to expand the number of persons serving on policy-making bodies if only to make certain that an adequate proportion of them are from those elements of the society which are now excluded, then we urge such expansion.

That the shape of the programming can only reflect the images and interests of these groups if they are regular participants in all phases of the process by which public television is produced. With this in mind, we believe that public television must expand the horizons of its program content by encompassing a coherent presentation of issues which are of concern to those who are not in America's dominant groupings.

That the public medium is the natural place for providing people with information on how to survive and advance in the American mainstream. We recognize that just as blacks have concerns that stem from their heritage and their current political and social status, so the aged have a special set of concerns that relate to poverty, health, and death.

To this end, we believe public television should be performing two fundamental functions, which we found largely lacking:

First, public television should provide information of basic interest to those outside the American mainstream, including regular programming on issues of health, finance, politics, the law and human rights. It should, in that respect, fulfill the function of a university without walls.

Second, to do this job it should make use of people belonging to those groups who need these services most: the non-white, women, adolescents, the elderly, and the handicapped. By involving such persons in programming, the public medium would also provide a forum where the images of these groups before a mass audience become more natural and realistic than is the case in much of present-day television, which presents America to itself in a fragmented or distorted form.

IV. RECOMMENDATIONS

The panel believes that on the basis of the foregoing observations, findings and conclusions, a series of initiatives should be taken in both policy and programming of public television, and submits the following recommendations:

A. Policy

That the interests of cultural minority groups, women, elderly people, adolescents and the handicapped should be represented on all boards of directors and policy-making bodies which have fiscal and/or programming responsibilities at both the station and network levels. Persons who represent these minority interests should be afforded the full status and authority given to other members of these bodies. They should have clear substantive responsibilities and should not be placed in auxiliary positions. If necessary, the size of the existing bodies should be enlarged to include these individuals.

That an interim committee of minority group members should be appointed to assure that the interests of minority groups are adequately represented during the period in which more permanent arrangements for their participation are being formalized. The responsibilities of this group should cover the whole range of policy and programming issues which form the body of this report. In addition, the responsibility for identifying candidates who could serve on public policy making boards should be lodged in the interim committee.

That the interests of minority groups should be an integral part of each station's general programming. A comprehensive program approach will go a long way toward introducing people to the ethnic variety and particular concerns of minority groups, and could well provide a basis for a growing understanding of ethnic diversity.

That older people should be more involved in all aspects of public television programming. Not only do older people represent a sizable proportion of public television's viewing audience, but they can make significant contributions to program content and orientation. Adolescents should be directly involved in all aspects of those programs which directly address their interests and problems.

That the cultural variety in the makeup of the American population should be reflected in its entirety.

Cultural programming, rotating its attention from minority group to minority group, regularly portraying each group's historical, social and cultural contributions through discussion, drama, and film reports on artistic activities, should be one approach to this wide range of ethnic diversity.

B. Programming

The panel recommends:

That an adaptation to a series format of stories that would portray minority families (blacks, Chicanos, Indians, some underrepresented ethnic groups) in realistic terms should be attempted as part of the programming of family structures. Members of these communities, of all ages and backgrounds, would benefit from a program that portrayed health and weakness, beauty and frailty, times of happiness and times of sadness, living and dying, in the content of the dynamics of the minority family.

That a minority-oriented national public affairs program should be created. Such a program should have a budget that would make possible the use of film and the complete coverage of stories at the level of production available to those programs that come under the National Public Affairs Center for Television's budget.

That a program discussing food preparation and nutrition should be created to meet the needs of households with a limited food budget. It should reflect the cultural and economic diversity of the public television viewing audience. It should also provide tasteful and nutritional ideas for preparing foods common to minority group cultures, and should make use of the staples regularly available to the poor. This program ought to provide information about the nutritional value of specific foods and should stress the need for good dietary habits.

That another program should address common health problems. It should stress the need for preventive medical care for the entire family and should provide information on public facilities available for health care and of public assistance programs that finance medical care.

That clear and explicit information on birth control, venereal disease, and abortion should be incorporated into a program for public television. Such a program should also address itself to defusing all sexual stereotypes.

That the various dimensions of mental health as they relate to both children and adults, should be explored. This program could explain the types of mental illness and the facilities and methods which are currently available for treatment. It should also discuss the forms of public assistance that are available to finance medical care for the mentally ill.

That programs addressing themselves to the specific concerns of the physically and mentally handicapped should be created. They should cover various approaches to problems of education, employment, housing, and recreation for such persons. They should also provide information as to possible sources of financial, medical, and social aid for handicapped individuals. The aim of these programs should be to assist the handicapped to become active, functioning members of society.

That all types of public assistance, from welfare to social security and veterans benefits, should be treated in a specific program format. Such a program could be of particular interest to elderly people, disabled veterans, and others who might not be aware of the benefits they should be receiving.

In addition, such a program could discuss private insurance programs and union health plans, in order to give a more complete view of the types of assistance available to the public.

That there should be a specific program focusing on the particular health concerns of older people.

That a distinguished lecture series, which features lectures by retired or elderly persons who are recognized as scholars and/or experts in particular fields, should be instituted. Such a series could range from lectures on the arts, politics and education to the social sciences and international affairs and provide a rare opportunity to view outstanding authorities.

That several programs should be created to deal with the special problems of adolescents: education, health concerns, social and family problems, employment impediments, and the like.

That the Spanish-speaking community should be surveyed to determine exactly what their needs and interests are, and the results of the poll should be used to determine what types of programming would be most beneficial and most popularly received by the Spanish-speaking community. A cooking and nutrition program for Spanish-speaking people should be created. Such a program should emphasize Spanish and Latin American cuisine. Special programs for bilingual and Spanish-speaking children that are of the scope and caliber of "Sesame Street" should be created. In addition, Spanish-speaking children should be regularly represented on all educational programs for children, such as "Zoom" and "Sesame Street."

THE CREATIVE WORDING OF ADVISORY COMMITTEE RULES

HON. DAVID R. OBEY

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 7, 1973

Mr. OBEY. Mr. Speaker, in drafting proposed rules to cover the operation of its advisory committees, the Federal Mediation and Conciliation Service appears to have rewritten both the Freedom of Information Act and the Federal

Advisory Committee Act in creating a brand new exempt-from-public-disclosure category of information to be known as the "intracommittee" memorandum.

The proposed rules FMCS published in the Federal Register November 3 contain the following innovative section:

It is the intention of the Federal Advisory Committee Act that advisory committees be treated essentially as agencies, for the purposes of the Freedom of Information Act (5 U.S.C. 552) and that they be permitted to withhold from the public the same types of information that an agency may withhold. It is necessary, therefore, to read the specific language of the Freedom of Information Act in light of these purposes. For example, the exemption for "intra-agency" memoranda in 5 U.S.C. 552(b) shall be read, under the Federal Advisory Committee Act, to mean "intra-committee" memoranda.

With this bit of FMCS wizardry as a preface, it is interesting to re-read the memorandum issued by U.S. District Judge Aubrey E. Robinson, Jr., on October 10 when he ordered the Defense Advisory Committee on Women in the Services to open its doors to the public. Judge Robinson wrote in part:

The Court has several difficulties with Defendants' position. First of all, the question arises whether exemption 5 of the Freedom of Information Act is available for matters discussed by or before an advisory committee. The exemption applies only to *inter-agency* or *intra-agency* letters or memoranda. Essential to Defendants' case, then, is a finding either that the Advisory Committee is itself an "agency" or that it is within an "agency" of the Defense Department for purposes of the Federal Advisory Committee Act and the Freedom of Information Act. The Court cannot make such a finding, indeed, its present conclusion is to the contrary.

The Federal Advisory Committee Act utilizes the definition of agency contained in the Administrative Procedure Act, 5 U.S.C. § 551(1), which is applicable also to the Freedom of Information Act. It is significant that the Federal Advisory Commitee Act contains a separate and distinct definition of an "advisory committee", thus supporting the proposition that an advisory committee is not an "agency". Further support for this proposition is found in *Soucie* v. *David*, 448 F. 2d 1067, 1073 (D.C. Cir. 1971), a Freedom of Information Act case wherein the Court of Appeals said:

"(T)he Administrative Procedure Act apparently confers agency status on any administrative unit with substantial independent authority in the exercise of specific functions."

It is clear on the present record that the role of DACOWITS in the Department of Defense is advisory only and that it possesses no "substantial independent authority." The Court concludes that DACOWITS is not an "agency" and that matters before it are, therefore, not "inter-agency" affairs within the meaning of the applicable statutes.

The FMCS proposed rules can be changed. It invites interested persons to submit comments, data or arguments until November 23, and I propose to do so.

In the meantime, the form of the FMCS proposal shows how an agency can defeat a law simply by rewriting it.

THE ARAB OIL BOYCOTT AND AMERICA'S REACTION

HON. FRANK J. BRASCO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 7, 1973

Mr. BRASCO. Mr. Speaker, announcement of the Arab oil boycott of the United States sent some political and financial circles into a tizzy, particularly oil companies, who lose profits extracted from the domestic market for cheap Arab oil. Arabists used it to orchestrate a home front symphony designed to make consumers believe that no Persian Gulf crude means frozen families, chilly homes, and an end to Sunday drives. A few political figures deftly slid the boycott in between arguments on behalf of the morality of the plight of Palestinian refugees. A few newspaper columnists, ever eager to portray Israel as a liability, painted lurid pictures of an America crippled for lack of Arab oil. Nothing could be further from the truth.

Total U.S. imports from Arab lands are now running about 1.6 million barrels daily in direct shipments of crude oil and indirect shipments of petroleum products refined from Arab oil in third countries. This is about one-fourth of our total import of 6.3 million barrels per day, but only one-tenth of our total consumption of 17 million barrels daily. Total loss of such supplies would simply return our imports and consumption potential to last year's level. Even if the boycott is immediately 100-percent effective, we would be deprived of only a small percentage of our needs. Nevertheless, loss of supply on the eve of winter is significant.

Some harm will come from cutoffs emanating from European nations, which define Arab oil and ship finished products to the United States. Because Europe receives some 70 percent of its oil from the Mideast, it is most vulnerable to Arab oil blackmail. As a result, temporary shortages of emergency shipments of finished products to the U.S. east coast may cause inconvenience.

For the United States, however, the Arab oil boycott will turn out to be a blessing in disguise. Had this situation arisen 5 years hence, it would have had devastating effects. While the United States is not now dependent in significant measure on Arab oil, our levels of imports from these nations had been taking quantum jumps in recent years. At such rates of growth, our dependency shortly would have been ominously high.

Such boycotts in the past have not been effective. There is widespread doubt as to how long present unity among Arab oil producers will last. A number of the more conservative nations, especially Saudi Arabia, were extremely reluctant to take the step, and are hoping somehow they can extricate themselves from the corner they now occupy.

A number of nations have been quietly preparing for just such a boycott. Storage levels for oil are fairly high in a number of consuming nations. Western Europe has 75 days' consumption in inventory, while Japan's stocks are at the 50-day level. According to the most recent State Department data available, American inventories now stand at 1 billion barrels, or about a 2-month supply, even at today's high consumption rates. Combining this with shipments of oil already en route, as testimony before the Senate Interior Committee on October 24 indicated, there is no reason to expect immediate damaging impact on our economy from the OAPEC boycott.

Another result of the premature Arab move will have profound effects on the United States in the long run. Unilaterally, Arab oil states, taking cynical advantage of the war, have raised the price of their oil. The new average free-on-board price of $3.65, arbitrarily and preemptorily laid down by Persian Gulf producers, hikes prices of oil most world consumers depend on. Developing nations, for example, dependent upon such oil supplies, and with minimal budgets, will be seriously harmed. A number of them are nations which have recently unilaterally broken diplomatic relations with Israel.

Here in America, the oil price rise will add $3 billion to our current oil import bill of $6 billion annually. Repatriated company profits will help diminish the overall balance of payments effect of increased import bills, but the public will not directly benefit. Herein, however, lies the key for the United States and friends of Israel in terms of the Arab oil equation.

The U.S. response will have to be on two levels: alternate sources of extra energy and a national energy policy involving controlled growth of energy use and conservation measures of a meaningful, acceptable type. In the process, Americans will have to part company with patterns of energy waste which have done so much to make us vulnerable, even minimally, to Arab oil blackmail.

America, according to Government and private source figures, has a 500-year supply of coal, even at present consumption rates. Ninety percent of that coal is capable of being exploited by deep mining. Ten percent of it is strippable. We are in the process of mounting an overdue "Manhattan Project For Energy."

Under Senator JACKSON'S prodding, President Nixon has begun to pour research and development money into this alternative, and while results will not be immediate, possibilities are promising. While there will undoubtedly be a carefully orchestrated outcry by oil companies, who own all major coal companies, for immediate relaxation of all pressures to curb strip mining, this will only be a ploy on their part to obtain maximum easy profits from artificially induced hysteria. Ads will no doubt soon appear threatening us with all manner of discomforts if we do not immediately allow unlimited strip mining and relaxation of all antipollution standards.

Major resources of both oil and gas lie on the Outer Continental Shelf, many portions of which are already under Gov-

ernment lease to large oil companies. These organizations have deliberately held back production to profit from artificially induced shortages. Where a lease block could support 100 wells, only 2 or 3 are producing or have even been drilled. Heavy pressure will have to be put on oil companies holding such Government leases to produce according to the Nation's needs.

Alaska alone is now known to be at least a minor Persian Gulf, and perhaps the equal of that area in terms of oil reserves. Geological structures exist there which would make the United States self-sufficient in oil. Naval Oil Reserve No. 4, on the North Slope and the size of Indiana, is at a minimum estimated to hold some 40 billion barrels of oil. It has not yet even been fully explored. In hearings held in late October before the House Armed Services Committee, it was noted that Alaska is perhaps our richest oil resource, far larger than has been reported.

The Arabs have made a crucial mistake in allowing greed to take precedence while the latest war raged. As Mideast crude oil skyrockets in price, alternate oil sources, previously uneconomical, have become viable and even necessary alternatives. These include Rocky Mountain oil shales and Athabasca oil sands in western Canada. Already, massive plans are underway for their development.

In terms of conservation, the path of the U.S. consumer is clear and not difficult. Neon signs and electric toothbrushes are not necessities of life. Nor are automobiles with nearly 400 horsepower, delivering only 8 to 10 miles per gallon of high test gasoline.

Smaller cars delivering better mileage are a vital necessity. Reduction in speed limits to 50 miles per hour is a sensible reform. So is an end to massive highway building in metropolitan areas. Instead, a major switch will, or should, be made to already long overdue and desperately needed urban mass transit.

Other nations have done this with success. We are the only developed nation lagging behind. An end to all advertising urging greater consumption of energy is in order. A national building code requiring minimum amounts of heat-conserving insulation is inevitable. The day of the single commuter driving to work in a large car alone is visibly over. Load factors, scheduling of trips and their frequency is imminent and already in the works in regard to trucks and aircraft. The day of the half-full flight 15 times daily between cities will be over before January. The same will be true of empty trucks on long return trips. In other words, all obvious steps will be taken across the board to halt totally wasteful energy practices which have played an essential role in hiking consumption. We shall be forced to make the transition from energy gluttons to energy conservers.

One final possibility is worth considering: retaliation. Arab nations are often dependent for food, usually grain, on foreign sources. The United States is one such source. At this time, little has been said about halting these sales. But the sound of research behind the scenes in Washington is audible.

The administration, paralyzed by Watergate and hoping for Israeli compromise on a peace treaty, stumbles grudgingly along JACKSON's path. Oil companies, obsessed with profit at all costs, feverishly raise prices in an orgy of greed, while a helpless Cost of Living Council does nothing but rubberstamp their latest depredations.

Conclusions? Over the short haul, we shall manage with minimal dislocations because it will be profitable for oil companies to keep the Nation warm, mobile, and reasonably content. The boycott will peter out, as silently, one by one, Arab oil states decide revenues are more important than ideology. The United States will not yield, although it will seek to squeeze out of Israel as many territorial concessions as possible. The real answer lies in how vigorously Senator JACKSON can and will be able to drive an administration so dominated by oil industry thinking and power down the path to energy conservation, development of alternatives and restructuring of energy use.

ONE MAN'S CONSCIENCE

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 7, 1973

Mr. RANGEL. Mr. Speaker, in this world which increasingly grows more complex and more impersonal, it is important for us to note that one man can make a difference.

A man who has made a difference is Peter Davies, who has waged a persistent, lonely battle to make America look beyond the attempt of government to depersonalize and dehumanize death at Kent State and Jackson State Universities. Along with the families of the slain students at Kent, Davies has worked to awaken the conscience of the Nation to the fact that unarmed young people were mercilessly gunned down by men in uniform—the agents of the people, because they were exercising their right to protest injustice.

James Wechsler wrote a column on Davies' work and accomplishment in the October 3, 1973, edition of the New York Post that deserves our attention.

The article follows:

ONE MAN'S CONSCIENCE

(By James A. Wechsler)

To the cynical and the cold-blooded, Peter Davies must have appeared a man fatally obsessed during much of the last three and a half years. Almost from the moment when he read and heard about the National Guard killings of four students on the Kent State campus on May 4, 1970, this slightly-built, 40-year-old British-born insurance salesman began dedicating countless hours to a lonely, ceaseless quest for truth and justice. Time and again he was told that he was squandering his energies in a doomed cause. But he refused to desist.

Now he can glimpse at least the portents of vindication. The new Justice Dept. regime has reopened the case that John Mitchell and Richard Kleindienst had buried so long. A book by Davies called "The Truth About Kent State: A Challenge to the American Conscience" (Farrar Straus Giroux) has received widely favorable recognition, a first printing of 15,000 has been quickly sold and a new one issued.

Then, the other day, Davies elatedly noted a Harris poll showing a dramatic transformation in the public view of the Kent State tragedy.

Back in 1970 a survey had showed that the public condoned the Kent State deaths as "necessary and justified"; the vote was 40 to 39 percent, with the remainder undecided. Now the same pollsters report that Americans, by a margin of 55 to 31 percent, feel the shooting were "unjustified and repressive."

Peter Davies, working tirelessly with Arthur Krause, father of one of the slain students, Rev. John Adams of the United Methodist Church, and a handful of others, was a decisive if long unheralded figure in achieving that revolution of attitude.

What makes Davies' role so distinctive is that he seemed so unlikely to be the man to play it. He was not an agitator or pamphleteer by profession or temperament. He had no previous relationship with the victims or their families. He was emphatically free of any leftist biases; quite the reverse. He and his wife had emigrated to the U.S. in 1957 because he felt the British government was "going too Socialistic." In 1960 he warmly favored the candidacy of Richard Nixon and he subsequently revered Barry Goldwater.

What impelled him, then, to invest so much energy and devotion in the battle against official whitewash of the Kent State nightmare?

"I suppose I felt that if this had happened to my family, I would expect others to do what I did," he said quietly yesterday.

"I have three boys—6, 8 and 11—and I couldn't help thinking that one day this could happen to them.

"To me, being a conservative meant above all the protection of individual rights. My greatest disappointment was the reaction of the Goldwaters, the Buckleys and others. I thought they'd be making the most forceful statements demanding a full grand jury inquiry by the government. Instead they were making stupid statements that just seemed to miss the point."

On the day after the shootings, Davies took the first step in what was to become a missionary pilgrimage. He wrote a lengthy letter to President Nixon, recalling his pledge to "bring us together" and contrasting it with his aloof reaction to the shootings. He received a printed acknowledgment from the White House. But a copy of the letter which he sent to Arthur Krause elicited warm response and opened the way for his close relationship with the families of the dead students.

Later that year, Davies recalled yesterday, he again wrote Mr. Nixon about a speech in which the President had listed various acts of violence by revolutionary groups. Davies said he also deplored those acts but wondered why no word has been said about Kent State and Jackson State.

On that occasion Davies received a two-page reply from Robert Finch, then a member of Mr. Nixon's White House inner circle. Finch's tone was quite responsive and even guardedly sympathetic. But Finch was not around much longer.

Now Davies is optimistic about the probe being led by Robert Murphy of the Justice Dept.'s Criminal Section.

Perhaps I was naive for a long time, but I always believed we would finally break through," he said. "I suppose one had to believe that to keep going. I admit there were some very dark moments."

He agrees that Watergate hastened the new developments, bringing the shakeup at the Justice Dept. and banishing many of the

men—Kleindienst, John Ehrlichman, John Dean and others—who had thwarted a federal proceeding. He believes the latest polls will help avert another retreat.

So, it might be added, will his book. It is a comprehensive, documented, thoughtfully spirited chronicle, accompanied by strong evidential photographs of that day of horror. It makes an overwhelming case for a federal confrontation with truth too long evaded and justice too long delayed.

GEORGE C. MILIAS

HON. CHARLES S. GUBSER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 7, 1973

Mr. GUBSER. Mr. Speaker, those of us who work in Washington, D.C., as a part of our Federal Government and who read the headlines and watch the evening newscasts could easily make the mistake of believing that the strength of America lies solely in national figures and personalities.

But government is not the real strength of America; it is merely the force which coordinates it. The real strength is at the grassroots in the millions of communities all over this land.

My hometown of Gilroy, Calif., is one of these communities and George C. Milias is one of the strong leaders of the city of Gilroy and its surrounding area. As such, he is one of the strong men of America.

It is leaders at the local level who so unselfishly give of their time, labor, and money who make the free democratic system work. Without men like George C. Milias, there would be no strength for Federal Government to coordinate. There would be weakness and disunity.

As a very young boy, clutching my dime for soda pop and riding my bicycle to the local baseball field, I looked forward with pleasure to watching George C. Milias ably handle second base for the local ball club. Later, I knew him as mayor of my hometown and as one of the men who was most responsible for electing me to the splendid experience of serving as a Member of the U.S. Congress.

Perhaps the best biography of George C. Milias who will be honored by his friends and neighbors at a testimonial dinner on November 17 is an article which recently appeared in the San Jose Mercury-News. It recounts Mr. Milias' colorful background and the impact he has had upon his community and our American way of life. I shall submit this article as a part of my remarks, but before doing so, would like to summarize by paying a personal tribute to George Milias. His has been a lifetime of service in the finest American tradition. I wish there were thousands more like him in this land of ours so our Nation would be even stronger! The article follows:

"MR. GILROY"

(By Bill Glines)

GILROY.—The hotel building still stands on its accustomed corner but the "landmark" has gone back to the ranch.

Now, after many years and three generations, the Milias Hotel is the Milias Apartments and George C. Milias Jr. no longer officiates at what was the unofficial center of the community he has served most of the days of his life.

Few can dispute that during most of those days he has been "Mr. Gilroy."

The family hotel has been sold and the former mayor is a working rancher again, but no one doubts he's bound to stay involved in the community.

There is no possible way the town could be the same without him.

By his own calculation Milias entered public life in 1932 when he first became a city councilman. Others might say he began his public life in the 1920's when he spurned a possible big league baseball career to become hotel manager.

In any event, he was a councilman for eight years followed by 16 years as mayor.

Although he now lives outside the city on the 6,000-acre Milias cattle ranch which he supervises, he claims he is no longer "really active."

But he maintains a position as member of the Board of Trustees of Wheeler Hospital and remains interested in Bonanza Days, an annual summer fiesta event here.

Even with his retirement as top man at the hotel, friends say that they expect to see him in and around the building frequently.

The hotel bar has been a regular gathering place for many years for ranchers and horsemen from throughout the West. Movie stars have been seen there and politicians beyond count. Many, such as the late Will Rogers, left their photographs behind in the high-ceilinged, old-fashioned lobby.

Political leaders from U.S. senators and governors to councilmen from other cities never went through Gilroy without a Milias Hotel stop.

Milias, now a white-haired and erect-standing man, looks back on what was a crucial event in his life—when he decided to forgo a possible big league career and instead became active in the hotel business.

The 6-foot-tall hotel man is not far even today from his old playing weight of 170 pounds. He weighs a scant six more pounds.

Back in 1921 he was a second baseman who played with some of the fastest semi-pro teams in this part of the state. He had just been signed to a contract with the Pittsburgh Pirates, then managed by the immortal Honus Wagner.

His father had talked about building the most modern hotel in this part of the country, but didn't want to go ahead unless the son would become a part of the operation.

"It really wasn't too hard a decision," Milias said. "I knew that the average ball player lasted only about 10 years in the big time. After that, still young, he had to go back to what I call a natural life. Maybe even learn a new way to earn a living. Baseball salaries weren't too high back then."

He was apprenticed to a friend in San Francisco at the St. Francis Hotel for more than a year to learn the hotel business.

When the Milias Hotel opened its doors to the public it was termed by visitors "The finest most modern facility of its kind between San Francisco and Santa Barbara."

Particularly proud was the owner, George C. Milias, Sr., who came from Yugoslavia to the United States in 1881 and went to work in a San Jose restaurant. Six years later he came to Gilroy and purchased a small restaurant, The Star Chop House.

Thrifty and industrious, he saved and seven years later bought the old William Tell House and remodeled and operated it as a hotel and restaurant.

In 1897 he married Minnie White, descendant of one of the ill-fated members of the Donner party, and they worked together, saving and investing in property.

The elder Milias was an active business and civic leader and served on the City Council shortly after the turn of the century.

In his time work was started on the city hall, the council acquired the electric plant and remodeled the gas plant and improved and developed the water works.

A colorful and energetic man, at the age of 85 he borrowed nearly $250,000 to build a much needed first class hotel in Gilroy.

A year and a month under construction, the hotel opened with a dinner for some 1,500 persons and dancing until midnight in the Sun Room.

Two orchestras and the Fifth Regimental Band of San Jose provided music. Visitors termed it the "most gala event in the town's history."

In the lobby filled with floral good luck pieces, Mr. and Mrs. George C. Milias and their son, George Jr., were showered with compliments.

By the time his parents celebrated the 50th anniversary of the senior Milias' arrival in Gilroy, 1938, George Jr. was manager of the hotel and had served on the City Council.

In his tenure with city government young George C. Milias ordered the first audit of the city books and initiated a new record keeping system. He sparked civil defense measures when World War II broke out and a drainage system to clear annual floods on Monterey Street south of city hall.

In the late 1920s he helped organize and lead the Gymkhana Committee, which annually put on professional rodeos until 1957. He also served as president of the Chamber of Commerce, Native Sons of the Golden West, Rotary and exalted ruler of the Elks.

His father, who continued to keep daily tabs on the business, died in 1942. The funeral was described as the largest ever witnessed in Gilroy, attended by bankers, field workers, booted cow boys, politicians and countless friends.

Businesses closed for the day.

The scene of many large business transactions, the venerable hotel and bar was the base of operations for some of the largest wheeler-dealers in the Central California Coast for many years.

George Jr. and his wife Rachel have been living on their ranch home near that of their daughter, now Mrs. Carol Silacci, and grandchildren on La Canada Road.

During that time George Jr. presided over the premises night and day and until recent years lived there.

Yet he found time to develop his ranching interests. Anyone thinking him a "weekend cowboy" soon had the illusion dispelled after watching the hotel manager and politician handle a cutting horse at one of the famous Gilroy Gymkhanas. To this day he has a solid reputation as a rodeo judge and still serves as a member of the board of directors of the big California Rodeo in Salinas.

For the past few years George, Jr., and his wife Rachel have been living on their ranch home near that of their daughter, now Mrs. Carol Silacci, and grandchildren, on La Canada Road. His son George W. Milias, the third George in this family line, has become prominent in local, state, and national government circles. He served as State Assemblyman for eight years, was State Labor Commissioner, and now is Deputy Assistant for the Environment in the Department of Defense. Accomplishment runs in the family of the "first" George who came to San Jose in 1888 to work in a restaurant.

PITTSBURGH STATIONS URGE CARPOOLS TO SAVE FUEL AND CLEAN AIR

HON. WILLIAM S. MOORHEAD

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 8, 1973

Mr. MOORHEAD of Pennsylvania. Mr. Speaker, we all are aware of the many problems which face us as a Nation.

Two of the many are immediate dilemmas—a fuel shortage and the continual polluting of the air we breathe.

KDKA–TV and KDKA radio, both Group W Westinghouse stations in Pittsburgh, are conducting a public service campaign which could help the greater Pittsburgh area combat the fuel shortage, the pollution problem and alleviate traffic congestion in downtown Pittsburgh.

The stations are encouraging commuters to join carpools thus cutting down on the number of cars entering Pittsburgh and simultaneously saving fuel.

Using their own computer, the stations are trying to match drivers and riders who daily travel to and from Pittsburgh.

Interested parties must fill out and return questionnaires to the stations before they are provided with a list of people who have similar hours and destinations.

I want to congratulate the stations and their management for this effort. The campaign especially is welcome in the face of the fuel crunch expected this winter.

I would like to include in the RECORD at this time, a KDKA–TV editorial discussing the commuter-computer program:

DOWNTOWN PITTSBURGH

The two major problems which affect residents of Allegheny County when they travel into downtown Pittsburgh are traffic congestion and air pollution. The principal reason for the air pollution is, of course, the traffic congestion. Thousands of automobile engines are kept idling and spewing out noxious fumes while their drivers try to escape the traffic jam.

One possible solution, which is being used in some major cities throughout the world, is to completely man private automobiles from the downtown area. This forces many would-be motorists to ride on public transportation which is a better way to keep traffic moving in congested areas.

However, we don't think that such a solution is possible or even practical for Pittsburgh. Too many people have very legitimate reasons for using their private cars on business, shopping or pleasure trips. Many live in areas which may not be adequately served by public transportation.

If we can't ban private cars in downtown Pittsburgh, the next best thing is to provide suitable alternatives for the driver who has to go downtown. One alternative is provided by the Port Authority which has been consistently improving its service. Another alternative is voluntary car pools. Experiments with such car pools in Boston, Washington, D.C., St. Louis, Los Angeles, and St. Paul have shown encouraging results. If car pools will cut down traffic problems and improve the quality of the air, we hope that residents of this area will be willing to try them.

KDKA–TV & KDKA Radio are sponsoring a Commuter-Computer program to encourage regular commuters to form their own car pools. This Commuter-Computer approach is working successfully in Boston. It matches up commuters in various neighborhoods who are interested in forming car pools. If you want to help cut down on traffic congestion and air pollution, we hope you will look into this new Commuter-Computer program. To get more information, write Commuter-Computer, Box 1020, Pittsburgh - 15230, and enclose 10 cents for postage and handling.

FINANCIAL AID TO COLLEGES AND UNIVERSITIES

HON. WALTER E. POWELL

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 8, 1973

Mr. POWELL of Ohio. Mr. Speaker, on October 15, I introduced H.R. 10934, a bill which would provide the colleges and universities of this Nation with a much-deserved and much-needed financial boost.

It is certainly no secret that many of our leading colleges and universities are in the midst of a very severe financial crisis. Such economic difficulties have resulted from a combination of declining of static enrollments and the inevitable rise in operating costs.

At the present time, in addition to their other important responsibilities, many of our colleges and universities perform an essentially national function by providing the facilities and assuming the other expenses involved in maintaining a Reserve Officers' Training Corps—ROTC—program on their campuses.

On November 7, I reintroduced this bill with cosponsors. If enacted, this measure would permit colleges and universities who have ROTC programs to be reimbursed by the Federal Governemnt to the extent of $500 for each of their students who are commissioned as officers under the program.

Civilian control of the military has been a guiding principle of our national defense posture since the Nation's founding. The opportunity for young men and women to earn their officer's commission while pursuing a full-time academic degree program is surely a significant benefit to both the student and the Nation's armed services which are assured a continuing supply of trained and well-educated leaders.

Mr. Speaker, the response to this bill has been very favorable. The National Association of State Universities and Land-Grant Colleges, the Association of American Universities, and other interested groups have indicated their support of this legislation.

This program would be very modest in terms of costs to the Federal Government, and would prove to be of great benefit to the Nation's higher educational institutions, which are deserving of the financial incentives provided by this bill. The Department of Defense has provided me with data on the number of officers expected to be commissioned under the ROTC programs of the respective military branches in each of the next 5 years. Based on these projections, the estimated expenditures of the Federal Government to implement this worthwhile program can be calculated. I am inserting these projections for the benefit and analysis of my colleagues in the House of Representatives:

PROJECTED COSTS OF H.R. 10934

	Number of students expected to be commissioned per year	Projected expense
1974	8,939	$4,669,500
1975	8,792	4,396,000
1976	8,924	4,462,000
1977	8,972	4,486,000
1978	9,320	4,660,000

BREAKDOWN BY MILITARY BRANCH OF NUMBER OF STUDENTS EXPECTED TO BE COMMISSIONED PER YEAR

	Army	Navy	Air Force	Marines	Total
1974	3,920	1,063	3,744	212	8,939
1975	4,000	1,100	3,442	250	8,792
1976	4,000	1,250	3,474	250	8,924
1977	4,050	1,250	3,422	250	8,972
1978	4,400	1,250	3,420	250	9,320
5-yr total	20,370	5,913	17,502	1,212	44,947

Mr. Speaker, I would hope that this bill would receive the early consideration of the House Armed Services Committee, to which the bill has been referred. While my proposal would not provide total reimbursement to the Nation's institutions of higher learning of the costs of educating commissioned officers, it does represent a desirable commitment on the part of the Federal Government to recognize and encourage the efforts of our colleges and universities to continue to provide the facilities and educational training necessary to satisfy the Nation's continuing demand for intelligent, trained, and competent young officers.

FRANK HORTON

HON. JOHN N. ERLENBORN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 8, 1973

Mr. ERLENBORN. Mr. Speaker, I became a candidate for ranking minority member of the Committee on Government Operations last winter in spite of the fact that Representative FRANK HORTON of New York State is the senior member. I was able to do this because of reforms approved by the Republican Conference in 1970.

At no time did I regard myself as running against FRANK HORTON. Rather, there was a vacancy and I was a candidate to fill it.

I must confess that it is never pleasant to lose a contest, but I want my colleagues to know that FRANK has performed as ranking minority member in a way that makes me proud to serve under his leadership.

He has consulted fully with the Republican Members, and he has repre-

sented our views well in meetings with the chairman. He has persuaded the chairman to permit a doubling of the minority staff. It still is not big enough, of course—we used to have 5 on the minority staff and now we have 10, contrasted with the majority staff of 59—it still is not big enough but we are headed in the right direction.

I am well satisfied with this episode.

My candidacy proved that we Republicans are not slaves to the seniority system, and that is a plus. FRANK HORTON'S victory added a certain validity to his position, a legitimacy of seniority plus that of election.

He has exercised his authority well.

A BILL TO PROVIDE FOR THE EXTENSION OF DAYLIGHT SAVINGS TIME TO THE ENTIRE CALENDAR YEAR

HON. JOEL T. BROYHILL

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 8, 1973

Mr. BROYHILL of Virginia. Mr. Speaker, I am introducing legislation today which provides for permanently extending daylight savings time to the entire calendar year. As we are all aware, each year on the last Sunday in April, millions of Americans across the Nation advance their clocks 1 hour, with this procedure then reversed on the last Sunday in October when clocks are turned back 1 hour. This system of timekeeping in order to observe daylight savings time from April to October and standard time from October to April is set forth in the provisions of the Uniform Time Act of 1966. I am sure that when this act became public law in 1966, it served the needs of the people and certainly was founded upon logic as States, counties, and even cities had in the past set their clocks pretty much as they desired. However, I firmly believe the Uniform Time Act of 1966 is no longer attuned to the needs of society in the 1970's, nor do I believe this act takes cognizance of the many urgent problems now facing our Nation. In this regard, I make reference to high crime rates in many areas; the steady rise in automobile accidents, pollution of our atmosphere, and foremost in the minds of many citizens is the energy crisis which becomes worse each day.

Mr. Speaker, this bill will of course, not solve these problems in their entirety. However, upon closer examination we find a definite possibility that at least partial solutions can be obtained, by putting the Nation on year-round daylight savings time and thus gaining 1 extra hour of daylight at certain times of the year.

Particularly significant would be the reduction in peak-hour load for electricity by as much as 5 percent, in effect not only conserving energy but substantially reducing air pollution. In addition, the extra hour of daylight would tend to reduce crime as it would enable more city dwellers, both workers and shoppers, to return home in daylight hours when the streets are safer. Statistics bear this out which indicate that the highest periods for street crime occur the first hour of darkness. Further, a definite reduction in rush-hour traffic accidents can be realized by permitting people to drive home from work before dark. Most accidents now occur during the evening rush hour, when visibility is poor and drivers are weary after a day's work.

Mr. Speaker, year-round daylight savings time has many benefits and legislation to accomplish this purpose is long overdue. I strongly urge enactment of this measure which I have proposed today.

REPEAL ECONOMIC CONTROLS BEFORE OUR NATIONAL ECONOMY IS WRECKED

HON. WILLIAM L. ARMSTRONG

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 8, 1973

Mr. ARMSTRONG. Mr. Speaker, during recent months I have become increasingly concerned about the mounting hardships caused by wage-price controls imposed by the President under authority granted by Congress.

Such controls are futile. If there is one thing we have proven during 2 years of experimenting with on-again-off-again controls it is this: Such controls are not curbing inflation.

Homemakers and wage earners have been well aware of the futility of controls for a long, long time. Now even the economists—including some who staunchly advocated wage-price controls at the outset—have descended from their ivory towers long enough to discover that these repressive measures are failing.

But while failing in their intended purpose, controls have been conspicuously successful in creating shortages, black markets, product quality deterioration and other hardships. I have often called attention to the overall policy considerations and have shown examples of the serious damage already done to our economic system and the potential threat to the future of our country.

Today, I want to cite still another specific example of the hardships caused by the ill-advised policy we are now pursuing:

Wage-price controls threaten the economic viability of this Nation's nursing homes, an increasingly important segment of our overall health delivery system. The reason is very simple.

Nursing homes are caught in the squeeze of controlled prices and uncontrolled expenses. Wages, food, maintenance, and other major items of expense are largely uncontrolled. But the price which nursing homes may charge patients is frozen.

This is completely unfair to the owners and operators of nursing homes, and is bound to affect the quality of care. When this happens the secondary effect will be to create more inflation. If nursing homes are unable to meet necessary standards they cannot continue to provide, in appropriate cases, a lower cost alternative to hospital care.

Mr. Speaker, the nursing homes of America are seeking a partial or total exemption from the Cost of Living Council. I support this effort.

But a far better and more permanent solution would be to repeal the basic laws which establish such controls and return to the free economic institutions under which our country prospered so well with less inflation and more real productivity gains than we now enjoy.

Let us get rid of the controls now—before they do even more serious damage to nursing homes and wreck other segments of our national economy.

CAMPAIGN REFORM A MUST

HON. TOM RAILSBACK

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 8, 1973

Mr. RAILSBACK. Mr. Speaker, in the wake of Watergate and the Agnew resignation, the American people have been shaken and many are disillusioned. But as deplorable as these events have been—I believe a cleansing effect can come from all of this as we all now realize the need for genuine campaign reform.

Clearly, the most serious problem confronting us is that of the high costs of elections. For example, in 1972, one senatorial incumbent spent in excess of $2 million on his campaign, and several others exceeded the $1 million mark. And, if estimates of last year's figures are correct, in that campaign over $400 million was spent on all elections.

Unfortunately, such high costs prohibit many well-qualified men from seeking public office, and also leave open the door to improper campaign contributions. My suggestion in this case is to have a Federal Election Commission carefully monitor all elections and also require strict reporting and complete financial disclosures. In addition, I would set definite limits on the amount of money which can be used in an election—based upon the population of the area one wishes to represent. This will insure that costs will not be overblown, but will continue to permit the average citizen to choose whether to contribute or not—and to whom. Our present system of volunteerism in politics is a strength, and we must preserve it.

Another problem, clearly distinct, is that of the high expenses of broadcasting. In 1956, the total spent for such radio and TV media for all elections was $9.8 million. However, by 1968, this figure skyrocketed to $40.4 million, and these costs have continued to climb. Because I believe the public must have early access to their candidates' views and yet am aware of the high costs of broadcasting, I would recommend that free time be allotted to the various contenders based on a system which has been in existence in England for a number of years.

Finally, a third problem is the long duration of campaigns which are not

only costly, but too often prevent an incumbent from fulfilling his elective duties. Again, I patterned my recommendations on the British system and support shortening the period to less than 2 months.

I have incorporated all these recommendations into a comprehensive bill which I am today introducing, and I take this opportunity to encourage any other Members who wish to cosponsor by bill to do so.

HIGH SCHOOL FRESHMAN'S POLL ON ELECTED OFFICIALS' RESPONSES TO CONSTITUENTS

HON. ROBERT J. HUBER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 8, 1973

Mr. HUBER. Mr. Speaker, recently, a young constituent of mine, David Jaffe, a high school junior at Roeper City and County School in Bloomfield Hills, Mich., forwarded a project that he did when he was a freshman at that school. Although the study was completed in June 1972, I still think it is worth noting his conclusions concerning how elected officials respond to their constituents. His survey covered not only U.S. Senators and Representatives, but State representatives and senators and mayors of cities of over 50,000 people. It is encouraging to find that most elected officials are very responsive to the views of their constituents according to this young man's poll. It is also heartening to find that not all of the young people in this country are "disenchanted" with the American political process.

Therefore, I am enclosing Mr. Jaffe's conclusions as to how elected officials keep their constituents informed for the consideration of my colleagues:

CONCLUSIONS

Elected officials in the United States have a deep sense of responsibility to those they represent. To compose and dictate 430 letters a week, or 23,360 a year, is a tremendous job. To compose and have printed at one's own expense more than 120,000 questionnaires and 593,000 newsletters each year is a demonstration of a real commitment.

To read the complaints, advice, criticisms, congratulations and condemnations of 574 people each week takes a lot of determination. In order to better represent the people these officials, "keep my ears and my office open," "only vote contrary to their wishes when I have information they are not privy to" and always, "keep their opinions in mind".

It is logical that those officials with smaller constituencies tend to be able to give more time to each communication from those they represent.

One basic trend that I noticed concerns the use of questionnaires and newsletters. Of those groups surveyed, Governors and Mayors, the officials the least physically removed from their constituents, need not use newsletters to keep their constituents informed or questionnaires to keep track of the people's wishes. These groups use newsletters and questionnaires both 0% and 11.7%, respectively. At the same time 67% of State Representatives and 47% of State Senators send newsletters. 60% and 47%, respectively, of these make use of questionnaires. Those the farthest away, U.S. Representatives and Senators need 83% and 100% participation in newsletters while 83% and 67%, respectively, find questionnaires necessary.

Another major trend in the response was one of concern. Comments like "favorably," "prompt reply" and "interested" were the most common replies to question 6a. All elected officials *like* to hear from their constituents. It gives them their best chance to ". . . win friends and, hopefully, votes."

The distinct advantage that elected officials with small constituencies have is the telephone. With a comparatively small number of communications coming in, the Mayor or State Legislator has time to contact, either personally or through his staff, individual correspondents for further discussion or to better solve the constituent's problem. One State Representative was thankful that there are ". . . a number of experts in my district . . ." who he can turn to for advice. Elected officials simply cannot be experts on everything going on in government today, so constituents with particular specialties or interests can do a great service and are much appreciated by their representatives.

It is this type of *interaction* that I consider most important. A give and take between representatives and constituents, of advice and information, of service and assistance is the basic rootwork of our political and governmental system. The only thing lacking is better participation. When a member of Congress serving more than 400,000 people receives letters from less than one twelfth of those in an entire year (not taking into account those who write more than once) something is wrong. In order to make our system of government function as smoothly and as fairly as possible, many more people must participate directly in the decision making process. The *only* effective way to do this is to communicate with our elected officials.

BILL KEATING

HON. WALTER E. POWELL

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 8, 1973

Mr. POWELL of Ohio. Mr. Speaker, given all the confusion and controversy in recent days, an event which may have gone unnoticed was the decision of my good friend and colleague, WILLIAM J. KEATING of Cincinnati, to resign his seat in the House of Representatives effective January 4, 1973, in order to assume the position of president of the Cincinnati Enquirer.

From the date that BILL KEATING became a Member of this body in January 1971, he has exhibited uncommon qualities of resourcefulness, innovativeness, industriousness, dedication to principle, and devotion to the interests of his constituents.

BILL KEATING has had an admirable record of public service. After graduating from the University of Cincinnati and the University of Cincinnati Law School, BILL KEATING entered the private practice of law. In 1959, BILL KEATING was elected to the Cincinnati Municipal Court, a trial court of limited jurisdiction. He served on this court until 1964, when he was elected to the Hamilton County Court of Common Pleas, a trial court of general jurisdiction. In 1967, he left his judicial position in order to run for Cincinnati City Council. He was elected with more votes than any other candidate, and was subsequently reelected in 1969, again receiving the greatest number of votes of any candidate. In 1970, he entered the race for the First District seat in the House of Representatives. BILL KEATING won by a staggering majority, receiving close to 70 percent of the vote. In 1972, he was reelected by a similar margin.

Clearly, there has been a direct correlation to BILL KEATING's popularity and the outstanding qualities that he has brought with him to Congress. He has been an effective advocate for the interests of his Cincinnati constituents. His past judicial experience has made him a useful and valued member of the Judiciary Committee. It is little wonder that BILL KEATING's name has figured prominently in speculation about a possible candidacy for the Senate seat in Ohio being vacated by Senator WILLIAM SAXBE.

Mr. Speaker, particularly at this time, the citizens of this country hope to have representing them individuals of high integrity and character. BILL KEATING is such a man, and the citizens of this Nation will feel his loss inmeasurably.

I know I speak for all of my colleagues in this body when I wish BILL KEATING every success in his new position as president of the Cincinnati Enquirer.

FORCED BUSING FOR RACIAL BALANCE

HON. THOMAS N. DOWNING

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 8, 1973

Mr. DOWNING. Mr. Speaker, the inequities of forced busing for racial balance are continuing to be felt throughout an ever-increasing portion of the Nation's communities. Responsible citizens everywhere are beginning to make their views known on this issue. Recently the Council of the City of Newport News, where I live, adopted the following resolution setting forth its opposition to forced busing. Due to the widespread interest in this matter, I wish to share their views with my colleagues:

RESOLUTION

A Resolution expressing the opposition of the Council of the City of Newport News to the massive crosstown forced busing of public school children within the City and urging the Congress of the United States to immediately take action to stop it.

Whereas, the Federal Courts required the school board of the City of Newport News to develop a plan for the operation of the public schools of the City and the assignment of children thereto, which has resulted in massive crosstown forced busing of thousands of children within the City; and,

Whereas, this massive crosstown forced busing has caused such inconvenience to many parents and children that it is unacceptable to them, and many children have left the Newport News Public School System, and,

Whereas, the effects of the forced busing are causing damage to the educational system; and,

Whereas, the massive crosstown forced

busing is requiring a burdensome expense on the taxpayers by usurping money from education to transportation; and,

Whereas, the massive crosstown forced busing is adding to the energy crisis and affecting the environment of our Community by the emission of the exhaust pollutants in the atmosphere.

Now, therefore, be it resolved by the Council of the City of Newport News:

1. That the Council hereby expresses its opposition to the massive crosstown forced busing of public school children within the City of Newport News, and urges the Congress of the United States to immediately take action to stop such forced busing and to reverse the trend which is so damaging to the educational system.

2. That the City Clerk is directed to transmit copies of this Resolution to the President of the United States, Vice President of the United States, each member of the United States Senate and the House of Representatives.

RED CROSS CERTIFICATE OF MERIT GOES TO MR. NORMAN C. LARSON FOR SAVING A LIFE

HON. WILLIAM M. KETCHUM

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 8, 1973

Mr. KETCHUM. Mr. Speaker, I have recently been informed of an inspiring act of mercy undertaken by my constituent, Mr. Norman C. Larson. At great risk to himself, Mr. Larson performed an act of heroism and skill which resulted in the saving of another human life.

On the night of July 20, 1973, just 3 days after he had completed a Red Cross first aid course, Mr. Larson was relaxing in his home when he was aroused by a neighbor's alarm that there was "a car upside down in the canal with people in it." Mr. Larson ran toward the canal, a block from his home. At the scene of the accident he dived into the swift water of the canal and swam approximately 40 feet to where a victim had been removed from the automobile. He assisted another rescuer in removing the victim to the bank, and immediately began to administer mouth-to-mouth resuscitation to the unconscious man, continuing until breathing was resumed. Mr. Larson also used his first aid skills to seal a deep laceration and stop bleeding while he was giving resuscitation. The victim was taken by ambulance to a hospital for medical care. Without doubt, Mr. Larson's use of his recently acquired skills and knowledge saved the life of the man.

For this courageous deed, Mr. Larson has been awarded the Red Cross Certificate of Merit. The certificate of merit is the highest award given by the American Red Cross to a person who saves a life by using skills learned in a Red Cross first aid, small craft, or water safety course. The certificate bears the original signatures of the President of the United States, honorary chairman, and Frank Stanton, chairman of the American National Red Cross.

I am sure that all my colleagues join me in expressing our admiration for Mr. Larson's bravery and devotion, which exemplify the highest ideal of concern of one human being for another who is in distress.

PRESSURE ON SUPPLIES SPURS DEMAND FOR MORE FOOD OUTPUT

HON. BILL FRENZEL

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 8, 1973

Mr. FRENZEL. Mr. Speaker, today I am inserting the final article from a four-part series on world food supply by Minneapolis Tribune staff writer Al McConagha. This article deals with some of Senator HUBERT HUMPHREY's efforts to improve our food supply policies.

Senator HUMPHREY is interested in seeing a world food reserve established and in getting American agriculture to expand into the role of providing larger amounts of the world's total food supplies. Senator HUMPHREY is in a good position to do something. He is the chairman of the Senate Subcommittee on Foreign Agricultural Policy, a member of the Select Committee on Nutrition and Human Needs, and a member of Joint Economic Committee's Subcommittee on International Economics.

The article by Mr. McConagha follows:

PRESSURE ON SUPPLIES SPURS DEMAND FOR MORE FOOD OUTPUT

(EDITOR'S NOTE: Food shortages, surpluses, costs and boycotts are in the headlines nearly every day. To find out why food has become a major concern, Staff Correspondent Al McConagha has investigated the relationships of food problems around the world. This is the last of four articles.)

(By Al McConagha)

WASHINGTON, D.C.—As a committee assignment, agriculture is slightly more popular than supervising the broom closets. Senators prefer the high policy of foreign relations or the big money of appropriations.

So when Hubert Humphrey came back to the Senate in 1971 after four vice-presidential years and two more out of office, he had no trouble with his request—a seat on Agriculture.

The Minnesota Democrat had promised voters that he would get on that committee if elected but he was under no illusions about its standing in the pecking order of Senate prestige.

"When you get assigned to Agriculture, it's like being told you're at the end of the line, buddy," he said recently. "We've cut down the committee size because we couldn't get people to serve on it."

As consolation prize, Humphrey also was named to the Senate-House Economic Committee. He became head of the consumer subcommittee and likewise turned his attention to food-related issues.

Humphrey, no political wallflower, was searching for a significant issue. His old causes, health, social services, had been preempted by younger champions during his absence from the Senate.

Suddenly to his surprise and pleasure, Humphrey found that he had been thrown into the candy jug. After years of general indifference, food and agriculture were now front-page stuff.

Virtually overnight U.S. food production went from its long history of surplus and relatively low prices to a summer of comparatively high prices and scarcity.

Housewives quickly discovered that the Kremlin's preference for the choicer cuts of meat, as evidenced by the Soviet wheat deal, raised the cost of cake mix in St. Louis Park.

Humphrey went into orbit as the Senate's food supply expert. "For once in my life," he said, "I've hit the right place at the right time." He added, smiling, "I've had bad luck with that."

On the cosmic questions of when demand will outrun world food supply, experts disagree. But Humphrey is one of those students predicting early crisis.

"For the next five years this world of ours is going to be struggling with a very serious food shortage," he said. "It is going to be exceedingly difficult. There will be starvation in many areas.

"I'm painting the picture as I think it is: It's tight and it's tough. No matter how you look at the situation, it is touch and go for the foreseeable future," he added.

BETTER FOOD SUPPLY DATA SOUGHT

Pressures on food supply come from population growth, the impact on diet of increasing affluence and the drawing down of world food reserves after widespread 1972 harvest failures.

Nevertheless, Humphrey thinks grain will be in reasonably good supply in 1974 and 1975. Part of this will be because high prices will encourage worldwide production on marginal land.

He amends this prediction slightly to say next year will be fairly tight due to the efforts of anxious countries to build up their reserves in food and feed grains.

"But looking down the road," he adds, "there is every indication that there will be severe pressure on wheat and protein, all forms of protein, but primarily soybeans."

The Minnesotan is actively forwarding his solutions to these problems. And, in general, they reflect much of the thinking of global food supply experts outside the government.

The administration appears to be at least listening. For instance, Humphrey urged Henry Kissinger during the Senate hearing on his nomination as secretary of state to call a worldwide food meeting.

A month later in his first speech as secretary, Kissinger called on the United Nations to convene a conference next year on the problems of rising consumption and lack of cereals stocks.

Humphrey also thinks the Agriculture Department is making an effort to answer his plea for better information to get an earlier and more accurate idea of what the supply-demand ratio will be.

"Data is very uncertain," Humphrey said. "There are lots of arguments or disputes about supplies for the simple reason that the statistical gathering of information is not very good."

OPPOSITION SEEN FOR HHH FOOD PROPOSAL

Humphrey, of course, wants to maximize U.S. production. But he is concerned over serious shortages of fertilizer, fuel, railway and port facilities, and farm credit.

The senator also is promoting a domestic food and fiber reserve. This would be what he calls a consumer marketing or "strategic" reserve of corn, soybeans and wheat and he has been arguing it for 25 years.

Designed as a hedge against skyrocketing domestic prices and a means of maintaining export commitments, these stocks would be isolated from the market to protect farm prices and released only after certain levels of shortage are reached.

There is considerable opposition to this proposal. Some farmers, interested in high prices, regard reserves as market dampeners. The department wants to get out of the storage business.

His farm friends are just going to have to understand that $10 soybeans and $5 wheat are intolerable and that they are in a political minority, Humphrey said in a recent interview.

In a recent hearing he added that consumers would be unlikely, as a political matter, to place themselves at the mercy of unrestrained world market pressures at a time of high U.S. farm production.

MANY EXPERTS URGE WORLD FOOD RESERVE

Humphrey stresses that the upcoming multinational trade negotiations must resolve severe problems to increase global food production and expand agricultural trade.

"International rules guiding agricultural trade are less strict, more ambiguous, and less comprehensive than those governing industrial trade," he told an agribusiness meeting in Atlanta.

"Without generally accepted rules to guide national farm policies, we force government to solve their agricultural problems without regard to their external effects," he added.

Many experts believe that the ultimate agricultural answer, if there is one, to the food-population race lies in increasing food production in developing countries.

In general, this argument contends that many of these nations have the largest unused agricultural potential. They require, however, significant outside help to exploit it.

The Minnesotan recently was floor manager of the first foreign assistance bill to pass the Senate in three years. It provides $565 million over two years for food production and rural development.

But foreign aid is now in low regard. The Senate passed the $1.2 billion measure by a narrow majority and it is unclear whether those food provisions will emerge from the House-Senate conference.

There is considerable resistance also to Humphrey's proposals for a world food reserve, an international storage system that would make supplies available to the poorest nations.

The administration, while favoring a principle of multilateral responsibility for food relief, has committed itself to an unfettered market unrestrained by government-owned food stocks.

State Secretary Kissinger's recent plea for an international food conference indicated, however, international reserves and related issues are currently being reconsidered.

Some form of world reserve is urged by many experts as a means of reducing the adverse impact of dramatic swings in price and availability of grain.

The Food and Agriculture Organization (FAO) of the United Nations also is proposing an international grain reserve that will be taken up at its conference in Rome next month.

HHH CALLS FOOD KEY IN U.S. TRADE

Jean Mayer, Harvard University professor of nutrition, advocates another solution. He asks that the United States establish a central authority to control and license food exports.

Such a grain and soybean trade board would report to the president. It would establish policies for commodity export and withhold some food from trade for relief purposes.

This would have avoided some of the errors of the wheat sale to the Soviet Union. Then the Russians dealt with competing commodity traders instead of a central agency, such as the one in Canada.

The Russian wheat deal raises another policy consideration. It suggests that we may be entering a period in which food will play an unaccustomed role as an instrument of political leverage.

India, for instance, will squeak through to its next harvest on a Soviet loan of 2 million tons of wheat. This grain is presumably available because of Moscow's large purchases in America.

Lester Brown of the Overseas Development Council observes that North America today controls a larger share of the world's exportable surplus food than the Middle East does oil.

"I don't want to be mean about this," said Humphrey recently, "but the time has come to say we want something too. To produce one calorie of food, we have to have eight or nine calories of fuel."

"I want us to take the lead internationally because we have so much at stake," the Minnesotan added on another occasion. "We can outcompete anybody in agricultural production. This is tailor-made for us.

"Fifty years ago when you talked agriculture you would talk domestic agricultural policy. It didn't lend itself to our balance of payments, it wasn't vital to our trade.

"For years you could look upon agriculture as a series of lakes. There was European agriculture. There was agriculture in Australia. There was Argentinian agriculture.

"These were like little pools of food. But now the world has changed. Agricultural production is like an ocean and the tide affects us all. All the ships go up and down with the tide."

FORD IS QUALIFIED

HON. EARL F. LANDGREBE

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 8, 1973

Mr. LANDGREBE. Mr. Speaker, in his short time here, the gentleman from Louisiana (Mr. TREEN) has already distinguished himself as one of the bright new intelligent voices in this body. I would like to commend to the attention of my colleagues Mr. TREEN's excellent response to a shockingly unfair attack on the minority leader's abilities to serve in the Vice-Presidency, which appeared in the Washington Post's editorial of October 14.

Mr. Speaker, everyone knows that I consider JERRY FORD to be an excellent choice to serve as Vice President of our great country. At this time, I wish only to echo DAVE TREEN's sentiments, and thank God that this Congress and the American people can recognize a great man such as JERRY FORD, and reject the warped perspective of the Washington Post's editorial board.

Representative TREEN's letter to the editor follows.

FORD IS QUALIFIED

It was with dismay that I read your recent editorial, "The Choice of Mr. Ford."

If by "pedestrian" you mean someone who believes in the middle-class values of our society; by "partisan," someone who rejects the notion that President Nixon is Satan; by "dogged," someone who believes it is more important to save tax dollars than to save bureaucratic reputations; if a lack of embrace for the New Deal, Great Society programs means that one has not shown an "impressive grasp of the complexities of hard questions"; if by "modest ambition" one means a man content to work for his constituents, his country, and his party, as a U.S. congressman; then I suppose Congressman Gerald Ford might be all of these things. But with leadership and dedication, vigor and confidence, Jerry Ford has served his country and his party loyally and unpretentiously for the last 25 years.

I believe Mr. Ford to be the ideal man for saving the country from a protracted bitter fight in Congress. Congressman Ford meets the criteria set by President Nixon—i.e., he is qualified to be President; he shares the President's views on domestic and foreign policy; and he is capable of working with both parties in Congress. I think Jerry Ford will make an outstanding Vice President.

DAVID C. TREEN,
Member of Congress.

H. A. EDWARDS, SR., OF TUSCALOOSA

HON. WALTER FLOWERS

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 8, 1973

Mr. FLOWERS. Mr. Speaker, on October 21, Mr. H. A. Edwards, Sr., retired as chairman of the Druid City Hospital Board of Trustees. Tuscaloosa and west Alabama are indebted to him for his long unselfish service to our community.

Mr. Edwards served on the board for 26 years, the past 20 years as chairman. His inspired leadership enabled Druid City Hospital to become one of the outstanding medical facilities in our region.

The Tuscaloosa News and Graphic recently paid high tribute to Mr. Edwards. I commend these two articles to my colleagues and insert them into the RECORD at this time.

The articles follow:

H. A. EDWARDS' SERVICE

A man who devotes over a quarter of a century of his life to serving the public in an unpaid position is rare. Such a man is Harvey A. Edwards, Sr., who has been on the board of Druid City Hospital for 26 years and chairman for 20 of those years.

Mr. Edwards told the 50th anniversary banquet of the hospital this week that he is stepping down from his post when his term expires this month.

Tuscaloosa appreciates his devotion to Druid City Hospital and his efforts to improve medical care. Mr. Edwards, now 80, has never been content to see things stand still. He has always been a mover for an expanded and better equipped public hospital. Even now the hospital is carrying on an improvement program that may cost up to $20 million upon completion.

Mr. Edwards is a past recipient (1966) of the Civitan Club's Citizen of the Year Award. It is appropriate that he already has been honored for his dedication to Tuscaloosa and its well being.

HARVEY EDWARDS HAS SERVED COMMUNITY WELL

H. A. Edwards Sr. will retire as chairman of the Druid City Hospital Board of Trustees at the end of the month. This community and this section of the state owe this man a debt of gratitude for his long, faithful and fruitful service.

Edwards has served as a hospital trustee for 26 years and has been chairman of the board for the past 20. This has been a period during which Druid City Hospital has made tremendous strides toward providing adequate care and treatment for patients of this community and others from West Alabama. It has been a time when the hospital has faced problems—in service, in facilities.

Druid City Hospital today stands as a fitting memorial to Harvey Edwards' dedication and determination. He has not been alone in providing leadership for the institution, but he has always been in the forefront in

determination to provide this community with the best possible hospital and staff.

Druid City now is embarking on a new expansion program. This is part of a continuing effort to improve facilities, to keep pace with needs and medical technology. That has been the hallmark of the period during which Edwards has been Druid City's board chairman.

Planning and looking to future needs have been uppermost in the direction of the hospital board from the time the institution moved from the University campus to the former Northington General Hospital and then on to its present location in modern facilities.

Certainly Harvey Edwards has earned well-deserved relief from his duties as board chairman of the hospital. And he retires from that position assured that his long service has been appreciated by hospital staff and employes, by his fellow board members and by this community.

RESIGNATION

HON. DEL CLAWSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 8, 1973

Mr. DEL CLAWSON. Mr. Speaker, in the clamor for his resignation the President is being deprived of the right of every citizen to the due process of the law. Yesterday's Washington Star-News published an editorial which I commend to the attention of my colleagues in the House of Representatives:

RESIGNATION

Some of President Nixon's erstwhile supporters have joined with many of his ancient foes in clamoring for his resignation. We have no intention of adding our voice to that chorus, which is unseemly, unfair and unwise, from the point of view not only of Mr. Nixon but of the nation.

Which is not to say that we are convinced of the pristine purity of the President. Far from it: We have the gravest doubts as to Mr. Nixon's fitness to occupy the highest office in the land.

The point is that resignation would resolve none of those doubts. Indeed, such an act would obscure, perhaps forever, the vital question of Mr. Nixon's innocence or guilt in the Watergate affair and its attendant scandals. There would be no catharsis in this. Indeed, resignation would leave a legacy of bitterness and suspicion in at least that 27 percent of the electorate which, by some mind-boggling leap of faith, continues to believe that Mr. Nixon is doing a good job as President and is innocent of complicity in Watergate.

Some of those who are asking Mr. Nixon to step down are doing so on the grounds that he has lost his capacity to govern, that he is politically "crippled." It is true that Mr. Nixon's power and prestige have been impaired and, given what we now know about Watergate, that is not altogether a bad thing. But "crippled"? That must come as news to the President's opponents on the Hill, who have been unable to override one of his eight vetoes (the most recent on October 30) this year. It must also come as news to both sides in the Mideast crisis.

When a tide of emotion is running high, it is easy to get swept away. So perhaps it is worth recalling that Mr. Nixon's popularity has not yet fallen to the 1951 level of a president now widely regarded as one of our near-great leaders—Harry S. Truman.

In any event, ours is not a parliamentary system under which a president is accountable to sudden gusts in the fickle wind of public opinion. No charges of criminality have been lodged against him and the President cannot be compelled to resign an office to which he was lawfully elected.

If he is to be required to step down, Mr. Nixon is first entitled to his day in court. If he has been guilty of "high crimes and misdemeanors," if he has violated his oath to see to it that the laws are justly enforced, then he—and the American people—are entitled to a bill of particulars.

There are those who draw back in fear from the trauma of impeachment proceedings. We have a greater faith in the toughness of the Americans people, the resiliency of our institutions and the genius of our Constitution.

In our view, the first order of business ought to be the confirmation by the Senate of Vice President-designate Gerald Ford. For if Mr. Nixon is to be swept aside, it is essential that the people's mandate of 1972 be assured. It is to the credit of House Majority Leader Carl Albert, at present the next in line for the presidency, that he realizes that a Democratic succession would destroy the legitimacy of the government.

Once Ford has been confirmed, the House Judiciary Committee ought to move with all deliberate speed in its investigation to establish whether a case for the impeachment of the President exists. Should it so find, it will be up to the House to act upon the committee's recommendation, either rejecting it or sending it forward to the Senate.

The national weal requires a speedy and definitive end to the Watergate scandal. But that end must be fair to the President and to the country, and it must be seen to be fair.

Article II of the Constitution provides for the removal of a President from office. It would be the final irony if a president charged by his opponents with abusing the Constitution were hounded from office by a constitutional short-cut which might poison the well of American politics for generations to come.

A forced resignation would leave an intolerable question mark on the political horizon and create more stresses than it would relieve. It ought not to be contemplated.

WHAT CAN THE CITIZENS DO TO CONSERVE ENERGY?

HON. FLOYD SPENCE

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 8, 1973

Mr. SPENCE. Mr. Speaker, I recently had the honor of hosting a very special young lady during her 2-day visit to Washington. Her name is Miss Dawn Beaty, and I am especially proud of her because she was the winner of a contest I sponsored in the Second Congressional District of South Carolina.

The contest that several of my colleagues on the Task Force on Energy and Resources and I initiated had an extremely important purpose, Mr. Speaker. Students in high schools throughout the district were asked to write an essay on the topic, "What Can the Individual Citizen Do To Help Solve the Energy Crisis?" As members of the Task Force on Energy and Resources, we have been active this year in seeking new energy sources, as well as encouraging conservation of what we have available now. I knew how vitally interested my student-constituents are in the subject of conservation generally, because I have heard from many of them.

I was particularly anxious to get the students' original ideas on this subject because the quality of the world they inherit may be greatly affected by the manner in which we deal with the energy crisis. In challenging our young people to consider their future by thinking about creative, constructive solutions to this serious problem, I was confident that we would be able to develop some exciting new possibilities.

Mr. Speaker, it turned out that the aims of this contest exceeded even beyond my hopes. I received a great number of excellent suggestions, and every entry was outstanding.

Of course, there was one essay which stood out as being particularly original and well written. Since space does not permit me to have all of the essays reprinted here, I would like to submit the winning entry of Miss Dawn Beaty, of Columbia, S.C., as being representative of the fine work done by students in my area on this vital subject.

Mr. Speaker, I include Miss Beaty's essay entitled "What Can a Citizen Do To Conserve Energy?" in the CONGRESSIONAL RECORD at this point:

WHAT CAN THE CITIZEN DO TO CONSERVE ENERGY?

During the past decade, the American public has been brutally awakened to the abuse of our natural resources. They have seen forests grow into houses; they have seen rivers die of pollution; and they have watched a new day break through a clouded, gray horizon. Now, Americans are experiencing a comparable dilemma—they are watching our country slowly weaken as our fuel resources are abused and consumed. But, even when they are faced with this crisis, many persons complacently sit around feeling quite certain that some higher authority will correct this problem with a snap of a finger. But, these individuals are depending upon blind faith. They should not expect one body of persons to correct the mistakes of everyone. The American people caused this dilemma; only the American people can bail themselves out. Each individual must contribute his effort to alleviate the nation's energy crisis.

But, exactly what is the "energy crisis" and just how important is it? An energy crisis is the result of the mismanagement of our natural fuel resources. These resources include oil, gasoline, electricity, coal, and kerosene. It is with these fuels that our mechanized nation functions. The depletion of America's sources of energy can be best compared with the loss of blood. Our body runs on blood. If our body is injured, causing a loss of this precious fuel, it could be serious. This would be extremely serious, if there were no blood to replace our slowly escaping blood. In such a case, with no "fuel" to run the body's organs, our body would die. So too will our nation, if the individual does not awaken to what this crisis could mean to his own life.

It is true that many persons have already been directly affected by the energy crisis. On the other hand, many have not. Let us examine a high school senior's "brutal" awakening to the energy crisis.

Our high school senior entered his final year of study with two goals in mind—to graduate, and to hit the beach just as soon as he got his diploma. All during the commencement ceremony he dreamed of sand, rolling waves and bronze-skinned girls with long blond hair. Even his mother's tears of

pride only reminded him that tomorrow he would be up to his neck in salty water.

That night, "Junior" dragged himself home from the graduation party and packed his car. In it went towels, bathing trunks, a polished surfboard, and suntan oil. That night he fell asleep dreaming of rolling waves and bronze-skinned girls with long blond hair.

The next morning, "Junior" jumped into his car, revved the motor a few times, and thought about those bronze-skinned girls with long blond hair. But just then he noticed that his tank was nearly empty. So "Junior" trucked it down to the gas station around the corner only to pull up to empty pumps! So there he sits in his car, watching those bronze-skinned girls with long blond hair wave bye to him as they run down the sandy beach.

Amusing—or is it sad? For there are going to be many "Juniors" in this country if each person does not make a valid effort to conserve our fuel resources. But "Junior's" problem, however, is not our greatest concern. The energy crisis would not be of great significance to us if all it meant was that the fuel shortage prevented a high school graduate from driving to the beach. A more relevant situation would involve more than a boy's "shattered" dreams about himself and the beach. For instance, suppose the Lexington County Hospital caught fire, and because the area fire station had no access to fuel for their trucks, both the building and hundreds of lives were destroyed. This would be a grave matter. This is exactly why the energy crisis is just what it is—a crisis.

"But what can I do? I'm only one," you might reply. But thousands of people are made up of one plus one plus one . . . It took thousands of people to cause an energy crisis like this one, and it will take thousands to correct this colossal mistake.

The first place you might start is with your own home's heating system. Does it adequately heat the house? If not, do something about it! First, you should make certain that your home is properly insulated. Oh, that costs too much money, you might argue; the easier solution is to turn up the heat. Better insulation, however, is the wiser answer, for there appears to be a limitless amount of insulation. But what good is all this material to retain heat if there is no fuel to produce it. All the money in the world will not purchase more fuel to warm a poorly insulated home if there is no fuel to buy. Next, check your home's heating ducts. They should be properly wrapped and insulated. This can save a tremendous amount of fuel. Storm windows, too, are a very sound investment in the insulation of a home.

Now, examine the temperature of your home. Determine whether or not you can conserve fuel by cutting down on the thermostat. Another important aspect of home heating is the thermostat setting during the night. Cut it down. Psychologists have found that persons sleep better in a cool room. This is attributed to the fact that a person bundles up in his bed covers when the room is cooler, thus causing him to sleep better. What about rooms you seldom use? Close the heat ducts in those places. Be wise and conservative in your use of home fuel resources.

Next, let us examine the major abuser of fuel resources—those one, two, and three cars sitting in your driveway. It is a shame that our society feels that each person should have his own car, much like every person has his own social security number. It seems that a man is dubbed a social failure if he does not have a car for himself, one for his wife and several more for his teenagers. Americans, in all practicality, do not need so many cars. The family breadwinner should perceive that a family that drives together, thrives together. So will our nation. Individuals should band together into car pools to insure that there will be enough for our children's car pools. An individual should also make certain that he accomplishes as many of his errands as possible in one trip. This will take a little planning But, remember, this energy crisis arose from poor planning. The American public must use their heads and think.

But you are a traveling salesman; you need your own personal car. If so you will need more gas than the average American. Thus, it is important that your car is in faultless condition. An automobile in disrepair consumes much more gas than one in top condition. Also, in traveling, a person should maintain a steady speed, not exceeding 50 mph. But, it appears that interstate highways encourage our national inclination—to move fast. It would be much easier to have the American public adjust to an energy crisis speed limit than to a permanent one. In such times of great fuel need, highway and road speed limits should be decreased 10 mph. This could be designated as the Energy Crisis Speed Limit. People, by nature, would see reason to observe this regulation with less protest than to an unjustified everyday low speed limit.

The individual can also heed the advice of energy conservation information. In South Carolina, the SCE&G is doing a fine job of stressing the importance of electrical energy conservation. They have made television commercials, and have mailed fuel conservation tips to state residents. Other agencies have also attempted to educate the American public in regards to fuel consumption. As individuals we should appreciate and acknowledge these suggestions and act upon them.

The individual can also make certain that his Congressman knows how he feels about energy crisis legislation. As citizens we are powerful, for we can voice our opinions and suggestions to those who represent us.

Thus, the individual *can* make a difference in the conservation of our fuel resources; but everyone must do his part, for each person is only a part of a whole—our nation. Only then, as a nation, can we cope with our energy crisis.

IRRIGATION IN THE UNITED STATES: THE SITUATION TODAY

HON. HAROLD T. JOHNSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 8, 1973

Mr. JOHNSON of California. Mr. Speaker, statements are being made that the Bureau of Reclamation has completed its job of building the West through irrigation of public lands in the arid zone beyond the 100th meridian. Federal reclamation was adopted as a homemaking program for the western region in 1902. Times have changed and the program has changed in the seven decades that have passed, but the West is still the arid region that John Wesley Powell and Theodore Roosevelt knew at the turn of the last century, and its problems remain unique. They cannot be ignored.

William E. Warne, former Assistant Commissioner of Reclamation, former Assistant Secretary for Water and Power of the Department of the Interior, and former director of the California Department of Water Resources, has prepared a thoughtful analysis of the situation of irrigation in the United States today. His conclusion that new problems that have arisen in the arid West require the continuing attention of the Bureau of Reclamation on a regional basis is worthy of note by all of my fellow Members. He is a leading irrigationist in the United States.

I include his paper delivered to the U.S. Committee on Irrigation, Drainage, and Flood Control in Sacramento, Calif., on September 21, 1973, as an extension of my remarks:

IRRIGATION IN THE UNITED STATES; THE SITUATION TODAY

Irrigation supports the agriculture of the semi-arid and arid western United States. Agriculture is the dominant industry of the region. Irrigation is practiced increasingly in the more humid states, as well, but among them, except in Florida, Arkansas and Louisiana, irrigation is not given much attention as a factor influencing farm production.

The situation in the United States today is that irrigation is a western operation of critical importance in the production of food and fiber. Irrigated agriculture is the foundation of the economy of the western states.

Irrigation in western United States was begun by the earliest Europeans to settle here. The Spanish Padres dammed the streams and irrigated the gardens with which they surrounded their missions. The Mormons, when they arrived on the banks of the Great Salt Lake, diverted City Creek to irrigate some potatoes in order to establish themselves in a land that was physically hostile. Migrants stopped off at Fort Bridger on the way West, and irrigated pastures to grow hay for their oxen so that they could continue to Oregon. Many Forty-niners in California deserted their diggings after the first winter to irrigate farms in the Central Valley.

Historically, the primary influence in the growth of western irrigation has been that of the Federal Reclamation Act of June 17, 1902.

Late in the 1880's and during the 1890's, western leaders were convinced that private developers and the states and territories were not equal to the task of planning, financing and constructing the large-scale water projects that were required in the settlement of the West. The nation as a whole gave high priority at that time to winning the West and was anxious to populate the new states that were being added to the Union beyond the 100th Meridian. Theodore Roosevelt, in his first message to the Congress, called for the adoption of Federal reclamation as a homebuilding policy in the semi-arid and arid regions. The Federal Reclamation Act followed within a few months.

The 1969 Census of Agriculture, which provides the latest statistics available, disclosed that seven decades later there were 39,129,758 acres of land irrigated that year in the 50 states. Of the total, 34,787,156 were irrigated in the 17 western states. Farm lands were irrigated in every state of the union. In three of the states that are considered naturally well-watered, the areas that were irrigated would have been substantial even had they been in the arid west. Florida, with 1,365,206 acres irrigated, exceeded such western states as Arizona, Kansas, Nevada, New Mexico, North Dakota, Oklahoma, South Dakota, Utah and Washington in the area irrigated. Arkansas and Louisiana rivaled many of these that are commonly thought of as "irrigation states."

The situation today is that irrigation is increasing more rapidly in the eastern, more humid states, than it is in the western arid and semi-arid states. There was a 13.3% increase of irrigated acreage over a five year period in the East against a 4.8% net increase in the West.

California, with 7,240,131 acres irrigated in

1969, led all states, with Texas, which irrigated 6,888,075 acres, second. California has led all states, irrigated or not irrigated, for a number of years in the value of her agricultural production, recently exceeding $5 billion a year, and Texas historically has been among the top three farm states. In California, four-fifths or more of the farm income is derived from irrigated lands. Many of California's crops are marketed in substantial quantities abroad. The state's exports contribute materially to the United States' balance of trade.

Obviously, the irrigated crops today are a significant factor in the ability of the United States to feed her people and at the same time to export vast quantities of food and fiber to nations around the world.

Because of its origin, its history, and its recorded achievements, the Bureau of Reclamation is the dominant agency in arid land irrigation in the United States. It is, in fact, recognized as the leading institution in the field worldwide. The Bureau has researched and pioneered in all phases of engineering and construction related to dams, hydro-electric power plants, canals and appurtenances.

The situation is that today the Bureau of Reclamation in the technical fields stands first in line and head and shoulders above its rivals.

In 1971, the latest year for which statistics have been compiled, the Bureau of Reclamation had constructed 305 storage dams, 316 diversion dams, 13,600 miles of canals, and 33,510 miles of laterals. There were 138 Federal Reclamation projects in operation and the total cost of construction by the Bureau to June 30, 1971 was about $5.5 billion. In 1971, the gross crop value from the operations exceeded $2 billion for the first time, and represented a per acre average value of $240.45. Of the total of 10,560,000 acres for which irrigation service was available from Bureau projects, 8,834,000 were actually irrigated and farmed in 1971. Municipal and industrial water were served to 14.5 million people by the projects. Irrigation and other services brought to 16 million or 30 percent of the entire population of the 17 western states the number who were provided project water. In addition, the number of visitor days to recreation areas provided by the projects equalled about one-fourth of the population of the entire United States. Reclamation dams prevented that year $32.8 million in flood damages. Hydroelectric power production incidental to the operation of the reclamation dams amounted to 50.1 billion kilowatt hours which were sold for $161.4 million.

These statistics may go whirling over your heads, because it takes study to comprehend en masse such large numbers. To hear them, however, may impress upon you that in carrying out the assignment of home-builder and developer of the West, the Bureau of Reclamation in 71 years has substantial achievements to its credit.

The situation of the western states today certainly would not be the same without the program of the Bureau. The arid West was a hollow region in 1900. Efforts made in the latter part of the 19th Century to settle the West through development of its water resources and arid lands had been failures. The Federal Reclamation Act of 1902, however, succeeded from the outset in building homes and developing towns in the wastelands.

Remembering that the Federal Reclamation program was undertaken by the Government in pursuit of a national policy of peopling and developing the arid West, it is strange to hear the National Water Commission say today, (p. 128):

"A primary weakness of the Federal water resources development projects is that they have been heavily subsidized by the Federal Government; that is, by all the taxpayers of the Nation, to provide benefits for a few."

In reviewing the Minidoka and Tucumcari projects, the Commission saw that valuable development had taken place, but it wondered what would have happened if the projects had not been constructed. There are millions of acres of desert lands that were vacant in 1902 and that remain vacant today in these same and similar western areas.

They provide the answer to the Commission's question.

"Nothing would have happened. Nothing at all."

If Idaho and New Mexico are of no value to the taxpayers of the United States, then the investment of Reclamation funds in irrigation projects within the boundaries of such states might be considered only as a subsidy of the few who now manage to make a living from the lands that irrigation has made productive. On the other hand, if developed states in the arid region today are important to the United States as a whole, then more than the immediate few who irrigate the reclaimed desert lands have been benefited.

Federal Reclamation was the 20th Century answer to the 19th Century problem of winning the West. As such, it carried provisions of subsidies of interest free money for project construction and of free homestead land for settlers.

Because Federal Reclamation was a homemaking policy, it incorporated provisions for limitation on the size of farms that could receive water—the so-called 160-acre law—and residency requirements to maximize the number of actual settlers in the lands. Other requirements encouraged water users to organize cooperatively for the creation of irrigation districts to manage the project canals and ditches. Townsites were authorized within the districts. The object of these provisions was to create self-reliant, new, farm-based communities. In these objectives, the program, I believe, also has succeeded.

For many years after 1902, except in California, Federal reclamation was virtually the sole force at work in expanding western irrigation. California provided much of the leadership of the National Irrigation Congresses that successfully promoted Federal reclamation, but when the Act was passed in 1902, individual developers and irrigation districts in California were succeeding in expanding irrigation within the state. They were so successful that for 30 years the new Reclamation Service was confined in California to one small project, the Orland Project in the Sacramento Valley.

That the Reclamation Act was effective as a community builder is clear from the reading of the map of the West. Such thriving modern cities as Phoenix and Yuma, Arizona, Boise, Idaho, Yakima, Washington, El Paso, Texas, Grand Junction, Colorado, Reno, Nevada, and many others received their principal impetus from the development of Federal reclamation projects near or around them in the first three decades of this century.

During the Great Depression of the early 1930's, two powerful new stimulants were applied to Federal Reclamation. First, privately financed irrigation projects encountered financial difficulties in California in the years when the Congress was granting repayment moratoria on Federal projects. It became necessary to turn to the Bureau of Reclamation and to appeal for Federal appropriations for the construction of needed supplemental water projects, such as the Central Valley Project and the All-American and Coachella Canal Projects. Secondly, with the construction of Hoover Dam the advent of the multiple-purpose project that produced large blocks of highly salable electric power gave a whole new aspect to the reclamation program. Annual Federal investment in irrigation projects that included multipurpose dams and comprehensive river basin developments immediately increased many times and the new plateau of construction did not thereafter slope off toward previous levels.

For a period of another 30 years, roughly from 1930 to 1960, Federal Reclamation rolled along on the crest of a wave of multiple-purpose projects. Great dams like Grand Coulee, in the Columbia River, and Shasta in the Sacramento River made contributions through their hydro-power to the development of western cities. Cheap energy influenced the growth of such cities as Los Angeles, San Francisco, Portland, Seattle and Spokane as significantly as irrigation of the deserts had influenced the development of the backcountry during the generation that preceded this era.

Though the reclamation program was modified by new influences during this second period, the basic precepts of Federal Reclamation were not altered. The program was conducted with interest free or low-interest financing and the 160-acre law was not repealed. The social objectives of the settlement of desert lands and the winning of the west were still sought largely with the tools fashioned in 1902 and with the addition of the public power preference clause which first appeared in the Reclamation Law in 1906.

Controversies of telling impact arose as these old social weapons were used by the Bureau of Reclamation in the sophisticated post-depression and post-war economies to which its great dams were now contributing. The emphasis during this period was placed nationally on production, both in industry and on the farms, farms shed their nostalgic aura.

Farming as a way of life certainly ended with the Second World War. The returning servicemen who sought farmsteads on the new reclamation projects of that period wanted no subsistence farms, but sought units that would make for them decent livings on the scale of the new industrial worker in the nearby towns.

The controversies that arose over the 160-acre law and public power confused the easterners, who had, however reluctantly, approved the reclamation program on the grounds that it was needed to help people get started in the difficult western region.

The West wants to give up the 160-acre law, the easterners said, let it also give up the interest-free Federal financing of the construction of irrigation projects. These two were companion policies used to make homes in the previously untenanted deserts.

In effect, such is the judgement rendered by the National Water Commission in its recent report. (p. 148)

"The Commission concludes that subsidization of new irrigation projects is not justified on either social or economic grounds. Reclamation farms differ little from nonreclamation farms, but federally subsidized irrigation does increase farm surpluses, increasing the costs of price-support programs and disadvantaging farmers in other parts of the country. Direct beneficiaries of Federal irrigation developments should, therefore, be compelled to pay in full the costs of projects allocated to irrigation in conformity to the general principle of full-cost repayment proposed for other water development projects elsewhere in this report."

The Commission made four recommendations to recover part of the subsidy it thought some of the project irrigators were receiving, but conceded that they would not recapture all of the public benefits. "The proposals are thought to go as far towards recapture as is practicable." (p. 149) the Commission added.

The situation today is that the arguments

which convinced the nation in 1902 to begin Federal participation in irrigation development of the West no longer seem equally valid.

Many a land owner in areas overlying groundwater basins or who can reach a river with an individual pumping plant has successfully irrigated arid land since the Second World War. He has used his own resources or borrowed money at commercial interest rates to build his systems. The State of California has just completed the California Water Project. It financed the construction by floating its own bonds. This project is resulting in the irrigation in the southern San Joaquin Valley of the largest increments of undeveloped lands that have been brought under cultivation in many years. The local water service contractors, for the most part, are financing their own district distribution systems.

It does not hold, of course, that because favorably situated land owners can develop their own irrigation systems and because California, the most populous state in the Union, can finance her own magnificent project, that all needed irrigation development today can safely be left to private enterprise and the initiative of the states. Yet such are the conclusions being jumped to by increasing numbers of observors. They say, big government is no longer needed in this business, though perhaps it may have been in the beginning. Federal Reclamation has succeeded in working itself out of a job, they say, so its program should be closed down.

Such conclusion jumping, in my view, comes close to Olympic-record lengths.

The ink was hardly dry on the final report of the National Water Commission, when farm prices began a quantum jump. Many farmers right here in the Sacramento Valley are selling their products this year for twice or more than twice what they got for the same quantities last year. The Secretary of Agriculture has been out here urging everybody to plant more of everything in the coming year. These facts make some of these words in the Commission's report seem a bit strange in the situation today. (p. 17)

"The results of the study, based on conservative yield trends, indicate that U.S. Agriculture would not be faced with aggregative strains of food-producing capacity and water supplies relative to needs in the year 2000 under any of the alternative futures considered. Under the assumptions of the study, even if irrigated area is not increased over the next 30 years, capacity of American agriculture will be sufficiently large to meet the anticipated demands at reasonable prices. Projected food demands in the year 2000, according to the conclusions of the study, could be met by returning land idled under Government programs to production with the use of less irrigated land than at present."

The anatomy of water resources development does not admit of reaching clear termination points. The problems to be solved grow progressively more difficult and complex. Take as an example, the progressive degradation of the quality of the water of the Colorado River as development of that basin has continued. Take as another example, the progressive exhaustion of the vast groundwater basin that underlaid west Texas. Take as a third, the decline of population, continuous since 1920 when the families of the initial homesteaders grew up, in all of the counties of the high plains in the upper Missouri River basin. These intensifying problems are so threatening that only the Federal Government can grapple with them successfully—and, in the end, the Nation can not ignore them because they will not simply go away or quiet down.

In the light of the record of the Bureau of Reclamation, in the arid region of the United States, another conclusion of the National Water Commission has a leaden sound. (p. 61)

"Federal water programs can be easily adjusted to support whatever population distribution policy the Nation adopts. However, water programs are not, in and of themselves, adequate to effectuate a national policy concerning where people will live. Water programs should continue to accommodate future population growth and economic well-being by responding to the pattern of interregional population distribution. In some instances water programs may influence desired population distribution provided other controlling conditions are favorable."

Argue, if you will, that the Federal Reclamation Act of June 17, 1902 was not designed to cope with the complex problems of today. The problems were not generated until decades, in some instances many decades after the Act became law. Of course, even as amended by the Reclamation Project Act of 1939 and other monumental revisions, the Federal Reclamation Act is inadequate in the face of the great emerging needs. The programs of the Bureau, however, provide the best platform from which to launch the attacks on these new problems. If the Bureau should no longer exist when the Federal government finally gets around to tackling such problems, then a new agency in the Bureau's image will have to be created to get these regional jobs done in the West.

There have been other times of crisis in western water resources development since the Federal government began irrigating public lands. The first came when public lands that were irrigable approached exhaustion and privately-owned lands were included as large parts of the new reclamation projects. Land speculation almost destroyed public confidence in the program at that time.

Later, after the first World War, farm prices plummeted and settlers on Federal projects could not meet their payments.

The Congress granted relief until moratoria on payments and write-offs of project costs became almost habitual. Popular opinion spread that irrigation settlers were deadbeats. This was very damaging to the program.

Still later, the Bureau and the Corps of Engineers met head on in the Missouri Basin and the Central Valley of California in deadly earnest rivalry. This left a bad taste in the mouths of many that no amount of coordination of programs, voluntarily undertaken, has as yet entirely eliminated.

In recent years, inflexible cost-benefit ratios that failed to reflect changing interests in water resources developments forced ever more tortured allocations of costs. The results of these mathematical gymnastics raised questions concerning the value of the judgments of project planners, and the environmentalists moved in to attack them.

The Congress wisely created special commissions—the Fact-finders, the Repayment Commission, and the Water Resources Council—to investigate, to appraise, and to make recommendations which could be considered in working out remedial legislation in connection with the first three of these crises. The fourth is with us today.

The situation today, as I pointed out in the final chapter of my book, The Bureau of Reclamation, is that consideration should be given now by the Congress to setting up a Reclamation Assessment Commission which would consider western water problems in the light of the history of irrigation development in the region and with an understanding of the new and unique problems that are now being encountered.

I do not believe that the National Water Commission report satisfies the needs of the West. The report is too general and its recommendations are too broad. I had the feeling on completing the reading of the report, that the Commission never quite sorted out the Colorado River from the Ohio and the Tennessee Rivers, nor the East from the West, though it is pretty certain that the twain shall never meet geographically except at the 100th Meridian.

Farming as a way of life may be as antiquated as the cobblers bench and the mom and pop grocery store. Perhaps no amount of subsidy of irrigation can preserve it. The goal of sound development of the West through planned use of the scant western waters and the vast arid lands, however, can be restated in modern terms. The objectives of irrigation were stated in the Federal Reclamation Act of 1902 in terms readily understood and supported in the 19th Century. With three-quarters of the 20th Century elapsed and the West grown up, with many of the children born on the early reclamation projects already grown old and retired, it is time to take a new look, to set new guidelines, to revitalize the reclamation program and to ready the Bureau for the gigantic asks that the future holds in water resources conservation, management and development in the western region. Geothermal wells may substitute for some new reservoirs, desalters for some new dams, and some irrigation may give way to hydroponics. Project Skywater may succeed in increasing the annual flow of the Colorado River to what the Compact Commission in 1922 thought it might be. Nothing will surprise me, for I have seen so much wrought by the water resources people, of whom, happily, I have been one for 40 years. But nothing ever just happens. Wise and energetic men must be organized to conduct planned programs that can make the future that which we dimly foresee but aspire to witness.

It is in this context that I found the report of the National Water Commission negative and unsatisfactory. It seemed to assume that all that is now needed, or perhaps even more, had already been done. I can not face with equanimity the thought that the future of the United States may hold less irrigation than we have today. The West, I believe, certainly can not accept such a conclusion.

The situation today is much as it was in 1902; without irrigation the arid West has no future.

YEAR-ROUND DAYLIGHT SAVING TIME HAS MAJORITY SUPPORT IN WISCONSIN

HON. WILLIAM A. STEIGER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 8, 1973

Mr. STEIGER of Wisconsin. Mr. Speaker, in light of the energy saving steps the President is asking us to approve, I want to report the vote of the men and women of Wisconsin's Sixth District on the proposal for daylight saving time.

In answer to the question, "Would you favor extending daylight saving time to a year-round basis?"—a majority of those responding to my annual opinion poll this fall said yes—57 percent.

The poll also indicates that DST may be somewhat less popular among women than it is among men.

According to the notes and letters they have written me, Wisconsin women feel strongly conservation conscious but they are concerned that year-round DST will mean a child must board a school bus in bitter-cold morning darkness. This is a legitimate concern, particularly in rural Wisconsin. Luckily, we can solve the problem—perhaps simply by drawing it

to the attention of school officials and urging them to start and end the school day an hour or so later.

Despite this reasonable objection to year-round daylight saving time, women voted in close agreement with men. Slightly more than 50 percent of the women respondents said they favor DST, and 58 percent of the men said they do.

The above returns came from approximately 27,000 people who returned a postcard questionnaire in August and September.

The question on my poll that drew the greatest disagreement between men and women was one concerning amnesty. A majority of women voted yes—50.5 percent—while a majority of men voted no—58 percent.

Total responses showed 36.5 percent favor conditional amnesty, 9.5 percent want unconditional amnesty, and 54 percent prefer no amnesty.

Other results included: Newsmen's right to refrain from revealing their sources, 52 percent in favor, 48 percent against; and abortion, 36 percent allowing the Supreme Court decision to stand, 11.5 percent for amending the Constitution to restore to the States the power to regulate abortion, 52 percent for amending the Constitution to prohibit abortion in all but extreme circumstances, and 0.5 percent for no abortion in any circumstance.

As in the past, this poll was mailed to each residence in the Sixth District, and each reply was tabulated by hand. The response was high from all 12 counties—especially from Winnebago, Sheboygan, Manitowoc, and Fond du Lac. And returns still arrive in each day's mail.

Of the four questions asked, the one on daylight saving time was answered most and received most agreement. Because of the timeliness of this issue, Mr. Speaker, I would like to include as part of my remarks an October 30 editorial, "Daylight Saving, Energy Saving," from the Manitowoc, Wis., Herald-Times:

DAYLIGHT SAVING, ENERGY SAVING

Willy nilly, daylight saving time has run its summer course again. In accordance with federal law, clocks were turned back Sunday everywhere except in a few places where regular time is maintained the year 'round.

There is a new element in the picture as the changeover is made this year, however. It comes in the midst of a burgeoning effort to re-establish daylight saving time as a means of conserving energy.

Serious talk along these lines is reported from both the East and West coasts. New England governors are considering the use of emergency powers to reject the federal statute and reinstate daylight saving time on a regional basis. In California, the Los Angeles Board of Water and Power Commissioners has asked Mayor Tom Bradley to initiate a campaign for a nationwide permanent restoration of daylight saving time to reduce fuel consumption. They say that in their city alone such a move would cut fuel oil use by 300,000 barrels a year.

There are counter-arguments. Early risers say permanent DST would only shift the power need to the morning hours. That is true to some extent. The question is: Which alternative would bring the greatest energy savings?

The matter is important enough to justify thoughtful consideration in Congress. Regional action on the basis of state emergency powers would in our judgment be less satisfactory than a nationwide approach, given such problems as transportation schedules.

DO DÉTENTE, ALLIANCE, AND OIL MIX?

HON. HUGH L. CAREY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 8, 1973

Mr. CAREY of New York. Mr. Speaker, I presume the House will, sometime in the future, be considering trade legislation reported by the Ways and Means Committee just a month ago.

The committee worked long and hard on this bill, and in many respects, it is a vast improvement over that proposed by the administration. Discretionary powers are somewhat more carefully delineated and restrained. Increased attention is paid to adjustment assistance, and to international fair trade practices. Most favored nation status, and most likely, credit and financial concessions to the Soviet Union, will be contingent on freedom of emigration from that nation.

However, serious weaknesses in the bill prevented me from casting my vote in the Ways and Means Committee to report this legislation to the Rules Committee and the floor of the House. Those reasons include insufficient insistence on fair trade practices, lack of increased equity in international fair labor standards, granting of credit and financial concessions to the Soviet Union without guarantees of freedom of emigration and other basic human rights, plus insufficient attention being paid to the legitimate and increasingly serious concerns of the American workingman—concerns dealing with his very livelihood, and the economic security of himself and his family.

Those briefly are several reasons why I find it difficult, at the present moment, to give my support to the pending, and often-delayed, trade bill.

But Mr. Speaker, there is another very important item which is most conspicuous by its absence from the trade bill. And that is a serious effort to encourage and provide the discussion and negotiation impetus and mechanisms for our oil-importing, trading partners, to come together with us in common policy and resolve—to come together, under the aegis of either the GATT, or NATO, or other multilateral security and commercial organization—to come together in both common commercial and security alliance.

Our foreign policy has as its cornerstone the continued advancement of détente between the United States, and the Soviet Union and China. The Soviet Union at present is more in the fore, since our relations are of longer standing with them, and our cultural, diplomatic and commercial intercourse is naturally more matured. The Soviet Union, and its domestic and foreign policies, have become very important material and political factors in the substance of the pending trade bill, and in the timing of its consideration. How the Soviet Union acts with regard to both guarantees of emigration and in the Middle East, with specific regard to their influence with the oil-export policies of Arab nations, will determine, to a very large extent, the success of efforts within both the Congress and the administration, to liberalize commercial and financial exchanges between our two nations.

Mr. Speaker, I have long fostered the easing of United States-Soviet ideological and military tensions. However, I do not think that détente should be achieved at the expense of alliance. I do not think it in the best security and commercial interests of the United States, to give up NATO solidarity, and working trade arrangements we have with Europe and Japan, in order to follow the still poorly defined, and still ephemeral blessings of détente.

Assuredly, we are seeing unfold in the Middle East the truth of what I have been saying in the Congress for well over a decade: world power politics have become too dangerous to be left to military resolution, or big-power direct intervention. The scenario being presented in the Middle East is more than renewed local belligerency and aggression, it is the perfect demonstration that the days of geopolitics are being supplanted by the days of geoeconomics.

Mr. Speaker, it is exactly for this reason that I find disturbing the present failure of the United States and our trading partners, and other oil-importing friends, to come together in the alliance I discussed above. Clearly, détente and alliance do mix. We have proven that, in of all places, the Middle East. But while I savor the irony of the situation, I do not see, sans close consultation and cooperation of oil importers, how we can continue to think that détente, alliance, and oil do mix—or at least, how they can mix without a very strong dollop of alliance on the part of the oil importers, including, of course, the United States.

In brief, Mr. Speaker, unless we and our oil-importing friends get together and devise and implement a long-term oil and energy program and policy, we will be very shortly on the very short end of the dip stick. There is solidarity in those oil-producing nations closest to the areas of conflict. All we have in the oil-importing nations right now, is an agreement to disagree on just about everything from defense, through trade and floating currency exchange rates. And while we can enjoy the wag's remarks at Nairobi, that, the world monetary situation is hopeless, but not serious, that most certainly is not the case with regards to heating our homes and schools, moving the wheels of industry and transportation, and insuring for our security needs for petroleum and petroleum products.

Mr. Speaker, there has been another delay in consideration of the pending trade bill. I think the Congress and the administration should move right now to talk seriously with our counterparts

to devise ways and means out of this corner into which we seem to be painting ourselves. This delay should be an opportunity not an inhibition to immediate high-level consultations—consultations with a goal of coalescing the disparate national drifts into an oil and energy policy that presents a united front of consumer nations. We have more to bargain with than just potentially empty gas tanks—let us get about marshalling our national-corporate assets. Time and the ability to maneuver is running out.

Mr. Speaker, Leonard Silk wrote an article that appeared in Tuesday's New York Times. The title of the article is "The Oil Weapon." Mr. Silk emphasizes, though in a somewhat different context, the points I have just outlined above. I commend his thoughtful and persuasive remarks to my colleagues and include them in the RECORD at this point.

[From the New York Times, Nov. 6, 1973]

THE OIL WEAPON

(By Leonard Silk)

The war in the Middle East and the Arab decision to impose an embargo on oil shipments to the United States, the Netherlands or any other country that provides support to Israel have given the NATO alliance its most severe internal shock since France withdrew from military integration in 1966.

Accusations are rife on both sides of the Atlantic. The Europeans blame the United States for trying to bully them into backing the American position on Israel, for not consulting with them, before putting American bombers and other forces on world-wide alert and expecting them to a risk of cutoff of their oil from the Middle-East and North Africa, on which Europe depends for more than 80 per cent of its supply.

The United States in turn blames the members of NATO for acting like a collection of small countries, trying to hide in the woodwork, for not looking beyond this moment's or this winter's problems, for putting oil above principle and for refusing to work with the United States to draw up a common policy toward the war—and the strategic threat of the Soviet bloc.

Within Europe itself the strains are intense as a result of the Arab cut-off of 15 per cent of Western Europe's oil supply. The nine members of the European Common Market are meeting in Brussels now to discuss the sharing of oil. But the French and British, who regard themselves in a specially favored position vis-a-vis the Arabs, are reluctant to pool their oil with the Dutch, who are facing the loss of 70 per cent of their oil due to the Arab embargo, and the West Germans, who get much of their fuel via the Dutch port of Rotterdam.

However much truth—of guilt—there may be on both sides, the fact is that the present crisis has exposed serious weaknesses in the Atlantic alliance, weaknesses that could be disastrous if they are permitted to continue. For oil, so critical to the highly industralized economies of the West, has become a weapon that the Arab states, acting in concert, intend to continue to employ primarily for economic purposes—though they would obviously like to see Israel reduced or destroyed in the bargain.

The Soviet Union, for its part, means to exploit oil for political purposes—as a weapon that could break up the North Atlantic alliance. It could also isolate the United States not only from Europe but from Japan, which is totally dependent on imported oil.

The conceptual basis of the Western alliance now needs to be clarified—and broadened. The essential question is: what does collective security mean?

In this era of so-called détente (a condition that obviously did not keep the Russians from pushing for major strategic gains in the Middle East) collective security must mean more than a wall against Soviet tanks, troops or nuclear bombs. It must also mean common economic policies to protect the jobs, living standards and prosperity of the West, as well as its military security.

Permitting the Arabs and the Soviets to use what are called "salami tactics" in slicing one ally from another would be the worst blunder the West could commit. Although the circumstances are very different from the threat to the West in the nineteen-thirties, the folly of seeking to appease greed by sacrificing individual countries to aggressors would be as great today as it was in the days of Hitler, the Sudetenland, Austria, the Danzig corridor and Czechoslovakia.

There are many dimensions to the disarray among the Western powers—including international trade, investment and monetary payments, not to mention military cooperation itself—but oil has emerged as the most sensitive immediate issue. It is an issue that will only intensify with time. The Middle East and North Africa, with proved oil reserves of 440-billion barrels out of a world total of about 530-billion barrels, contain the overwehlming share of the resources upon which the importing nations must rely. Even the United States, which now gets only about 10 per cent of its crude oil, directly or indirectly, from the Middle East and North Africa, will depend on that area for about 35 per cent of its oil by 1980.

The Western powers and Japan can simply not afford to be divided and passive before the Arab oil threat. They must begin to work together to develop a common strategy on oil imports, energy conservation and development, and on the sharing of oil supplies. This implies that the United States would have to be prepared to share fuel with its allies. There would also have to be a common Western policy toward exporting and other economic relations with the Arab states, should they press their embargo or extortionate demands.

The nations of Europe, Japan and the United States must face up to the choice that now confronts them: whether each nation should seek special deals with the Arabs or whether they will work together for their collective security and well-being. The first course, however tempting it may seem to some countries in the short run, cannot work for long, any more than did appeasement at Munich.

IF GEORGE WASHINGTON WERE PRESIDENT TODAY

HON. ROBERT J. HUBER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 8, 1973

Mr. HUBER. Mr. Speaker, at a time when this country is engaged in much debate over the question of integrity and morality in Government, I thought it would be most appropriate to bring to the attention of my colleagues some interesting comments made by the noted raconteur, H. L. Mencken. In one of his books, published in 1918, Mr. Mencken made some excellent points as to what would happen if one so illustrious as our first President were to be active on the political scene in America today. I am, therefore, inserting H. L. Mencken's article about a current George Washington for the benefit of my colleagues. Much of what he said then is as easily applicable today as it was in 1918 when the article first appeared:

COMMENTS BY H. L. MENCKEN

If George Washington were alive today, what a shining mark he would be for the whole camorra of uplifters, forward-lookers and professional patriots! He was the Rockefeller of his time, the richest man in the United States, a promoter of stock companies, a land-grabber, an exploiter of mines and timber. He was a bitter opponent of foreign entanglements, and denounced their evils in harsh, specific terms. He had a liking for forthright and pugnacious men, and a contempt for lawyers, schoolmasters and all other such obscurantists. He was not pious. He drank whiskey whenever he felt chilly, and kept a jug of it handy. He knew far more profanity than Scripture, and used and enjoyed it more. He had no belief in the infallible wisdom of the common people, but regarded them as inflammatory dolts, and tried to save the Republic from them. He advocated no sure cure for all the sorrows of the world, and doubted that such a panacea existed. He took no interest in the private morals of his neighbors.

Inhabiting These States today, George would be ineligible for any office of honor or profit. The Senate would never dare confirm him; the President would not think of nominating him. He would be on trial in the newspapers for belonging to the Money Power. The Sherman Act would have him in its toils; he would be under indictment by every grand jury south of the Potomac; the Methodists of his native State would be denouncing him (he had a still at Mount Vernon) as a debaucher of youth, a recruiting officer for insane asylums, a poisoner of the home. And what a chance there would be for that ambitious young district attorney who thought to shadow him on his peregrinations—and grab him under the Mann Act!

GEN. WILLIAM C. WESTMORELAND PROMOTES TEAM HANDBALL AS NEW SPORT FOR U.S. OLYMPIC COMPETITION

HON. LAMAR BAKER

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 8, 1973

Mr. BAKER. Mr. Speaker, Gen. William C. Westmoreland, former Chief of Staff of the Army, has made many contributions to the security of this Nation, but while he was America's No. 1 soldier, he was on the lookout for ways in which the Army could help in the development of young people and promote strong ties between the military and civilian segments of our society.

He discovered team handball which has been played in Europe for years, but did not have much of a following in this country. He became convinced that it would be an excellent soldier sport and one which the soldiers could teach to young people outside the military as a civic action project. Through his efforts it became an on-going program identified as Army CHAMPS.

General Westmoreland was recently in Chattanooga to participate in a ceremony honoring the national youth team handball squad. I had the pleasure of witnessing that ceremony and was impressed with General Westmoreland's remarks in which he establishes why he is the chief advocate of this activity. I

feel that others will be interested in what he has to say and I am pleased to submit his statement at this point. In doing so, I commend to the Congress and to the Secretary of the Army the further development of youth team handball for the broad reasons of value it contains.

General Westmoreland's remarks follow:

ADDRESS BY GEN. WILLIAM C. WESTMORELAND

Mr. Congressman, Dr. Buehning, General Woody, Colonel Trammell, Colonel Sisson, officers and men of the 3397th U.S. Army Garrison, it is a pleasure to be in the Volunteer State, to be in Chattanooga—to be among soldiers—to be with good citizens—to be with those interested in team handball—and to be with winners, the champs of the Army's CHAMPS Program.

It was about four years ago that I discovered team handball. I was Chief of Staff of the Army searching for ways and means for the Army to contribute further to the development of youth and to add something outside of the military's sphere to the civilian community. My staff told me about a new sport—they told me about Dr. Buehning—they told me that team handball was to be for the first time an Olympic sport in 1972. I saw films, I talked to Dr. Buehning, I conferred with Bud Wilkinson of the Presidents Staff, and I became acquainted with team handball.

I asked my staff to develop a plan to introduce team handball country-wide with the assumed support of the Organized Reserves, the National Guard, and the Regular Army. My thought was that team handball would be an excellent soldier sport and an excellent sport to teach to young men as civic action projects for the military. The cost was manageable. The President's Commission on Youth Fitness enthusiastically endorsed my proposal. We named our program "Army CHAMPS."

It was my view that team handball would add a new sport to America that:

Was a good physical conditioner.

Was fun for boys and men and spectators.

Provided lessons in teamwork.

Was a manly, contact sport.

Required little equipment.

Could be played either indoors or outdoors.

Would provide a game for youngsters too light for football and to short for basketball.

And, finally, would provide a broad base from which to select a credible Olympic team.

When I initiated the program by introducing it to the Army senior commanders, it was well received. Demonstrations of team handball were staged across the country. Coaching and officiating schools were established. Tournaments were planned and carried out on a regional basis. As a result of the Army's effort, five Army men were on the U.S. Olympic Team. Lieutenant Abraham scored 24 points in Olympic competition. Lieutenant Rogers scored fifteen times and Specialist Fourth Class Matthews made ten goals. Our team finished fourteenth in the world Olympic competition which is not good but not bad either when one considers the newness of the game in the United States and the many years it has been played in Europe.

The civic action part of the program has gone fairly well over the past two years. During the past year, Third Army held its soldier tournament in early May with eight teams participating. Third Army had five teams in the Youth Program: Fort Jackson, Fort Gordon, Fort Benning, a team from Mobile, Alabama, and the two-time winner Chattanooga. The Chattanooga team was sponsored by the 3397th U.S. Army Garrison. At this time, I would like to congratulate the team, the coach, and the command for their accomplishment.

Speaking of the 3397th U.S. Army Garrison of the U.S. Army Reserves, I want to extend my compliments to the command not only for twice winning the team handball tournament but for your other successes. I am aware of your participation in Operation SPARKLE. The Mayor asked for your help in cleaning up the area and you provided it in full measure. You not only collected the trash, but you hauled it away.

Let me conclude by raising and answering two relevant questions. What is the future of team handball? I am certain that it will remain an Olympic sport. Hopefully the impetus and visibility given to the sport by the Army has portrayed the game nationally and will serve to perpetuate the game in America. I am sorry to learn that interest had waned in many places but am happy to see that it has not done so here in Chattanooga where enthusiasm for the game runs high.

What is the future of our Reserve Forces? Here, I can be more categorical. The future of our Army Reserves has never been brighter because our Reserves have never been more important in the national scheme of things. There is nothing more important to America than its security. If we are to have that security, we must pay the price—we must have the military forces needed to secure our shores, our national interest, and to support our foreign policy. Unhappily, war has not disappeared from our planet. It rages in the Mid East today. No one knows how long it will last. No one knows if it will spread. We can hope for the best, but we must be prepared for the worst.

Today our Reserves are our national minutemen. Both civilian and soldier, they are a special breed. In addition to making a living, they are dedicated to serving their country and contribute a great deal of time in doing so throughout the year. As units they must be prepared to beef up, to round out, and to make adequate our Regular Army.

We now have the smallest Regular Army since 1950 and it would seem it is destined to shrink even further because the needed volunteers of proper quality would not be forthcoming if the inducement of the draft was still present. I believe it was a mistake to stop the draft. Someday it will have to be resumed.

Yes, the Reserves have never been more important. They are essential. They must be of higher quality. They must be ready. I am impressed with the can do attitude, the initiative, the esprit of the 3397th U.S. Army Garrison of the 121st Army Reserve Command. Your accomplishments reflect favorably on the officers and men of the unit. It has been your exceptional leadership provided by the chain of command—General Woody, Colonel Trammell, and Colonel Sisson—that has brought your organization to the fore.

CONGRESS MUST REDUCE ITS DEMANDS ON ENERGY

HON. HAROLD V. FROEHLICH

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 8, 1973

Mr. FROEHLICH. Mr. Speaker, on November 6, the Washington Post printed a brief article indicating that energy consumption by Congress "is soaring at a rate of more than 3 million kilowatt hours a year."

In view of the President's program of austerity for energy, I believe it is incumbent for us to look very closely at our own use of fuel and electricity, so that we do not behave as energy gluttons while the rest of the country is cutting back. In this regard, I have proposed that the House Administration Committee conduct a thorough inquiry to determine ways to reduce our demands on scarce energy supplies.

I insert at this point an article from the November 6, 1973, Washington Post and my letter to the chairman of the Committee on House Administration:

CONGRESS USE OF ENERGY RISES

While Congress ponders ways to defuse the energy crisis, its own consumption of power is soaring at a rate of more than three million kilowatt hours a year.

Benjamin F. Markert, the Capitol's coordinating engineer, says energy-saving measures have been imposed but these are largely cosmetic: turning off corridor lights and opening more window blinds for lighting.

Markert says any significant power reductions would have to be made at the expense of congressional efficiency, because most of the increased demand is attributed to a growing reliance on data-processing machines.

HOUSE OF REPRESENTATIVES,
Washington, D.C., November 7, 1973.

The Hon. WAYNE HAYS,
Chairman, Committee on House Administration, Washington, D.C.

DEAR MR. CHAIRMAN: The President will apparently address the nation tonight on the country's serious energy crisis. Many people expect him to propose a tough program of austerity in terms of fuel consumption.

I hope that we in the House demonstrate our own recognition of the energy crisis by cutting back our demands on fuel and electricity. In this connection, may I suggest that the House Administration Committee conduct a prompt and thorough inquiry into energy consumption by Congress. It may be possible for us to formulate plans to reduce energy consumption by 5 to 10 percent, or convert to alternative sources which are not so scarce.

As you know, the President, in a directive last June, stated that the Federal Government's goal is to reduce the expected demand for energy by 7 percent during the ensuing 12 months. I understand that the Congress is not a formal part of this conservation program. Inasmuch as the domain of Congress includes the Government Printing Office, the General Accounting Office, and Library of Congress, in addition to the Capitol and various office buildings, we must develop an energy conservation strategy to keep pace with the objectives of the executive branch.

Although reduced consumption by the Congress may be an insignificant part of the total energy picture, I believe our efforts at self-evaluation and austerity can be symbolically important to the national effort. You are in a position, Mr. Chairman, to play a vital leadership role in the task ahead.

With kind personal regards, I am

Very truly yours,

HAROLD V. FROEHLICH,
Member of Congress.

THOSE HORROR TALES FROM CHILE

HON. RICHARD H. ICHORD

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 8, 1973

Mr. ICHORD. Mr. Speaker, ever since the overthrow of President Salvador

Allende of Chile early this fall, two themes have run consistently through various newsstories—first, that the military junta has carried out a wide-ranging bloodbath against Allende supporters which amounts to a veritable massacre, and second, that Allende was the beloved leader of the Chilean people who was advancing the country along a progressive, democratic road.

Because Chile is far away and there are not too many who are well informed about that land, we tend to rely on the news accounts provided us even though some of the reportage has tended to be sensational and partisan.

One report that did much to convince readers that Chile was living through a horrifying reign of terror at the hands of its military was the Newsweek account by correspondent John Barnes entitled "Slaughter in Santiago" on October 8, 1973.

Barnes' story was accepted as "gospel" and was widely reprinted throughout the world. He alleged that thousands of Chileans were being executed—at the rate of 200 per day in the capital city of Santiago alone—and that the morgues were full to overflowing with grotesquely brutalized corpses of victims.

Now we learn from the Wall Street Journal that Barnes' account was simply a scandalous piece of "yellow journalism" based on a minimum of fact and a maximum of imagination.

A distinguished Chilean journalist and frequent critic of the military junta, Mr. Pablo Huneeus gives the lie to Barnes' story and in an accompanying editorial page article, Everett G. Martin, the Journal's Latin American specialist, points to examples of gross distortion in the analysis of Allende's overthrow by noted academicians who, like some newsmen, seem to go out of their way to avoid accuracy and honesty in their commentary.

For the benefit of my colleagues who may have missed seeing these articles, I insert both articles at this point in the RECORD, together with an excerpt from Newsweek's reportage by Barnes:

[From the Wall Street Journal, Nov. 2, 1973]

THOSE HORROR TALES FROM CHILE . . .

(By Pablo Huneeus)

SANTIAGO, Chile.—The military coup turned Allende's comedy into Chile's tragedy. But the Newsweek article "Slaughterhouse in Santiago," Oct. 8, turned our tragedy into a horror tale. It caused such a misunderstanding as to the true nature of what happened down here that I decided to retrace the steps of Newsweek's correspondent John Barnes to double check the information that he said came from the Santiago morgue.

Known here as the Medical Legal Institute it is a small, neat grey building near the General Cemetery. It looks like a hospital, except that all the people lying on the stretchers are dead. An autopsy is the only operation performed by its doctors.

Over two days I interviewed a random sample of seven doctors, five clerks, three typists and four porters. To each I showed or translated the Newsweek article and questioned them about their reactions. Here's a summary of what they said:

1. Without a single exception all uttered comments like "lies," "what an exaggeration," "brilliant imagination," or "absolutely false." Dr. Vargas, an elderly experienced pathologist, dismissed the whole story on the grounds that the Newsweek correspondent suffered what is called "perception shock.' When exposed to a couple of bodies, he explained, the shock alters perception capabilities. "When there are 10 bodies together many persons can't even recognize their wives or fathers. That must have happened to that correspondent," he said, "presuming he ever got in the morgue."

2. Also without exception, the staff doubted that he was ever inside the morgue because his descriptions didn't fit. For example, Newsweek describes a corridor with 50 bodies in it, but there isn't any corridor large enough to hold that many bodies. The only corridor in which there are bodies to be seen under normal conditions is outside the autopsy rooms, and it can handle only a few in line. Mr. Barnes also claims to have seen bodies upstairs, but the staff says none have ever been taken up there. Upstairs there are only offices and laboratories. The autopsy rooms are on the ground floor and the refrigeration storage rooms in the basement.

3. A picture of a man with a missing leg published by Newsweek with the caption "A dead amputee in Santiago: The reign of terror was worse than anyone imagined," is actually of a man who died some time earlier in a traffic accident. He was run down by a Chevrolet pick-up truck.

4. By far the worst misrepresentation in the Newsweek article was the report that during the two week period after the coup 2,796 bodies had come to the morgue. Newsweek says ". . . though information is almost nonexistent for the rest of Chile, the presumption is that the executions have followed a similar pattern in other cities."

Every dead body that arrives receives a number that goes up on a list posted outside with the name. Number one begins on January first. The Newsweek figure is for all the bodies received at the morgue from the beginning of the year to Sept. 21. It's this figure that is being quoted all around the world as the casualty rate in Santiago alone for the first 14 days of the coup.

(Kenneth Auchincloss, executive editor of Newsweek, says he has "complete confidence" in Mr. Barnes, "he's covered wars before." Mr. Auchincloss says Mr. Barnes was given the 2,796 dead figure by a daughter of a member of the morgue staff, adding, "I think it is conceivable that there was a misunderstanding. But that is pure speculation on my part. I haven't checked it out with Mr. Barnes. There is no reason to doubt his reporting.")

This is enough to demonstrate the falsehoods in the Newsweek story. To me it's a case of journalistic imperialism. A rich American magazine sends from London a British correspondent a week after the coup. He makes no effort to understand what is really going on here. He only wants to use us for a story that will sell. He knows the market wants a horror story. He flavors his story with an underlying contempt for Chile and its people, tops it with a total lack of respect for the truth and cooks it with imaginative fiction writing. It brings glory to him and disgrace to us.

Not that I am happy with the junta. Every Chilean feels that no matter how low the death toll, what happened is a tragedy. We are accustomed to see our presidents end their constitutional term and walk quietly home. But the military intervention is the logical outcome of a Marxist regime. I am no wizard, but in a book I wrote a year ago I said that Chile was heading towards a military regime. There was such hatred among Chileans that the only way of holding us together was through force.

This hatred springs from a long history of frustration with politicians. By 1970 we had already tried most political formulas: a populist government with Ibanez, a conservative right wing one with Alessandri and a liberal Christian Democrat one with Frei. All failed to give us the results we wanted and so we tried Marxism.

It was the great experiment. But the guinea pigs rebelled.

But intellectuals throughout the world doted on the Allende regime. Soon it was evident that under the cover of clever public relations, a machine aimed at taking over total power was being built. In the first months of his term, Allende admitted to Debray that his respect for the constitution and democratic institutions was only a tactic to gain power.

The country unanimously agreed on nationalizing copper and monopolistic corporations. But soon para-military brigades began roaming the countryside and seizing farms by force and expelling farmers at gun point. Industries, even very small ones, were seized; workers who opposed were suppressed or beaten; an opposition leader was assassinated; technicians were fired for political reasons. Because of the imported doctrine of class warfare, the official gospel was hate. Dr. Allende started it when he declared at the beginning of his term that he was *not* the president of all Chileans.

Our technicians left the country and we began to import slogans from China, educational programs from East Germany, high-government officials from Cuba and terrorists from all over Latin America. Our president imported guns labeled art objects. He had a guerrilla training camp in his house and there were finally enough arms in the country to supply 20,000 irregulars.

Allende lost all legitimacy. It was worse than Watergate. We were sinking and the man at the helm was unable to govern. Even Marxists agreed that we were sinking, the only debate was over whose fault it was.

I would have preferred a democratic solution, a plebescite or a new election for congress and the presidency as the opposition leaders proposed. But Allende refused to compromise and he refused to follow the majority's will. He was determined to persuade us with guns.

That's why this deadly war machine was unleashed. It's sad so many died, but it's good so many survived.

. . . AND A FEW LOUD ECHOES FROM ACADEMIA

(By Everett G. Martin)

So many misleading reports and analyses of the events surrounding the military coup in Chile have appeared in reputable publications, in special programs on public television and on radio that it's probably impossible now to set the record straight on even a few points.

It's not just opinions that differ. Interpretations, mostly by members of the academic community and by journalists who look more to what excites their editors than at what Chile is about, have distorted the events out of all sense of reality.

Thus Chile, which is one of the most complex nations in the world, has been turned into a simple black and white situation of good guys (the Marxist followers of the late President Salvador Allende) and the bad guys (anyone who opposed them). The remorseless villain of this simplistic plot is Washington, which by merely turning off the spigot of low-interest loans was able to destroy all the achievement of the good guys and send the Chilean people (usually called the masses) back into slavery.

Newsweek's convincing-sounding account of the military slaughtering victims at the rate of 200-a-day in the capital city of Santiago alone seems to have been based on events which didn't happen and figures that were misinterpreted. Even though other publications have carried more moderate stories, and a recheck of the Newsweek reporting by The New York Times found many exaggerations, the Newsweek report is still being taken

as the final word on the coup in many places around the world.

Yet as bad as Newsweek's misrepresentation of the facts was, it was at least in the general direction of the target because there have been killings and executions that certainly seem excessive. (The military junta last week finally ordered an end to summary executions, but executions after sentencing by military tribunals will continue.)

Much more insidious and subtle are articles such as the one appearing in the Oct. 29 issue of The Nation magazine written by E. Bradford Burns, professor of Latin American history at the University of California at Los Angeles. Cloaked in scholarly authority, one would think that a Professor Burns would be someone who could be believed; but consider what he has to say.

He was an eyewitness, he claims, on September 4, exactly one week before the coup, to the gathering of 800,000 Chileans in front of the government palace to celebrate the third anniversary of Dr. Allende's election. It was the largest political rally in Chile's history, he writes, equal to nearly a tenth of the national population. Britain's venerable Guardian makes the same point, but sets the crowd total even higher: at 1,250,000.

I was there too. The rally was held in the smaller of the two plazas on either side of the government palace, the side that savvy Chilean leaders always use when they expect a bad turnout because the crowded quarters makes it seem like more people. This time they didn't even fill that plaza. With two other journalists, we estimated 20,000 people; and we noted that a large contingent marched around and around one block to make it look larger. Police later put the figure at 18,000 persons.

This argument over crowd size may sound picayune. But The Nation and The Guardian articles use their figures as evidence that Dr. Allende's popularity had reached new heights before the coup. Professor Burns suggests that it was the sight of this rising popularity that caused the military, urged on by the representatives of the rich, to stage the coup without further delay. Professor Burns not only inflated the crowd count 40 times to make his point, but he conveniently ignored a rally the next night that really was several hundred thousand strong of people demanding Dr. Allende's resignation.

Professor Burns, like many other scholarly writers, also plays games with Chilean election figures to make the claim of Dr. Allende's rising popularity.

Earlier this year members of the academic community excoriated the U.S. press for referring to Dr. Allende as a minority president based on the fact that he had won with only 36.2 percent of the vote in the 1970 presidential election. They argued, and with reason, that in the April, 1971, municipal elections his followers won practically half the vote.

I accepted their argument; so when Dr. Allende's forces got a reported 44 percent of the vote in congressional elections last March, it followed logically that his support had declined. Now, however, the professors want to forget about the municipal elections and talk only about Dr. Allende's popular support rising from 36 percent to 44 percent.

They also choose to ignore the fact that 56 percent of the country voted against Dr. Allende, and that it was a relatively united opposition. It wasn't a simple case of president with a commanding party facing a splintered opposition ranging from Left to Right as in the past. They also don't mention the mounting evidence that there was considerable fraud during the congressional election to achieve the 44 percent total.

Professor Burns and others hammer and pound Chilean reality like soft copper to make it fit their pre-conceived notions. For them, the struggle must be between all the workers on one hand and "the bitter opposition of the middle and upper classes, a combined group which composed no more than 30 percent of the population," to use Professor Burns' words.

Who, then, were the 56 percent—or more likely the 60 percent—who voted against the Marxists? If they were all the wealthy and their well-to-do middle-class allies then perhaps Chile never had a serious problem of poor income distribution after all.

It's clear that the scholars don't consider this majority as Chileans with any rights, which is a curious comment on their concept of democracy.

The Nation article implies that the military played the role of devious plotters against the Allende government, continually being supplied by U.S. aid and imbued with U.S. military training. That's what some would like to believe in retrospect, but the facts are that the armed forces were loyal to the government until the last week and were the last to turn against him. Three times they joined his cabinet to help him against the opposition during national crises.

It was Dr. Allende's opponents who resented the U.S. aid to the Chilean military, whose commanding general had for the first time in recent history committed the armed forces to support a government's political program.

Few articles on the Chilean coup even mention the large arms buildup by private Allende forces, the training of a guerrilla army by foreign "revolutionaries" numbering in the thousands, or the infiltration by the left of the military ranks. Any kind of investigation of this claim leaves little doubt that these clandestine forces existed and were soon to be used against the military. It also happens to be exactly the same strategy that the Communist Party of Indonesia attempted in 1965.

Writers such as Professor Burns give the Marxist economic disaster only passing reference, saying that Chile has always had economic problems and anyhow all the difficulties were caused by the U.S. credit blockade.

It's true there was a credit blockade by the multinational lending institutions and by the Export-Import Bank, but to lay all the blame on this for Chile's greatest economic disaster in history is ludicrous—American egocentrism at its worst. Despite the credit blockade, Dr. Allende's regime received more international credit than any other Chilean government in history. And how could U.S. bankers and companies with investments in Chile be expected to operate differently, since the Allende government wasn't paying its debts to most of them?

Besides this there was a startling degree of corruption within the regime, officials feeding into the black market merchandise they had illegally obtained. Last June Dr. Allende's own nephew, Eduardo Grove Allende, who was a loyal supporter of his uncle and the first head of the nationalized textile industry, told me that within the ruling circles "there's no more ideology, everything is corrupt. All they think about is power and money."

In a nutshell, the grand experiment that was supposed to be taking place had foundered some time ago and was replaced by a naked, almost conventional, struggle for power. Many aspects of the famed Chilean democracy, such as rule-of-law and the art of compromise, had died long before the military moved in with the *coup de grace*.

And when the analysts in the Kremlin sit down to analyze what went wrong in Chile, as they inevitably will, it's doubtful that they will find much that's accurate or useful in the colored accounts the U.S. academic community is currently putting out on the subject.

SLAUGHTER IN SANTIAGO

"Last week I slipped through a side door into the Santiago city morgue. . . . One hundred and fifty dead bodies were laid out on the ground floor. . . . Upstairs I passed through a swing door and there in a dimly lit corridor lay at least 50 more bodies. . . . Most had been shot at close range under the chin. Some had been machine-gunned. . . . Their chests had been slit open and sewn together grotesquely. . . . They were all young and, judging from the roughness of their hands, all from the working class. . . . Most of their heads had been crushed. I remained for perhaps two minutes at most, then left the building. . . . Workers at the morgue have been warned that they will be court martialed and shot if they reveal what is going on there. . . . But the morgue count alone sets the regime's kill rate at an appalling 200 Chileans a day—just for the capital."—Correspondent John Barnes in Newsweek, Oct. 8.

Correspondent Barnes' vivid account of the Chilean coup has turned into one of the most effective bits of journalism in years. Senator Kennedy placed it in the Congressional Record. It is being used in advertisements by organizations opposed to the present Chilean regime. Its staggering casualty figures have been accepted as gospel in many European countries. It may have been instrumental in causing the U.S. to delay aid to Chile "until Human Rights are restored." But was it true?

Dissenting is Pablo Huneeus, a Chilean journalist and professor of sociology at the University of Chile, who previously has assisted American correspondents, including those of The Wall Street Journal and Newsweek, in preparation of reports on Chile.

THE HINCKENS SUPPORT PRESIDENT NIXON

HON. JOHN E. HUNT

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 8, 1973

Mr. HUNT. Mr. Speaker, yesterday I received the following telegram from Mr. and Mrs. Albert Hincken of Haddon Heights, N.J., located in my congressional district.

The Hinckens are, I believe, typical of the masses out there in our great land who are just now beginning to make their voices heard. I was not surprised to get their communication, as I have received others quite similar. I have singled this one out because the Hinckens asked me to bring it to the attention of my colleagues. This I am pleased to do.

You will note that they do not direct their criticism toward any of the invesigative committees or juries, but rather it is directed to the press. The attitude of the press, and I mean radio-TV, and newspapers, has been one of the great tragedies of modern times, in that they have consistently abused the first amendment, in acting as judge and jury in their intensive efforts to "get the President."

It is becoming increasingly difficult for middle America to be heard above the continuing bombasts of our sophisticated communications media. One would almost think that the press had become a fourth, and equal branch of the Government.

The following is the text of Mr. and Mrs. Hincken's telegram to President Nixon reaffirming their confidence in his ability to govern:

TELEGRAM

HADDON HEIGHTS, N.J.

Congressman JOHN E. HUNT,
Capitol Hill.

DEAR MR. HUNT: This morning I sent a telegram to the President. The verbatim message:

You have our confidence and whole hearted support. We feel you are fully qualified and able to perform your duties as President. It appears to us that the press is a monopoly, has too much power, slants the news, tries to control politics, and when criticized tries to destroy.

Sincerely,

ALBERT W. and MARGARET M. HINCKEN.

P.S. A man who was much stronger than us said he who is without sin should cast the 1st stone. This is to be read in Congress.

OPINION POLL FOR COLORADO'S FIFTH CONGRESSIONAL DISTRICT

HON. WILLIAM L. ARMSTRONG

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 8, 1973

Mr. ARMSTRONG. Mr. Speaker, the following is the text of an opinion poll which I am sending to my constituents in the Fifth Congressional District of Colorado:

OPINION POLL

NOVEMBER 1973.

DEAR FRIENDS:

During the next several months, Congress will be considering legislation that will affect every family in America.

As your Congressman, I am always interested in hearing from you. But in troubled times like these, your opinions are particularly meaningful. I need to know how you feel about major issues facing this nation.

So please take a moment to register your opinion in the enclosed survey form. As you can see, the form is designed to permit two persons in each household to take part.

When you have completed the survey, please return it to me. Just put an 8¢ stamp on the outside; it is not necessary to staple this folder nor to put it in an envelope.

Thanks for your help.

Sincerely,

WILLIAM L. ARMSTRONG,
Your Congressman.

WATERGATE

1. What do you think Congress should do about the Watergate crisis?

His opinion: —.

Her opinion: —.

INFLATION AND FEDERAL SPENDING

(NOTE.—All questions should be answered by husband and wife with yes or no.)

2. Are the government's wage and price controls succeeding in controlling inflation?

3. Should Congress curb federal spending if necessary to control inflation and avoid higher taxes?

ENVIRONMENT AND ENERGY CRISIS

4. Are you satisfied with progress being made in cleaning up our environment?

5. Would you be willing to pay more for products and services if their manufacture and use could be almost pollution free?

6. Do you favor increased federal spending for pollution control even if it means higher taxes?

7. Some people think less stringent environmental controls will be necessary in order to make more fuel oil and gasoline available to meet the energy crisis. Do you agree?

GOVERNMENT AND FOREIGN POLICY

8. Should Congress give $2.2 billion in aid to Israel?

9. Do you favor expansion of trade and other exchanges with China and the Soviet Union?

10. Do you favor a mandatory retirement age for federal officials such as Congressmen and judges?

11. Do we need tougher laws to protect the right of privacy in this country?

12. In your opinion, do we have too much government in this country?

13. Do you favor direct popular election of the President?

TWO TOUGH QUESTIONS

14. As a practical matter, my vote sometimes comes down to a very tough choice. This is oversimplified, but if you were in my position would you choose:

His choice: Desirable new programs. No new taxes or deficits.

Her choice: Desirable new programs. No new taxes or deficits.

15. What other problems concern you? What should Congress do about them?

You need not sign your name. But if you would like a copy of the poll results, please fill out the coupon below.

Name and address.

FUEL RATIONING NEEDED NOW

HON. HERMAN BADILLO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 8, 1973

Mr. BADILLO. Mr. Speaker, the President's energy conservation message last night was an encouraging step toward alleviating what has become a truly critical situation across the Nation. I hope and believe that the Congress will move promptly to enact the legislation needed to carry out the goals of the program outlined by the President.

However, I was dismayed at the President's emphasis on voluntarism. Our experience with voluntarism and vague guidelines proved disastrous in dealing with the economy in 1970 and 1971 and I have a very real fear that unless we move firmly and decisively in this energy crisis, history will repeat itself.

I sincerely doubt, for example, that most Americans will really appreciate the gravity of the energy shortage unless it were brought forcefully and dramatically home through establishment of a rationing program for gasoline. In addition, gasoline rationing would have the immediate effect of enabling the refineries to curtail gasoline production and instead increase production of fuel oil. This would be a major step toward minimizing fuel oil shortages while checking the upward spiral of fuel oil prices.

To those who shy away from the stringency of a rationing program, I would remind them of what occurred in 1970 and 1971. In August of 1970, President Nixon signed into law a bill giving him the authority to establish wage, price, and rent controls—a bill authored by congressional Democrats in response to what was already a critical inflationary situation. But it took a full 12 months for Mr. Nixon to fully comprehend the gravity of our economic plight and act to impose wage and price controls. By then, it was too late to effectively reverse our runaway inflation and producers and consumers alike have been paying a terrible price ever since.

I am gratified that the President voiced his support of legislation establishing year-round daylight saving time. As a sponsor of that bill, I am confident his support will provide the necessary impetus to move that bill out of committee and to the House for floor action without undue delay. Enactment of this legislation is bound to be effective both in alleviating our energy shortage and checking crime during certain critical hours.

MR. J. WILLIAM LAUGHLIN

HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 8, 1973

Mr. GAYDOS. Mr. Speaker, it is with pleasure I bring to the attention of my colleagues a man who has achieved a position of recognition and respect in one of the most outstanding service organizations in the world—Kiwanis International.

I had the recent privilege of witnessing ceremonies which installed Mr. J. William Laughlin of White Oak, Pa., as governor of the Pennsylvania District in the Kiwanis organization.

Mr. Laughlin has been a member of the McKeesport Kiwanis Club since 1949 and he is the third member of that group tc hold the highest Kiwanis office in the State of Pennsylvania. He follows in the footsteps of Mr. James A. Logan—1933—and Mr. John P. Mooney—1948.

As governor of the State Kiwanis, Mr. Laughlin heads an organization consisting of 22 divisions with 231 member Kiwanis clubs. As of August, the membership in his district totaled nearly 10,000.

Mr. Laughlin is a prominent citizen in the McKeesport area, serving as vice president and general manager of the Menzie Dairy Co., a firm headed by his father, John L. Laughlin, who is the only surviving charter member of the McKeesport Kiwanis Club, serving as its president in 1927. The new State Kiwanis governor is married to the former Rhoda Swanson and is the father of four daughters and a son.

Mr. Speaker, I have known Mr. Laughlin for many years and he is a man with a deep dedication toward serving others. His participation in many community endeavors virtually assures their success for he spares no effort in bringing any program to fruition. I take great pride in congratulating Mr. Laughlin on the assumption of his new duties, confident that he will perform them with unprecedented zeal and success. And, I also commend the McKeesport Kiwanis Club and its current president, Mr. Albert Greenberg, for once again grooming one of its members to be a leader among leaders.

CRIME CONTROL NO. 5

HON. EARL F. LANDGREBE

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 7, 1973

Mr. LANDGREBE. Mr. Speaker, one of the arguments used by the gun control lobbyists is that without guns criminals would find it so difficult to commit their various crimes that the crimes would not be committed at all. I do not wish to engage in a lengthy debate on this issue, primarily because, even if it were true, it would not logically follow that privately owned guns should be registered and/or confiscated. If the contention of the gun control lobbyists be true, then it would also be true that preventions of crimes would be so difficult that victims or potential victims would not be able to defend themselves, others, or their property.

If guns are able to effect an increased number or an increased severity of crimes, as the gun control lobbyists argue, then guns are also able to effect decreased numbers and decreased severities of crimes, and for the same reasons. Obviously the two abilities are opposite, and the argument that registration/confiscation of guns would result in a reduction in crime is completely specious and a non sequitur. Once again, the gun control lobbyists have given us another example of their unwillingness to think logically.

As an example of the use of guns in defense of life and property, I include the article from the Daily News entitled "Amputee's Shots Kill Prowler" in the RECORD:

AMPUTEE'S SHOTS KILL PROWLER

(By Keith Bromery)

"I was scared," Alton Nailing admitted. "But I got a wife and seven kids in the house to protect."

But Nailing, whose left leg was amputated a year ago, remained calm as an intruder tried to break into his home at 5802 S. Lafayette early Tuesday.

He made it to a chair where he had hidden a revolver as protection for his family, drew out the gun and shot the man as he climbed in a window.

Nailing, 60, said he and his wife, Luvenia, 46, were watching television in the bedroom of their bungalow. Their seven children, ranging in age from 4 to 21, were asleep in other rooms.

Suddenly, Mrs. Nailing said, she saw the curtains of their open bedroom window part. A man was trying to crawl through.

"I just screamed and jumped onto the floor," she said.

Nailing hobbled to a nearby chair, pulled a .32-caliber revolver from its hiding place under a seat cushion, and fired twice.

The shots hit the intruder in the head and chest and he toppled backward.

The man, identified by police as Marvin Fletcher Edwards, 26, of 5632 S. LaSalle, crawled about 10 feet before he died.

"For a man with one leg," Mrs. Nailing said of her husband, "he moved pretty quick."

Nailing told police he kept the revolver for protection of his children: Anthony, 21, Yvette, 18; Alton Jr., 15; Ailette and Antoinette, 10-year old twins; Allison, 6; and Sarah Beth, 4. Although the gun wasn't registered, the state did not plan to file charges against Nailing, authorities said.

Sgt. Bruce Jaffray of the Wentworth Area homicide unit, said Edwards had been arrested numerous times on burglary charges and for breaking into homes and beating the occupants until they handed over their money.

Nailing, a glass finisher who has been unemployed since his leg was amputated due to a circulatory ailment, was not charged in the shooting, Jaffray said.

"It was justifiable," Jaffray said. "He's just a little man with one leg and a wife and lots of kids to look out for. And he protected himself and his family very well, I would say."

MIDEAST PEACEKEEPING

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 8, 1973

Mr. DERWINSKI. Mr. Speaker, WGN Continental Broadcasting Co. of Chicago has earned a well deserved reputation for their thoughtful and unemotional editorial point of view. This is especially helpful to the public when that station comments on issues as emotional and complex as the Middle East crisis.

In its Saturday, October 27 editorial, WGN addressed itself specifically to the Mideast Peacekeeping units and emphatically made the point that the forces of the United States and U.S.S.R. should be included in the United Nations contingency.

The editorial follows:

MIDEAST PEACEKEEPING

It's hard to tell the status of the on-again off-again truces on the two fronts in the middle east. We hope, of course, the cease fires will stick, and turn into lasting peace.

The U–N Security Council has agreed to beef up its truce observation and peacekeeping forces in the middle east. With previous experience in that role and in that part of the world, one might expect the U–N to be a bit hesitant to enlarge its involvement. But, we agree with the 14 Security Council members voting for the resolution that the international organization is the proper and only agency to handle such a mission, provided Israel, Egypt and Syria will allow international units to function as they must.

There have been proposals that the United States and the Soviet Union, the countries with nuclear clout, provide the peace-keeping forces for the Middle East. Secretary of State Kissinger has stated clearly . . . in terms that no one can mistake . . . that the United States will have none of this and that the Soviet Union . . . indeed all the nuclear powers . . . should react in the same way beyond the Security Council vote.

The thought of American and Russian armed forces in the same zone, war zone if you please, is horribly frightening. One stray bullet one explosive kicked over by a disgruntled camel, could lead to a lethal exchange between the super-powers, an exchange which could expand to what mankind has dreaded since the dawn of the atomic age.

Peace-keeping or truce supervision forces may be necessary. They should be drawn, if possible, in limits of platoon strength, from as many nations as possible. And, in order to be truly international, these nations should be as disconnected as possible from the major powers. Because, in no circumstances can we allow American forces to serve, with Russian forces, where their mere presence could be devastating.

SERVING GOD AND MAN

HON. HENRY HELSTOSKI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 8, 1973

Mr. HELSTOSKI. Mr. Speaker, Rev. Caesar G. Orrico, pastor of the Church of the Assumption, in Emerson, N.J., has dedicated himself to serving the people of his community for many years. This year, Father Orrico is celebrating the 30th anniversary of his ordination to the priesthood. I consider it an honor and a privilege to have Father Orrico as a friend, and I wish to take this opportunity to express my admiration for him and for his unusual leadership and extraordinary accomplishments.

Father Orrico, a devoted and spiritual priest of the Archdiocese of Newark is also an outstanding and unique citizen. Known for both his dedication to God's holy work and his benevolent concern for his fellow man, Father's career spans 30 years of devotion and development.

Ordained on June 19, 1943, Father Orrico began his priestly duties assigned to St. Andrew's Parish in Westwood, N.J., and to the mission church in neighboring Emerson. Four years later he was made administrator of Our Lady of the Assumption Church in Emerson, where he is now pastor. A unique assignment for so young a priest, Father worked diligently with a number of predominately Italian-speaking people in that small borough.

Expansion began quickly at Assumption. First the size of the then "little church" on Linwood Avenue doubled, and then a six-classroom school for this fast-growing parish and community was built. To accomodate the population increase of the 1950's and 1960's, the school expanded further with the addition of six more classrooms.

The school is now fully staffed by the Sisters of St. Francis of Ringwood, N.J., and by the Brothers of the Poor of St. Francis of Fayetteville, Ohio. The very beautiful contemporary church which Father himself helped design represents further expansion. Today, the parish plant consists of church, rectory, school, convent, friary, house of studies, "the little church," and janitorial living quarters.

Notwithstanding these remarkable achievements, Father Orrico has found time to help his friends of differing faiths. Before completion of its center, the Jewish community was invited to use Assumption's facilities for their services. Father also has been very active in the Sino-American Amity, serving on its board of directors. This organization helps educate Chinese students. In addition, his achievements include adoption of the village of Para, Brazil. Contributions to this community have benefitted its people both spiritually and materially.

Ever mindful of the intense needs of his parishioners and fellow men, Father Orrico is the founder of the American Pastoral Psychological Association, as well as being a certified hypnotherapist. He is a Fellow of the American Society of Clinical Hypnosis Foundation, an associate member of the International Soci-

ety of Child Psychiatry, and a member of the board of advisers to Iona College School of Pastoral Counseling in New Rochelle, N.J.

Upon the recent celebration of his 30 years in the priesthood, the mayor and council of the Borough of Emerson, N.J., adopted the following resolution:

PROCLAMATION OF THE BOROUGH OF EMERSON

Whereas, Reverend Caesar G. Orrico, Pastor of the Church of the Assumption, Emerson, New Jersey, has for many years given generous and continuous service, devotion and loyalty to the Borough of Emerson and its citizens, and

Whereas, on June 19, 1973 Reverend Caesar G. Orrico will celebrate the thirtieth anniversary of his ordination to the Priesthood,

Now, therefore, I, Joseph G. Kennelly, Mayor of the Borough of Emerson, do hereby commend Reverend Caesar G. Orrico for his exemplary service as a Priest and Citizen of the Borough of Emerson, and, on behalf of the members of the Emerson Borough Council, I hereby extend to Father Orrico our congratulations on the thirtieth anniversary of his ordination to the Priesthood.

JOSEPH G. KENNELLY,
Mayor.

ECONOMIC POLICIES IN CHILE

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 8, 1973

Mr. HARRINGTON. Mr. Speaker, as the first Member of Congress to visit Chile since the military takeover on September 11, I returned with growing disbelief in the economic game plan outlined by the junta.

In fact, the benefits of those policies, which are making themselves felt primarily on low- and middle-income people, is bearing its first fruits.

An article by Jonathan Kandell, "Some of Santiago Poor, Criticizing Junta, Say They Can't Make Ends Meet," which appeared in the New York Times of November 8 make the true impact of these policies clear. I would like to insert that article in the RECORD at this time for the information of my colleagues:

SOME OF SANTIAGO POOR, CRITICIZING JUNTA, SAY THEY CAN'T MAKE ENDS MEET

(By Jonathan Kandell)

SANTIAGO, CHILE.—Nov. 7—Everywhere a visitor goes in shantytowns in the Santiago area, people say that they do not have enough money for food—let alone anything else—because of the big price increases allowed by the military junta.

The situation was encountered during an extensive three-day tour of 20 shantytowns in the Santiago area.

The sudden drop in purchasing power and the specter of hunger have caused a dramatic shift in attitude toward the junta, even among anti-Marxist residents of the poblaciones.

Dozens of the same housewives and workers who expressed cautious or enthusiastic support for the junta during a similar tour a month ago are now openly critical of the new Government's economic policies.

HUNGER OVERSHADOWS FEAR

The food problem has already overshadowed the widespread fear and anger among supporters of the late Marxist President, Salvador Allende Gossens. They form solid majorities in the poblaciones, and heavy casualties were inflicted on them by security forces during the weeks after the Sept. 11 coup d'état.

More than 2,000 people are believed to have lost their lives in the aftermath of the coup. Most of these casualties occurred in the poblaciones, where about a fourth of greater Santiago's 3.5 million people live.

"I marched in every women's demonstration against Allende and I welcomed the coup against the Marxists" said a housewife in Lo Hermida, a sprawling slum of wooden shacks and unpaved alleys in eastern Santiago. "But if the military does not do something about food prices, I am willing to go out and march again."

The woman sews at home while her husband does subcontract work as a carpenter. Together they make 8,000 escudos—$28—a month to support themselves and their four children.

She said that in view of food price increases, ranging from 200 to 1,800 per cent, her family needed at least 500 escudos a day—or 15,000 escudos a month—to buy enough milk, bread, noodles and vegetables to survive.

"We do not even know what meat looks like anymore," she said.

Under the Allende Government, food and consumer products were heavily subsidized for the poor, causing tremendous distortions in the economy, a rampant black market, acute shortages and little incentive for producers.

In theory, the military Government has set out to re-establish the real market value of food and most other products. To assure that Chileans produce more than they consume—in vivid contrast to the Allende years—real wages also have been lowered.

Just two months ago during the last days of the Allende Government, long food lines in front of empty stores were part of every urban landscape. Now the stores are filled with expensive products and empty of customers.

Although the belt-tightening has hit all economic classes, it has become intolerable for the poorest Chileans, who must contend with such increases as 25 per cent for bread, 600 per cent for cooking oil, 500 per cent for sugar, and 800 per cent for chicken.

To partly offset these price increases, the junta has decreed a new minimum monthly wage of 12,000 escudos and bonuses for dependents of poor families. But in all the poblaciones visited, residents asserted that they had not received the wage increases.

The plight of the poor has been further exacerbated by the layoffs of workers and other employes who are considered "extremists" or politically suspect by the new Government authorities and factory managers.

Although no figures have been disclosed on this rising unemployment, some economists and church organizations believe they may number in the tens of thousands in the Santiago area alone.

In Lulo Pinochet, a poblacion of 540 families in eastern Santiago, community leaders asserted that about 70 residents had been suspended from their jobs.

The junta has embarked on a publicity campaign to help explain the price rises to the public. General Oscar Bonilla Bradanovic, the new Minister of Interior, has trekked through a dozen poblaciones to voice the Government's concern for the poor and offer them consolation—but little else.

Last week, at a large meeting of housewives selected from neighborhood organizations around the capital, a Government official tried to explain the need for sacrifice by all Chileans until the economy recovers.

SOME ARE RESENTFUL

But the gathering sparked resentment among some of the poorer women who attended.

"One woman got up and complained that she could not find a house that rented for 35,000 escudos a month," said a housewife from La Pincoya poblacion in northern Santiago. "It takes us three months to make 35,000 escudos."

During a tour of Lo Hermida poblacion last week, the Minister of Economics, Fernando Leniz, fielded complaints from a woman who said that her husband's salary was not nearly enough to meet even minimum food expenses.

"It is necessary that housewives learn to buy," answered Mr. Lenitz in textbook terms. "If the prices are too high, it is better to cut down on consumption for a while until the prices fall."

SOUTH CAROLINA VOCATIONAL AND TECHNICAL EDUCATION

HON. WM. JENNINGS BRYAN DORN

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 8, 1973

Mr. DORN. Mr. Speaker, South Carolina has the Nation's outstanding program in vocational and technical education. This superb program is guided by an advisory council on vocational and technical education. The advisory council has adopted a policy which will be of interest to my colleagues. It is as follows:

VOCATIONAL EDUCATION IS NEEDED NOW MORE THAN EVER BEFORE

Advancing technology is causing the world of work to become increasingly complex. The demand for unskilled labor is rapidly diminishing, while there are increasing occupational opportunities at the skilled or technician level. Many youth do not have any concept of what a job is like or about their parents' work. The complexity of business and industry is making it difficult for parents to adequately describe the available jobs. Most of today's jobs did not exist or were of a different nature a decade ago. Since the parents are no longer able to adequately describe the many occupational choices available to their children then it is for the schools to provide these experiences. Each youth should have an opportunity to explore several career areas through the medium of pre-vocational education.

Even more critical is the need for vocational education. Less than one out of five children who enter school go on to college. Because minimum wages now equate with a poverty standard of living, all non-college-bound youth should complete a vocational program prior to graduation or prior to leaving school. If the parents cannot or do not transmit the work ethic and the training or skills necessary for successful employment, the school must. If the other four-fifths of our youth are to enter the world of work at a satisfactory pay rate, they must have some occupational preparation.

An appropriate vocational curriculum is also necessary for one-half or more of all college-bound youth. Vocational education does not prevent one from continuing on to college, nor does it reduce the chances for success but may even help. Only about one-half of the college freshmen ever graduate from college. The others generally are no better prepared for employment than those who entered work directly out of high school.

Even the future college graduates could

benefit from vocational education. They may need these skills to earn their way through college. The other few could use this experience to help them relate to the world around them.

Students need more in-depth counseling and the counselors need more frequent contact with the students. Counselors must be knowledgeable of all the occupational programs and assist students based on this wide spectrum of occupational knowledge.

Only when vocational education programs are a normal part of the curriculum for all—rich and poor, quick and slow, girl and boy, the popular and the social isolate—will vocational education be reaching all those who need these opportunities. It is hard to envision anyone who would not benefit from vocational education. The non-college-bound and the college-bound high school graduate, the high school dropout and the elementary school dropout—these are the persons who should complete some vocational program. Who else remains?

HUMBERTO FERNANDEZ-MORAN RECEIVES AWARD FOR OUTSTANDING ACHIEVEMENT IN MEDICINE AND SCIENCE

HON. MIKE McCORMACK

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 8, 1973

Mr. McCORMACK. Mr. Speaker, Dr. Humberto Fernandez-Moran, is, in my judgment, one of the outstanding men of science in the world today. Consequently, I was extremely pleased to learn that on September 19, 1973, a special meeting of the Bolivarian Society of the United States presented him with the Society's highest award, the Bolivarian medal, in recognition of his contributions to medicine and science and his efforts to bring about inter-American cooperation in these fields.

The medal was presented by the Society's founder and first president, Don Daniel A. del Rio, and this marks the first time that this rare privilege has been accorded to a scientist. On the six other occasions on which this medal was presented during the history of the Society, it was bestowed only on Heads of State and prominent officials from the Bolivarian countries.

Dr. Fernandez-Moran is now the A. N. Pritzker professor of biophysics at the University of Chicago, where he heads one of the world's leading electron microscope laboratories. He is widely recognized for his contributions in the field of electron microscopy and his development of a diamond knife nearly 20 years ago when he was a research fellow at the Nobel Institute in Stockholm. This sophisticated research tool has enabled scientists to study the tiniest organic details under the electron microscope and opened up the field of biological ultrastructural research. In addition, he is the author of many articles in his field and related subjects, and he is a member of many national and international medical and scientific societies.

Throughout his career, Dr. Fernandez-Moran has been inspired by the guiding concept of Simon Bolivar, who almost 150 years ago proposed a Pan American Union of true hemispheric scope. In pursuit of this goal, Dr. Fernandez-Moran headed the Venezeulan delegation to the first Geneva Conference on Peaceful Uses of Atomic Energy and to the Inter-American Symposium on Nuclear Energy at Brookhaven in 1955 and 1957 respectively. He was also active on the Science Commissions of the Organization of American States and of UNESCO, and in 1958, served as minister of education for his native Venezuela.

From 1958 to 1962, Dr. Fernandez-Moran organized the Mixter Laboratories for Electron Microscopy at the Massachusetts General Hospital in Boston. From 1951 to 1958, he served as professor and chairman of the Department of Biophysics at the University of Caracas, and under his direction, the Venezuelan Institute of Neurology and Brain Research was built in 1954.

As chairman of the Task Force on Energy last year, I visited his laboratory last year along with Congressman CHARLES MOSHER. While there, we witnessed the 117th successful experiment of the world's only operating closed-cycle superfluid helium system coupled to a high-voltage electron microscope. Subsequently, Dr. Fernandez-Moran presented these findings on superconductivity and a proposal he has made to obtain energy from the Sun to the Subcommittee on Science, Research and Development of the Science and Astronautics Committee in May. His solar energy proposal would employ a "fly's eye" multilens approach to trapping the Sun's energy.

I would like to take this opportunity to congratulate Dr. Fernandez-Moran on his multiple achievements to date.

TAX ON A TAX

HON. WILLIAM J. SCHERLE

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 8, 1973

Mr. SCHERLE. Mr. Speaker, yesterday I introduced legislation (H.R. 11322) which would save Iowa telephone users almost a half-million dollars on their telephone bills each year.

Through an inequity in the Federal tax law, Iowa telephone users are being double taxed in their phone bills. The Internal Revenue Service has notified Iowa telephone companies that they must include the State use tax on telephone services when they compute the Federal exise tax on basic telephone services and long distance calls.

In effect, this ruling—which applies to Iowa, Nebraska, and 13 other States—provides for a Federal tax on a State tax. Because of these rulings. Iowans will pay $405,000 more in taxes on their phone service each year.

This is unfair and unjust, and my bill would prohibit the Internal Revenue Service from levying such a "tax on a tax."

BREAKING A LEG HAS NEVER BEEN MORE CONVENIENT

HON. J. J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 8, 1973

Mr. PICKLE. Mr. Speaker, Cactus Pryor, a wry commentator from Austin, Tex., has vividly pointed out the miracles of modern transportation—and the foolishness we subject ourselves to by not having a national transportation plan.

I will let Mr. Pryor elaborate on the subject, as follows:

CACTI'S CORNER

(By Cactus Pryor)

During a recent period of meditation, I fell to thinking about the wonders of modern transportation. Just think of it! In less than an hour you can fly 300 miles and arrive in time to miss the limousine to town.

You can leave the backwoods of Arkansas at 4:00 and make the 5:00 homeward traffic jam in Dallas.

You can drive 500 miles away from your home on a Saturday and be back in time to put your car in the garage for repairs on Monday morning.

I can leave my house at 7:00 a.m. and be outside my office downtown by 7:15. That gives me 45 minutes to search for a parking space.

Modern transportation is marvelous. You can leave New York's train strike and in 6 hours be caught up in London's taxi strike.

And today's transportation opens whole new horizons for medicine with the varieties of motion sickness. I once lost my breakfast in the Pacific, my lunch over the Rockies, and my supper in the Lincoln Tunnel. (And if you must lose your supper, I can't think of a better place.)

Bus transportation has vastly improved in recent years. A short time ago I was driven 140 miles in but 2 hours. This was less time than the airline required to charter the bus after our plane had been grounded by weather.

Of course, we've all been fascinated with the dramatic transporting of our astronauts to the surface of the moon. What an adventure. What a thrill. What a luxury to be able to drive around without a single traffic light, speed trap or toll road. It's worth swapping the chugholes for craters.

Golf carts now enable me, for the first time in my life, to drive down the middle of a fairway. Now when someone yells "fore" you don't know if you're ducking a shank or a chevy.

Snowmobiles will now noiselessly transport you to heretofore inaccessible sanctuaries of solitude and silence. Thousands can now enjoy these sanctuaries of solitude and silence together.

There are lifts that will take you and your skis to the top of a snow-covered mountain, and motorized carriers that will deposit you in a hospital minutes later. Breaking a leg has never been more convenient.

Train transportation has been modernized. Instead of the dingy old steam engine trains that we used to have to wait for, there are now sleek, modern diesel-powered trains to wait for.

The airlines have added a whole new dimension to travel by buying many of our

hotels. Now you can lose your luggage on an elevator, too.

Modern transportation. Steps that carry you, blades that lift you, boats that pull you, engines that push you. I thought of all of these blessings as I sat waiting for my late flight.

RESIGNATION OR IMPEACHMENT ONLY WAY OUT

HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 8, 1973

Mrs. SCHROEDER. Mr. Speaker, the events of recent weeks have cast substantial doubts in the minds of many Americans over whether President Nixon should continue in office. We are, each of us, faced with determining whether we have sufficient confidence in the President to allow him to remain in office.

Over the past weekend, several leading papers throughout the country dedicated their editorials to this question. One of the most thought-provoking and cogent editorials was that of the Denver Post, entitled "Resignation or Impeachment Only Way Out." In the Post's view:

The situation has now degenerated to where the trust of the people in the President's integrity is shattered. Halfway measures cannot restore that confidence, whether among our people or among our allies overseas.

Mr. Speaker, I congratulate the Denver Post on its forthright stand on this most compelling of issues, and commend its editorial to my distinguished colleagues:

RESIGNATION OR IMPEACHMENT ONLY WAY OUT

The office of the presidency, as Richard Nixon realized in the concept of his campaign when he sought to "bring us together," is much more than just an office at the head of one branch of our government. The presidency must be the national focus of our ultimate loyalty and confidence. Ironically, it was just a year ago this Sunday that The Post wrote its final editorial supporting Mr. Nixon for the presidency because among other reasons we believed he was the better man to produce effective national unity.

The American people must have an instinctive trust in their president, strong enough to override in time of crisis the inevitable partisan feelings of difference on lesser issues. One can disagree with a president on issues such as impoundment of funds, on the structure of a welfare program, or a move in world politics. But in a time of national crisis, such as the recent alerting of our military forces in the Middle Eastern situation, the people must be able to trust automatically the President's integrity. And on simpler matters, it is intolerable that on a question of whether or not the tapes were really lost, a great number of people simply don't take the word of their President.

Whether or not President Nixon deserves this low image as to his trustworthiness is arguable. Partisans can give endless tit-for-tat on that score.

What is not arguable is that, right or wrong, the situation has now degenerated to where the trust of the people in the President's integrity is shattered. Halfway measures cannot restore that confidence, whether among our people or among our allies overseas.

How then can this intolerable situation be resolved?

First, the office of the vice presidency must be promptly filled by congressional action. If Mr. Ford is acceptable after thorough examination, fine. If not, then an alternate candidate must be nominated and confirmed by Constitutional processes. We will not solve our crisis of Constitutional confidence by departing from Constitutional means.

When the vice presidency is filled, the Republican Party must live up to its responsibilities. Even Senator Goldwater recognizes that the credibility of the President is at an intolerable low point. The Republican Party should try to persuade the President to resign.

Stepping aside from the office of the presidency when trust has been lost is not a new idea. Lyndon Johnson, although elected by a mandate nearly as large as that of Richard Nixon, realized that Vietnam had broken his relationship of trust with the people. He stepped aside by not running again, and history thinks well of him for it. Similarly history would think well of a Nixon decision to step down, not as admission of guilt, but as a recognition that the needed trust essential to the conduct of his office has been lost. Richard Nixon would gain stature by such a selfless move.

If, however, resignation is not in the cards, then this newspaper has come to the reluctant conclusion that only an impeachment proceeding will heal our hemorrhaging of national confidence in the presidency.

Impeachment preparations which have started should be speeded in the Congress, since they take time, and if the vice presidency is filled and a resignation is not forthcoming, the bringing of the impeachment proceedings needs to be swift. The country mustn't dither about decision.

An impeachment process before the elected representatives of the people is the only method, short of resignation, that can now finally resolve the erosion of trust in the presidency. It would be a national decision in which all the evidence is brought out and a vote taken.

If the House of Representatives after mature deliberation decides there is not enough evidence to bring the President to trial before the Senate, that decision should finally quiet Washington. As we have said before, no one wants a president to stand trial on less than sound legal grounds, and the presence or absence of those grounds is for the House to decide.

If the manner goes to trial and the Senate decides the evidence does not justify the President's removal, well and good! The people will have spoken by the best Constitutional means available to them, and by the rules. That would put an end to it, and the President could go about his business vindicated by a reliable tribunal.

If the Senate should vote to remove the President, so be it! It would be the end of a regrettable chapter, not of the country.

If President Nixon chooses to resign after a qualified successor is in office, it would be easier for the country and better for him in the history books.

But if he must face impeachment proceedings, let's get on with them. From those proceedings, the people will get a decision on which some part of their basic trust in the presidency can be re-established.

A SPECIAL SALUTE TO GEN. PHILIP KEARNEY

HON. EDWARD J. PATTEN

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 8, 1973

Mr. PATTEN. Mr. Speaker, I rise today to speak of a day which is of great importance to all Americans—Armistice Day.

This day symbolizes the armistice terminating World War I, which took place on November 11, 1918. Many Americans fought courageously in the first World War, and because of this I want to take this opportunity to acknowledge another great fighter, Gen. Philip Kearny of Perth Amboy, N.J., who fought valiantly in the Civil War.

Both these wars were fought to maintain the ideals and freedoms of our great country. At this time I would like to insert an article written by the New Jersey Manufacturers Insurance Co. on General Kearny.

General Kearny's statue appears in Statuary Hall because of his great contributions to this country. The article follows:

GEN. PHILIP KEARNEY

One-armed Philip Kearny, commanding general of the First New Jersey Brigade, infuriated Confederate troops as he rode savagely between Northern and Southern lines in the spring of 1862—daring the Southerners to find a bullet that could kill him. Day after day he defied the Confederates, drawing their fire and then dashing back toward his troops shouting: "Now you know where they are, boys! Go get 'em!"

Phil Kearney thrived on war. He had fought for more than 20 years wherever possible: in Algeria for the French in 1839, in this country during the Mexican War, against Indians in California and again for the French in Austria in 1859. It was not all glory. His left sleeve dangled empty after his arm was amputated during the Mexican War.

Kearny was no soldier of fortune; he had been a millionaire since 1836, when his grandfather willed him exactly $1 million. Shortly before, 22-year-old Phil had graduated from Columbia College as a law student. Kearny in 1858 bought "Belle Grove," a handsome estate overlooking the Passaic River in Hudson County. But living in ease for Kearny was about as likely as a panther happy behind bars.

America's Civil War stirred his fighting blood, and his many Southern military friends urged him to join their "aristocratic cause." He declined hotly. "What am I," he exclaimed, "if no longer American?"

Yet, when he sought to join the Union Army, Washington rebuffed him. New York state ignored his request to be an officer and then scoffed at his plea that he might be at least a private. Whoever heard of a one-armed private?

However, New Jersey desperately needed a man with his talents. The 1st New Jersey Brigade languished in Alexandria, Va., growing steadily more surly and ill-disciplined. Worse, it had earned a reputation for stealing everything from chickens to farmer's fences.

Kearny, placed in command, rode a fiery horse into camp on July 26, 1861. He wore a bright cloak, a gold-handled sword and a heavy array of brass that dazzled in the summer sun. He looked like a general. The troops hated him.

The hatred of Kearny turned to fear, then

to grudging respect for the general's uncompromising discipline, his attention to detail, his never-ending drills.

Within six months Kearny was known as the most brilliant of Northern officers. He rose to head the 3rd Division of the Union Army on May 2, during the Peninsula Campaign in Virginia and, when asked if he wished help, Kearny replied, "I can make men follow me through hell."

Three days later he made good his boast, rallying his men for an often-mentioned dash over muddy roads and fields to rescue Gen. "Fighting Joe" Hooker's regiment entrapped at Williamsburg. Soldiers wrote home to tell of a leader who rode with his reins in his teeth while he brandished a gold-handled sword in his only hand. Southerners called him "The One-Armed Devil."

Kearny performed with distinction in the midst of general Union chaos at the second battle of Bull Run on August 30. But time was running out for Kearny; two days later he made his last challenge at Chantilly, Va.

Wild fighting broke out at Chantilly as the afternoon of September 1 neared its close. Simultaneously, a violent lightning storm broke over the battlefield. Driving rain turned the field into a morass and lightning ripped the trees in a display of power that made man's weapons seem puny.

Kearny rode forth through the storm, urging his men to follow him, although few could either see or hear him. The general spurred on. His black cloak made him scarcely distinguishable from the misty twilight shadows. Riding with "uncontrollable fury," Kearny mistakenly dashed into a Confederate outpost in a cornfield. He wheeled about as he discovered his error, undoubtedly supremely confident that he could once more escape. This time he could not bring it off. A Confederate bullet ripped through his back Kearny fell dead into the mud of Chantilly. The next day Gen. Robert E. Lee personally sent Kearny's body back to the Union lines with an honor guard.

Many claimed that the New Jersey officer was just about to be named commanding general of the Army of the Potomac. But it was too late, Phil Kearny was dead—killed as he had lived, surrounded by violence and thunderous tumult.

TRADITIONAL VETERANS DAY

HON. ELLA T. GRASSO

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 8, 1973

Mrs. GRASSO. Mr. Speaker, this Sunday, November 11, is the day traditionally set aside to honor our Nation's veterans.

It has always been a solemn day—a time for reflection on the countless sacrifices veterans have made to insure the security of our country and preserve peace throughout the world.

Our veterans are brave, dedicated, freedom-loving men and women who answered their country's call to duty and served unselfishly, guided by a deep, abiding concern for the welfare of their fellow Americans. Be it in time of war or peace, conflict or calm, our Nation's veterans have done their utmost to secure the defense of their country, and protect the welfare of all our citizens.

Certainly, our greatest homage, tribute, and appreciation is owed those who have made the supreme sacrifice in service to their country. Our history echoes the heroism of men and women who gave up their lives for their Nation and the cherished ideals for which it stands.

Other veterans suffered physical and emotional injury in combat or in prison camps. They deserve not only our compassion, but also our assistance in providing adequate benefits and programs of training and rehabilitation.

As a member of the Veterans' Affairs Committee, it has been my honor and privilege to assist in the drafting of legislation to provide veterans with the benefits they justly deserve. Together with cur chairman, the distinguished gentleman from South Carolina (Mr. DORN) the committee has labored tirelessly to insure veterans of all that a grateful nation can provide.

Mr. Speaker, Connecticut is truly proud of the service its veterans have offered to their country. Nor did this service end when they left the military, but it continues in the many meaningful contributions continually made by veterans, especially through their organizations. At the same time, my friends in veterans organizations in Connecticut and throughout the country have kept me attuned to the needs and wants of their members, providing ideas, opinions, and information.

As you know, November 11 was originally celebrated as Armistice Day and later became a day to honor all our veterans. The day is especially meaningful to men who fought in the First World War. Veterans in my State and elsewhere share my belief that Veterans Day should not be celebrated as a Monday holiday in October, but should be returned to the traditional day of observance. I have introduced legislation which would redesignate November 11 as Veterans Day, and I intend to continue supporting this measure.

November 11 is a day of meaningful historical significance to our people. It has for years been a day when a grateful nation offers much deserved tribute to its dedicated veterans.

A DESERVED HONOR FOR THE DOUGLASES

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 8, 1973

Mr. DERWINSKI. Mr. Speaker, I call to the attention of the Members a very laudatory commentary in the Tinley Park Star Tribune of Thursday, November 1, in which that publication drew attention to its readers that fact that the former U.S. Senator Paul Douglas and Mrs. Douglas, who is a former Member of the House, were honored when the Chicago State University named its new campus library after them.

As the editorial appropriately comments both Paul and Emily have had outstanding careers in public service, and having the library named after them is a lasting tribute to their reputation.

The article follows:

A DESERVED HONOR FOR THE DOUGLASES

Former U.S. Senator Paul Douglas and Mrs. Douglas were recently honored when the library on Chicago State university's new campus was officially named after them.

The Paul and Emily Douglas library, largest building on the 55-acre, $65 million campus, eventually will house more than 300,000 volumes, including several hundred donated by the Douglases themselves.

Douglas and his wife have been dedicated public servants. He began his career in public office as a member of the Chicago city council. Later, he served for 18 years as U.S. Senator from Illinois. After leaving the Senate, he was chairman of the National Commission on Urban Problems. Somehow during those busy years, he also found time to write more than a half dozen books on public affairs.

Mrs. Douglas was U.S. congresswoman-at-large in 1944. She also was an organizer of the Illinois League of Women Voters, a pioneer crusader for a state constitutional convention, and the chief sponsor of legislation that brought mobile libraries to rural areas of Illinois.

Judged on the basis of their public service contributions, the Douglases are indeed deserving of this recognition. And, in view of their close association with academic activities and their long-standing interest in promoting education, it is particularly appropriate that they should be honored in this manner. It also is gratifying to note that the honor comes to them, not posthumously, as so often happens, but while they still can savor its meaning.

GSA UNDER PROBE

HON. LES ASPIN

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 8, 1973

Mr. ASPIN. Mr. Speaker, I want to take this opportunity to publicly commend the Office of the General Counsel of the Civil Service Commission for their vigorous investigation of political favoritism in hiring at the General Services Administration.

I strongly support the efforts of the Civil Service Commission to restore integrity to Government service and I would like to encourage my colleagues to back the general counsel in his current fight. I urge the general counsel and his fine staff not to buckle under the politically and personally inspired attempts to stifle his investigation.

Regardless of our political affiliation we should all be concerned by the political cronyism that has recently come to light in this important Federal agency. The Washington Post has recently run a series of reports on the GSA problem and I would direct your attention to the following articles:

CHARGE OF FAVORITISM AT GSA UNDER PROBE

(By Lawrence Feinberg)

The U.S. Civil Service Commission is investigating charges of political favoritism in filling jobs at the General Services Administration, the agency that purchases supplies for the government and operates federal buildings.

A spokesman for the commission said yesterday a special team of Civil Service investigators was set up in early June to check complaints by GSA employees that "political clearance" is necessary to get promotions in GSA's Region 3.

The region includes Washington and five states—Maryland, Virginia, Pennsylvania, West Virginia, and Delaware. It has about 11,000 of the agency's 38,000 employees.

Yesterday a GSA spokesman said his agency is "cooperating fully" with the Civil Service investigation. He added, "We're not aware of any violation of any Civil Service Commission rules and regulations in the hiring of any GSA employee."

The charges of political favoritism at GSA were first made last spring, a Civil Service official said, during a regular check into hiring and promotion practices at the agency.

"When some apparent improprieties came to light," he said, "we put a special team onto the inquiry."

The investigators are scheduled to report to the commission's executive director, Bernard Rosen, by the end of September.

William M. Ragan Jr., director of information for the commission, said that contrary to published reports, none of the charges being investigated involve Vice President Spiro T. Agnew.

According to one such report, Lester Matz, a Baltimore County engineer, told federal prosecutors in Baltimore that he paid $2,500 to Agnew in 1971 in an effort to help someone else get a GSA job.

Agnew has called the allegations "damned lies."

Yesterday Ragan said none of the cases of political favoritism being investigated by Civil Service involves Agnew and none is connected to the Baltimore prosecutor's probe.

Ragan and other officials also denied that the Civil Service investigation was focused on Maryland, but said the complaints being checked came from several parts of GSA's Region 3.

The Civil Service officials also declined to say how many complaints they were checking and what level GSA jobs are involved.

"We're still running down leads," one official said. "It's a very thorough investigation and it's just not completed yet."

POLITICAL ABUSES CITED IN GSA HIRING

(By Douglas Watson)

Since 1969 congressmen and other politicians have recommended 2,500 people for jobs with the General Services Administration, according to GSA Administrator Arthur F. Sampson.

Sampson said in an interview, however, that there was nothing wrong with such job referrals from political sponsors and that he did not know how many hiring decisions were influenced by them.

The Civil Service Commission charged last week that GSA has been operating an illegal "special referral system outside normal personnel channels" that has given preference in hiring to politically favored applicants.

A former GSA official said last week that the "special referral unit" described by the commission was established by GSA in 1969, the first year of the Nixon administration, and that it has operated under supervision of top GSA officials since then.

Sampson disagreed with the commission's characterization of the so-called special referral unit, maintaining that it was merely a "follow-up unit" to make certain that there were prompt responses to inquiries and requests from congressmen and other politically important people, something he said any government agency tries to do.

But some career GSA employees, who say they speak for others with complaints, charge that politics frequently has been the deciding factor in determining who will be hired or promoted at GSA.

They refer to a job they say was created for a former Committee to Re-elect the President staffer, a senator's friend who got a GS–17 post although others were supposedly better qualified, and a friend of Sampson who was one of the few to be hired among 1,400 applicants for key jobs.

Referring to the 2,500 names mentioned by Sampson, a government source confided last week that Civil Service Commission investigators had uncovered a secret GSA file with more than 1,000 names of people recommended for jobs in GSA (the federal government's landlord, leasing and purchasing agency) by White House aides, congressmen and other politicians.

A Civil Service Commission spokesman said last week that its investigators had documented 16 instances of hiring favoritism among job applicants "referred from nominally political or clearly partisan sources." He said the commission believes there are many other such cases.

Sampson has neither directly denied nor conceded the commission's findings, saying only that they point out "some problems that need to be solved." Sampson has said that "some personal injustices and system breakdowns have occurred" but has not conceded there was systematic political favoritism in GSA hiring, as alleged by the commission.

The CSC ordered GSA to act within 30 days to eliminate "the special personnel referral system" and to fire anyone hired contrary to Civil Service regulations.

The former GSA official said the "special referral unit" was organized in 1969 under Rod Kreger, who later became GSA's deputy administrator and this year was appointed to the Postal Rate Commission.

He said the unit later operated under H. S. (Ted) Trimmer, now GSA's associate administrator for federal management policy, the agency's fourth-ranking official.

Bernard Rosen, executive director of the CSC, said last week that the "special referral unit" most recently has been under Assistant GSA Administrator Allan G. Kaupinen, who came to GSA in April as its third-ranking official after working in the White House for three years and for the Committee to Re-elect the President last year.

Sampson and other GSA officials said that what the Civil Service Commission calls "a special referral unit" that has systematically violated civil service regulations in hiring political favorites, actually was only a "follow-up unit" involved in the proper and necessary task of expediting responses to political inquiries.

"We consider it essential to follow up on letters from congressmen, governors and businessmen, from persons at a high level, to get a response" to their calls or correspondence, said Richard Q. Vawter, GSA's director of information.

Vawter said there was such a follow-up unit under Kreger, but he said it was never under Trimmer, a 34-year-old lawyer from California. Trimmer could not be reached.

Kreger, who previously was administrative assistant to former Sen. Karl Mundt (R-S.D.), acknowledged overseeing a follow-up unit but denied it violated CSC regulations as the CSC found. Kreger added, "I was never that close to the darn thing."

Sampson said that in the nearly five years of the Nixon administration the so-called follow-up unit has received an average of 12 recommendations a week from political sponsors of persons for jobs with GSA. Sampson said he didn't know how many of those with political backing were eventually hired.

Another GSA official said that the 40,000-employee agency each year receives at least 68,000 job applications from all sources and hires 8,000 people. "The commission's report should be kept in perspective," Sampson said.

Asked whether a "special referral unit" operated during the Johnson administration, the former official who was with GSA during both the Johnson and Nixon administrations, said, "I know there was not anything similar."

He said that while there were occasional political pressures put on GSA officials to hire political favorites during the Johnson administration, the political pressures were "nowhere near as bad" as they became after 1968.

This contention was disputed by three current GSA employees who, according to a GSA official, claim that in both the Kennedy and Johnson administrations GSA's director of personnel had a special aide whose primary job was placing of politically favored job applicants and who reported directly to top GSA officials.

A commission spokesman has said that "within several weeks" it will file formal charges against individuals at GSA charged with violating Civil Service regulations. The charges are not expected to be placed against certain persons who were allegedly improperly hired—who may be fired—but against those who ordered their hiring.

The commission has said that politicians have as much right as anyone to recommend job applicants. The CSC spokesman said its jurisdiction is limited to persons in the executive department, so it would not consider any action against congressmen or others outside the executive branch who may have put improper pressure on GSA to hire their friends.

A government source said that those who had urged hiring persons under investigation include White House aides and both Republican and Democratic congressmen.

The commission has declined to name any of the 16 GSA people allegedly hired improperly; it does say the 16 are spread throughout the agency and occupy "mostly low—and medium—but some higher grades."

But GSA career employees who have asked not to be identified have given The Washington Post six examples of what they consider are persons who got their current jobs with GSA through political or personal favoritism. It is not known if any of these examples are among the 16 cases cited by the commission.

In each of these instances cited by the critics, GSA officials have said there was nothing improper in the way the person was hired and have praised the individual's qualifications. They said the criticism was coming from a few dissident employees.

One disputed case involves Dr. Thomas A. Slivinski, who became technical adviser to the commissioner of GSA's new Automated Data and Telecommunications Service this year after working under Jeb Stuart Magruder as manager of the data base at the Committee to Re-elect the President.

A GSA spokesman said that Dr. Slivinski has a Ph. D. in computer science and formerly was a GS–15 with the Environmental Protection Agency. But sources within GSA charge that Dr. Slivinski's job was created for him and that none of the qualified employees with the agency at the time was given the opportunity to apply for it.

Dr. Slivinski currently is on leave to take several months' training at the University of Virginia.

Another criticized placement is that of Elmer D. Jones, who holds a GS–17 position as the head of the automated data service's office of telecommunications. A retired Air Force colonel, Jones is the second highest-ranking black in GSA.

He also is a friend of Sen. Edward E. Brooke (R.-Mass.), who is widely believed by GSA employees to have been instrumental in GSA's hiring of Jones. Jones said that he and Brooke "were kids together on the same block" but denied that any help from Brooke got him the job. A spokesman for Brooke declined to comment.

Jones said, "I feel I am well qualified" for the assistant commissioner's job that pays him at least $37,976. He said he holds master's degrees in electronics and research and development engineering and pursued those fields in the Air Force.

But sources within GSA contend there were career employees with more expertise in telecommunications who were not considered for the job Jones got. One GSA employee said, "When Jones first came aboard he was ask-

ing simple, basic questions that a man in the business three months would not need to ask".

Another criticized GSA hiring was that of Lawrence H. Walker Jr., a retired army general who became regional commissioner of automated data last November after responding, along with 1,400 others, to advertisement for high-level jobs that became available in the new GSA service.

A GSA spokesman said that Walker was at the top of the CSC referral list by virtue of his qualifications and that Walker formerly directed data processing work for Pennsylvania and in the Army. Sampson, who also had worked for the Pennsylvania government, said of Walker, "I kept in touch with him because I wanted him with me" at GSA.

Walker ended up as one of the few job winners among the 1,400 applicants.

"There's nothing against hiring people from Pennsylvania," said a GSA spokesman in reacting to charges that GSA has become top-heavy with Pennsylvanians under Sampson and Robert L. Kunzig, his predecessor as GSA administrator, both Pennsylvanians.

Patricia L. Rouleau, a former sister-in-law of Rep. Joel T. Broyhill (R-Va.) became chief of a branch of GSA's Federal Supply Service in April. Mrs. Rouleau has had 14 years' experience at GSA, and an agency spokesman said she worked her way up to the post. He said there were no other applicants for the job, which pays at least $17,497 a year.

But sources in GSA said that in selecting Mrs. Rouleau, GSA overlooked a man who was then at a higher career service level, was her predecessor's assistant, had been recommended by her predecessor, and actually had done his job after the predecessor had left and before Mrs. Rouleau was named.

Action by the CSC has upheld Mrs. Rouleau's selection.

Mrs. Rouleau said she feels she got her job fairly.

Broyhill declined to comment specifically as to whether his office had urged Mrs. Rouleau's promotion. He said he frequently provides recommendations for constituents who are federal employees and are seeking promotions, adding, "It's an everyday occurrence. It's not confined to the party faithful."

Broyhill said, "If GSA is responding to congressional requests and inquiries more than other agencies, I'm glad to hear it. I try to get jobs for the people, and I mean in spades."

Another criticized case involves Lyle E. Hutchison, Jr., who was hired in 1970 by GSA for the job of writing specifications for furniture to be purchased by the government, a post that now pays a minimum annual salary of $20,677.

Sources in GSA said none of the qualified career employees then in the agency was given an opportunity to apply for the job that was by their account, specially created for Hutchison.

Bernard H. Martin, then Hutchison's superior and now retired in Florida, has written, "I did not review any application form covering Mr. Hutchison . . . I was asked to prepare a job description at the GS–13 level on a crash basis," in explaining how the new job suddenly appeared.

The GSA sources said Hutchison's father was a college friend of Kunzig and that helped him get his GSA job. Hutchison said he got his job fairly. Kunzig could not be reached for comment.

An example of what the critics say was an unqualified person holding a GSA job concerns Stephen White, who was project manager for a multimillion dollar program to obtain computers for GSA but is not a college graduate and who holds a high school equivalency certificate.

White is director of automated data telecommunications operations support division but is on leave for a year to attend the University of Washington under a GSA-sponsored program for a few selected employees.

White noted that "a college education isn't necessarily synonymous with knowledge" and that he has been a "hard-working" GSA employee since 1962. White was among six GSA officials temporarily suspended by the CSC last year for soliciting their employees for campaign contributions in violation of the Hatch Act. He was put in charge of the computer program after that.

Robert M. Teates, president of Local 1642 of the National Federation of Federal Employees, in a letter last week to CSC Chairman Robert E. Hampton urged the commission to protect the federal merit system against the spoils system many in this administration would like to have."

But Teates said that based on past experience, it is "our opinion the CSC will not take the really tough action required in this case, namely the dismissal from federal service of those employees who were hired through political connections."

GSA officials say the Civil Service findings have unfairly distorted the GSA hiring picture that has many positive features. They point to programs they say were started under Kunzig or Sampson to actively recruit able employees from college campuses and to upgrade the equal employment effort through a director of civil rights, who reports directly to the agency's administrator.

They also cite initiation of a program for accelerated executive development, start of programs that enable GSA employees to more easily switch from one field to another, and more strongly supported programs to hire veterans, the physically and mentally handicapped, and for summer hiring of disadvantaged youths.

Sampson said the Nixon administration has activated GSA, which formerly was "a dead horse."

SECRETARY OF THE INTERIOR MORTON SPEAKS ON THE ENERGY CRISIS

HON. BILL ARCHER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 8, 1973

Mr. ARCHER. Mr. Speaker, there is much debate and concern regarding the energy crisis in the United States. A clear and perceptive analysis of the entire situation was presented recently by the Honorable Rogers C. B. Morton, Secretary of the Interior, before the Interpipe Conference in Houston, Tex., on October 30, 1973. His address revealed the depth of the problem as well as the challenge we face in meeting the energy needs of our growing society.

REMARKS BY THE HONORABLE ROGERS B. MORTON

The compelling events of war in the Middle East again have dramatized the world dimensions of America's energy balances.

Within the last months the Persian Gulf oil producers have increased the price of crude oil by 70 percent. These added layers of price increases from the OPEC countries will certainly result in heightened competition in the world energy markets. Especially when you consider that the Soviet Union is the only industrialized nation in the world that is self-sufficient in energy. At the least it will mean harsh competition between Japan and our allies in the European community for limited world oil supplies.

The threat of an Arab oil boycott moreover has turned to reality. Even with a cease-fire, some Arab oil—which accounts for almost 12 percent of the total U.S. consumption—will be embargoed from the U.S. market.

Regrettably, the statistics are even more forbidding at a second look: nearly half of the heating oil supplies on the East Coast are produced from Arab sources.

The American energy crisis, unlike most national issues, is not transitory. It is not going to be limited to "this winter" or "this year" or even "this Administration." Instead it clearly is the greatest issue facing the American people during the next decade.

And because Americans use more energy than most nations of the world, the energy crisis may have a deep cutting effect on our national life.

During the next seven days, for example, the average American will use as much energy as half the world's population will consume on a per capita basis in the next year. And over three quarters of that energy will come from petroleum and natural gas, while less than one quarter will originate from other sources such as nuclear, hydroelectric, geothermal, or coal. Nuclear energy is making about the same contribution to our energy base as firewood.

For a variety of technological, economic, and environmental factors, throughout the balance of this century, we will depend heavily upon fossil fuels. And a dependence on fossil fuels means a dependence on pipeline systems.

This morning I would like to share some of my observations regarding the role pipelines can and must occupy in meeting America's energy and environmental needs.

The challenge of designing and constructing delivery systems to bring needed new oil and natural gas supplies into the market, matches the scale of companion efforts to develop new energy sources, like the breeder reactor, oil from shale, and gas and liquid fuel from coal.

The capital requirements for pipelines alone between 1970 and 1985 will be massive. A recent issue of the Oil and Gas Journal, for example, estimates that the projected pipeline construction expenditures during this fifteen-year period will come to $25 billion.

Not only will we need greater supplies of pipe—but an entirely new generation of pipeline systems.

Oil and natural gas pipelines in hostile Arctic climates, or in the North Sea will require improved low-carbon steel with new durability and strength characteristics.

And industry's ability to meet environmental criteria for oil and natural gas production on the OCS, and other areas will depend largely on the design and delivery of these new pipeline systems.

In my own view the decision process for the Trans Alaska Pipeline will, in the years to come, provide valuable experience and guidelines for these new systems.

The decision process we have just completed for the Trans Alaska Pipeline will provide valuable experience and guidelines for these new systems in the years to come.

There is little question that TAPS dramatizes the need for balance between our national concerns for secure energy sources, and the need to safeguard the quality of our environment.

I frankly am proud of my decision, and that of the Congress and have little doubt they will enact the legislation needed for what the President has called "the first legislative goal" toward meeting the energy challenge.

The national interest implications of TAPS are staggering, particularly in view of even the most optimistic predictions on the future of the Mid East:

— TAPS provides the earliest, and most economical means of delivering secure and uninterruptible supplies of new oil to the American consumer.

— TAPS will contribute to reducing the dollar drain from oil imports by as much as $3.3 billion in 1980, and could reduce our balance of payments by as much as $5.8 billion in 1985.

— And most important, TAPS will bring up to two million barrels of oil a day to U.S. markets as soon as it is operating at full capacity . . . that's almost a third of our current imports.

And the promise of still greater sources of oil and natural gas in Alaska—in the Cook Inlet, and the Gulf of Alaska, as well as on the North Slope, will lead to proposals for other pipeline systems. It is already evident that a second pipeline system will be necessary for oil and natural gas.

My overriding concern in making the decision to proceed with TAPS was based on one critical condition: I was—and still am—convinced that we can construct and operate a pipeline that serves the national interest, without causing unacceptable environmental impacts.

In the case of TAPS land use considerations were more complex because of the overriding need to meet strict environmental criteria.

However, even if there had not been obstacles to overcome, I feel that a proper right-of-way decision could not have been made without a multi-discipline approach to energy, environmental, and land-use planning.

There was a clear need to set aside a utility corridor not only for the pipeline, but for subsequent developments like roads, power lines, added pipeline construction, as well as the location of auxiliary equipment. In my own view, planning for added pipeline construction in the Lower 48, as well as in Alaska and other parts of the hemisphere demands a "systems planning" approach. The President's proposed land-use planning legislation provides the necessary mechanics to do just that.

Pipelines are a major component of our total energy system, and will continue in the years ahead to provide the most economical means of transporting oil, natural gas, and in some instances—as in the Southwest—even coal. The time is past when we could afford to assume that pipelines of energy transmission systems were not an integral part of regional planning.

In the meantime, the American consumer is going to have to realize that America has no choice but to regain energy self-sufficiency. We are going to have to accelerate our efforts to bring additional fossil fuels to the marketplace—and do it now! And we are going to have to be prepared to make hard decisions on the economic and environmental tradeoffs in developing conventional and second generation energy sources.

Regrettably, too many of our people fail to recognize the dimensions of the energy crisis:

They say, give me energy, but don't run power transmission lines, or gas lines across my lands;

They say, give me secure domestic supplies of gas and oil, but don't provide equitable economic incentives for exploration, development and production. (How much longer, for example, will we allow our natural gas reserves to decline, while inter-state natural gas prices are held at artificially low levels that discourage exploration and production?);

They say give me an energy policy that leads to secure energy supplies, but don't ask me to pay a fair price for it;

They say, give me a workable national energy policy, but don't dam, dig, mine, or drill in my State;

They say give me an energy policy that maximizes national security, but don't infringe on our trade and defense relationships within the world community.

Too many Americans are still unaware of the consequences we face, and the growing threat of a dependence on unstable, expensive, and interruptible foreign energy sources holds for our future.

The time has come when everyone—government, industry, and the consumer—must realize that our energy resources and energy needs are truly "national" and not limited to a single State or region.

I have no question that America has the will, the resources, and the leadership to meet the energy challenge. At the same time, however, I think it is a mistake to assume that government—either the Congress, the executive, or the judiciary—has the capability to meet all our energy needs. The real challenge is a challenge to our national attitudes towards energy, and to the vision and determination in our free enterprise system to crystallize our energy concerns into new energy sources.

That is the challenge all of us share—and that is the challenge we can meet if we move forward in a spirit of common effort.

COLORADO RIVER WATER QUALITY

HON. RICHARD T. HANNA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 8, 1973

Mr. HANNA. Mr. Speaker, while the seven Colorado River Basin States have been wont to fight over the waters of the Colorado River, the time has now come when we all must unite to restore the quality of the waters that the river supplies.

William E. Warne, whom I met when I was serving on the Water Committee in the California Legislature while he was director of the California Department of Water Resources, has proposed a new approach to improving the Colorado River water quality. Mr. Warne knows the Colorado River as do few other men alive today. He was brought up on an irrigated farm in the Imperial Valley, was an officer in the Bureau of Reclamation when Hoover Dam was built, and was Assistant Secretary of the Interior for Water and Power when the Coachella Valley County Water District's contract for service from the Coachella branch of the All-American Canal was signed by him.

Mr. Warne is a member of the board of directors of the National Water Supply Improvement Association. I commend Mr. Warne's proposal to my colleagues.

A NEW APPROACH TO IMPROVING COLORADO RIVER WATER QUALITY

(By William E. Warne)

My assignment today is to discuss "A New Approach to Improving Colorado River Water Quality."

The fact is that the Colorado River, which drains much of seven states in the Southwest, has been entirely spent in the development of the arid and semi-arid region composed of western United States and northwestern Mexico. In a dozen years, the outflow of the Colorado River has been comprised of some salty effluent from a drain that has been deliberately bypassed at Morelos Dam, and some leaks and small spills that accidentally escaped the watermaster's control. No other water has reached the Gulf of California from the great river's channels through its delta.

In the development of the Colorado River over the past 75 years, many interesting things have been done about its waters. Some of them in retrospect seem anachronistic. Some appear to have been based on wishful thinking and poor guesses. Certainly the sum total of what has been done has not resolved the problems of the Colorado River, which have constantly grown more intractable.

For example, the Colorado River Basin is the only large river basin in the United States that is wholly arid. A higher percentage of the lands of this basin must remain unused than of those of any other basin, except the Great Basin which is made up of a land-locked collection of salt sinks and contains no real river at all. But despite the Colorado Basin's uniquely dry character, more water diversions are made from the Colorado River to other basins than are made from any other river in the United States. And I have not identified a single diversion into the Colorado River Basin. This is a classical example of the Biblical statement that unto him who hath shall be given and from him who hath not, even that which he hath shall be taken away.

The waters of the Colorado River were divided in 1922 between the Upper and the Lower Basins. The Colorado River Compact Commission assigned to each basin depletions of 7,500,000 acre-feet a year. Despite some expert testimony given before the Commission that 15,000,000 acre-feet might exceed the safe annual yield of the river, the Commission also divided a million acre-feet of "surplus water" between Arizona and California. The Commission apparently intended to use up all of the waters of the river, giving no thought to the salts that the waters naturally contained.

In 1944, the United States and Mexico entered a treaty by which Mexico was guaranteed 1,500,000 acre-feet of water each year. No one really quarrels with the equity of the amount assigned to Mexico but the treaty came 22 years after the Compact Commission had divided the waters of the Colorado River among the states of the basin. The Mexican Treaty water clearly was not going to be available in the river, except that it might be made up of return flows or taken from upstream allottees.

To make the resultant situation even worse, the United States Senate in ratifying the Mexican Water Treaty accepted the contention that the treaty water was simply "wet water" and therefore any water regardless of its quality would satisfy the Mexican allotment. The Mexican Senate, however, was assured that the 1,500,000 acre-feet of water for Mexico would be of a satisfactory quality for domestic and irrigation uses.

The Colorado River once dumped 14,000,000 acre-feet or so of water a year into the Gulf of California. Much of the run-off came in annual floods as the melted snows of Wyoming and Colorado, which produce 80 percent of the river's output, came gushing out of the Grand Canyon. The river then cleansed itself of salt each year. Its waters were silty, but otherwise of relatively high quality. Now, when there is virtually no outflow, great quantities of salts are accumulated in Lake Mead, Lake Powell and other reservoirs that have subjugated the river. Today, evaporation that concentrates the salts in these reservoirs and irrigation return flows that add their accretions to the natural salt loads of the river cause the waters of the Colorado to degrade progressively each year. The quality is lower at each succeeding diversion point. Once hailed as life-giving, the waters of the Colorado River are becoming a threat to the health and welfare of the communities that they have helped to develop in the deserts through which the river once raged untrammeled to the sea.

At the intake of the Metropolitan Water District of Southern California's Colorado River Aqueduct at Lake Havasu, the water contains 750 or more parts of dissolved solids per million parts of water. To provide a reference point, the recommended U.S. Public Health Service drinking water standard is

no more than 500 ppm. tds. At the Imperial Dam, where the All-American Canal heads, water diverted to the Imperial and Coachella Valleys and to Arizona projects reaches 830 ppm. As a result, lands irrigated in the Imperial Valley must be tile drained and the irrigators adopt complex cultural and water management programs to avoid dangerous salt accumulations in the root zones of their crops. More and more of the progressively poorer water is required to produce the crops that are grown in the valley. Heavy applications of water are required to flush the salts out of the soils and through the drains to the Salton Sea. So we see the noose tightening. The demands on the river are increased because its reduced and degraded flows satisfy them less well.

More than a decade ago, the irrigators and other water users in the Mexicala Valley blew the whistle. They said the water that they were receiving at Morelos Dam was of such poor quality that it could not be used. They declared that such water did not satisfy the Mexican Water Treaty.

Adjustments were made at once in the methods used at that time to supply Mexican Treaty water. Part of the Wellton-Mohawk drainage was kept out of the river and returned to the streambed only after it had bypassed Morelos Dam.

But the philosophy that "wet water" would satisfy the needs of any diverter using the Colorado River has been slow in dying. The concept that the value of the water is reduced as its quality is degraded even now is not widely accepted. The idea that the value of the water may be increased by removing a part or all of the salts still has not been fully grasped. Very little has been done to work this increased value into a cost-benefit ratio in justification of water quality improvement projects.

This brings me to the new approach which is simply to improve the quality of the water in order to extend its uses. I would propose also that the water be managed through its initial, its second and even its third use in order to recover the values that are added by improvement of the quality and in order to help repay the costs of desalination and of applying other advanced water sciences as they may be required. Before getting down to specifics, let me review some of the steps that are already being taken in less coordinated ways than I would propose.

We have managed the waters that are being imported into Southern California in traditional ways. The methods were developed in the era of "wet water" thinking. When challenged to reform these ways, the water industry has been in the habit of saying that it can not be done under the law. One is asked to overlook the fact that the water law has been modified in the past; that the riparian law was replaced in the West by the doctrine of beneficial use a generation or two ago when it became clear that in arid lands the riparian law did not function in the public interest.

The new approach that I would propose to improvement of Colorado River water quality would require the adoption of a new conception of the Colorado River as a resource, renewable through restoration of the water quality. The value of water would include appraisal of its quality. The functions of the water supply agency would include improvement of the quality and management of repeated reuses of the product in satisfaction of the needs it is obliged to serve. The pricing of the water to the consumer would include multiple-levels based on quality standards and not merely the metered quantity delivered as though "wet water" were enough for all purposes.

This approach may not be as radical as some will label it, I believe. Circumstances already are forcing steps to be taken by some agencies along some of the lines that I have indicated.

The steps I now list have been taken or are in preparation:

1. In satisfaction of the Brownell proposal for improvement of the quality of the water delivered under the Mexican Water Treaty the Office of Saline Water already has called for proposals to provide a concept for the design and operation of a 100,000,000 gallons per day desalter to treat the waters of the Wellton-Mohawk drain. The idea is to desalt these waters so that they may be used to mix with water in the Colorado River below Imperial Dam and so to regulate the quality of the Mexican deliveries to no more than 115 ppm worse than the Imperial Valley diversions. That this desalter is 40 or more times as large as any similar water-factory that has been constructed will put a real strain on the technology and the industry.

2. The Orange County Water District is incorporating both desalination and waste water reclamation in its water management program of conjunctive use of surface and groundwaters at Water Factory 21. In addition, the District has instituted follow-up programs that may lead to the construction of large-scale reverse osmosis or electrodialysis plants to improve the quality of water received from the Colorado River and the Santa Ana River and the quality of the waste water effluent that enters its supplies.

3. The Bureau of Reclamation is experimenting with geothermal wells on the East Mesa in the Imperial Valley hoping to prove up means of desalting the hot brines from underground and of improving the quality of the waters of the Colorado River. Other agencies and interests are experimenting with geothermal electric power generation in the same region.

4. The Metropolitan Water District has announced its intention to mix in its system waters from the Colorado River with those from the California Aqueduct, which taps the Feather River source. This is in order to obtain a quality meld that will be more satisfactory than that of the undiluted Colorado River water. This solution is planned despite the fact that the cost of State Water Project water is $10.00 an acre foot more than the cost of the Colorado River water for which it will substitute in the mix.

5. The Imperial Irrigation District continues to encourage expansion of the tile drainage of the lands that it serves, though flushing the soils requires more of the Colorado River allotment to which the district is limited by the California Self-Limitation Act.

6. The Los Angeles County Sanitation District is reclaiming increased quantities of the water from its outfalls, building on the Whittier Narrows experiment, and testing a variety of uses of the product.

7. The Department of Water Resources has completed the East Branch of the California Aqueduct which was deliberately designed as a means of introducing high-quality water into areas from which it might be recycled before making its way to the sea.

Now my new approach as you will shortly see is not so new any more when one contemplates all of these activities which, though uncoordinated, look in some of the same directions.

My suggestion is that consideration be given to desalting the Colorado River Aqueduct to about 250 ppm. The improved water would be for use and reuse so that half as much water would do one and a half times the amount of work that can be expected of the 520,000 acre feet allotted to the MWD of Colorado River water of its present low-grade quality. I suggested this when the Southern California Edison Company asked for 50,000 acre feet of cooling water from the aqueduct to use at its East Desert electric generation station. I asked why not get the City of Los Angeles, which will need more generating capacity and has had difficulty finding sites, and the State Department of Water Resources, which will need a power supply in order to operate its pumps in 1984, when its present power supply contract expires, and perhaps other power suppliers to come into a program to construct a vast power-generation farm in the east desert. Up to 200,000 acre-feet of water from the Aqueduct could be dedicated to cooling these stations.

A body of thought prevails that the economy of scale will make such generating farms most efficient. Waste heat from the stations could be captured or a portion of the power or heat could be diverted for the purpose of desalting the remainder of 320,000 acre-feet of water in the aqueduct so that it would contain no more than 250 ppm tds. This 320,000 acre-feet of water then could be used three times on the coastal plain, before being ready to dump into the sea at about 1000 ppm tds. Much of the geothermal energy resource is found on public lands. The Bureau of Reclamation might be asked to develop a project by which this enery could be used in the aqueduct desalting program. (Please note that while this paper was in preparation a plan to build a nuclear power farm in the San Joaquin Valley was aired in the press. I suggest the east desert be not overlooked for the proposal I make is not impractical, but it would likely be infeasible if the power farm were in an area not associated with the Colorado River Aqueduct.)

What I have tried to do is to start the discussion of a new approach, rather than to present a full-blown project. It has been about three-quarters of a century since we began the development of the Colorado River. Proceeding along the lines that were adopted at the outset, we have gone just about as far as we can go, if, indeed, we have not gone beyond rational limits. We have some magnificant achievements to our credit in this development.

The Hoover Dam, the Colorado River Aqueduct, the All-American Canal, and metropolitan Los Angeles, itself, are among our achievements. Not all aspects of these achievements are turning out well. Quality deterioration of our environment has set in at various points in the Colorado River service areas. New approaches to these quality problems are demanded more insistently as the old methods with which we are familiar are shown to be inadequate or even damaging in some of their applications. If my suggestion of a new approach to improving Colorado River water quality is not acceptable to you, you, as water leaders, must accept the responsibility of proposing other approaches or we will collectively have failed the people of California. Clearly, the Colorado River is spent and will not recover itself.

UNILATERAL TROOP CUT MIGHT BE REAL DETERRENT

HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 8, 1973

Mr. TEAGUE of Texas. Mr. Speaker, I insert the following in the RECORD. I think the following article by William C. Moore, U.S.A.F., retired, as it appeared in the Los Angeles Times on October 10, 1973, is worthy of being called to the attention of the Congress and all those who read the RECORD.

The article follows:

FORMER STRATEGIC PLANNER SUGGESTS UNILATERAL TROOP CUT MIGHT BE REAL DETERRENT

(By William C. Moore)

The U.S. government's current position on the mutual and balanced force reduction (MBFR) proposal for Europe rules out any unilateral reduction. Only if the Soviet Union agrees to reduce its forces will the United States do so.

But what if mutual reduction cannot be

achieved? Would a unilateral reduction of U.S. conventional forces create consequences as dire as predicted by U.S. officials?

To support their pessimistic predictions, officials resort to mathematical comparisons—the numbers game—between NATO and Warsaw Pact forces. They quickly and easily come up with "proof" that a unilateral reduction by the United States would exacerbate what is already a position of weakness. As a consequence, they say, either NATO allies would be inclined to seek accommodation with the Communists or the Soviet Union might decide that aggression against Western Europe would be well worth the gamble.

Other military analysts take a contrary position and contend that mathematical balance is not the crux of the matter. Numerical weakness in conventional forces, they argue, does not necessarily mean a diluted deterrence—especially when vital issues are at stake and nuclear weapons are involved. These analysts contend that a reduction in conventional U.S. forces in Europe will, paradoxically, reduce the chance of aggression, not increase it as predicted by those in the numbers game.

The paradox, they readily admit, appears to promise strength through weakness. Yet I believe that there is logic to this upside-down reasoning—when viewed in the light of the order-of-battle strategy. This strategy—actually only one facet of grand strategy—is based on the premise that nothing illuminates a nation's foreign policy commitments, obligations and intentions quite as clearly as the signals radiating from its own military force structure.

The quality and quantity of the armed forces—the order of battle—reveal whether a nation is likely to default the issue in contention or accept the challenge. The order of battle reveals how a nation can fight—its tactics, where a nation can fight geographically—its flexibility, and in what strength it can fight—its staying power. And it reveals whether the fight would be conventional or nuclear, and when escalation from one to the other would likely occur.

These are the signals which spell out to would-be aggressors the consequences of aggression. Political leaders, great generals, national security advisers, intelligence analysts—call them what you wish—all make decisions about war largely on their evaluation of these signals.

Therefore, the trick of statemanship is to design the order of battle so that it sends signals to potential aggressors that the retaliation to an offensive would be disastrous to the aggressor nation. The more severe the consequences, the more certain is it that aggressors will take counsel of their fears, temper their diplomacy, forgo decisions which might lead to *casus belli*.

Applying this logic to the MBFR proposal, one comes up with the upside-down reasoning that says a reduction in conventional forces will actually increase deterrence, not weaken it.

Proponents of this reasoning point out that the Russians have two overriding questions confronting them:

Would the United States fight to prevent a takeover of Europe?

How would the United States fight—what armed forces exist, are they primarily conventional or nuclear, what are the odds of these forces in battle against Russian forces?

First, the second question: As Soviet war games most certainly have shown—as have most U.S. and NATO war games—the United States must escalate to nuclear weapons or lose a war with the Russians in Europe.

Occasionally, a war game surfaces which refutes such a pessimistic viewpoint. Robert McNamara's system analysts—his whiz kids—produced such a study in 1964–65 to support his view that the allies should adopt a conventional strategy to replace the nuclear strategy then appearing in NATO war planning documents.

Most military men were highly critical of the study, recognizing it as a smokescreen to support McNamara's position and noting that the whiz kids "stacked the deck" by using highly slanted intelligence which together with dubious assumptions, led in only one direction.

Another major series of Pentagon studies—some still under way but recently leaked piecemeal to the press—is again insistent that NATO could hold the line against a Warsaw Pact attack. These new studies, however, are not likely to change many minds. The pessimistic majority will again look on the studies as a smokescreen not likely to obscure the inferiority of NATO's conventional forces.

The first question—would the United States fight to prevent the loss of Europe?—is, then, the key to understanding how the Soviet Union might react to a unilateral reduction of forces.

If the leaders of the Soviet Union interpreted a unilateral U.S. reduction as a sign that the United States was abandoning NATO and would not fight to save Europe, then the consequences would be as dire as U.S. officials predict.

Other observers, however, contend that Soviet leaders are not likely to make this interpretation. Maintenance of a free Europe is of vital interest to the United States, and the consequences if Europe were to be lost are so profound, so inimical to the welfare and existence of a free society as to allow the Russians no other conclusion than this: The United States will fight to prevent the Communists from taking over Europe, whether by "Finlandization," blackmail or aggression.

To disagree with this makes moot any argument for keeping American forces in Europe.

As a consequence, the dilemma confronting the Communists is this: Logic tells them that the United States will fight to save Europe. The order-of-battle strategy tells them that the United States must use nuclear weapons or lose Europe. The inferior position of NATO conventional forces vis-a-vis Warsaw Pact forces insures that this escalation will happen.

Therefore, I see little logic in the statement that a unilateral force reduction will have dire consequences for the United States. Is it not more logical to predict that a reduction will strengthen deterrence—because leaving fewer conventional troops means that the remaining forces must escalate even more quickly to nuclear weapons

This is the nagging question which has held Soviet forces in check ever since NATO came into existence.

LETTER FROM A JEWISH PRISONER IN THE SOVIET UNION

HON. WALTER E. FAUNTROY

OF THE DISTRICT OF COLUMBIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 8, 1973

Mr. FAUNTROY. Mr. Speaker, in the midst of our efforts to establish and maintain peace in the troublesome Middle East, as the result of the latest Arab-Israeli war and our ever-continuing efforts at détente with the Soviet Union, there are many Jews who are being held in Soviet jails because of their attempts to emigrate or to practice their religion. For most of us here in the United States, the deprivation suffered by these prisoners of conscience are academic and intellectual concepts which stun the brain but not the heart.

Just recently I was privileged to share a letter which was written by Wulf Zalmanson to his uncle who is in Israel. Zalmanson is one of the prisoners of whom I speak being held for his beliefs. He is accused of hijacking a plane, however, his real crime is his desire to be a Jew in a society where religion is frowned upon and where emigration is nearly impossible. Wulf Zalmanson just recently celebrated his 34th birthday. Unfortunately, he will also spend eight more birthdays there in the Permskaya Oblast Prison.

Those of my colleagues who would like to write this courageous man to send him a few words of encouragement are urged to do so. His address is: USSR, RSFSR, Moscow, Uchr, 5110/1 Zh. H., Wulf Zalmanson.

If you write, I suggest that the letter be registered with a return receipt requested. If you would be so kind as to send a copy of your letter and any reply to my office, I will make sure that Ohev Sholom Talmud Torah Congregation, here in the District, which has adopted Wulf and his personal dilemma, receives it for their files.

I am including the letter sent by Wulf Zalmanson to his uncle so that you, too, can share and understand the experiences and problems faced by the Jew in the Soviet Union.

Greetings to Abraham, Zinia, and Jonah:

I received from Jonah two letters and a picture of Guy on the 12th of September. I was very happy with the letters, especially the Hebrew letter, because it is very good for me. I hope that in the coming letters you will write more news. I want to know everything about you, about the country, and if it is not possible to know everything, then as much as possible. Thanks to Jonah for the picture of Guy. I also request a picture of yourselves, for we have not seen each other in almost eighteen years. On my side, there are no great successes in my life or the life of my relatives. But I think that our luck is not so bad. I believe that we will all meet in one land, and already the day is bright, and the tomorrow lights our way. I and my friends interest ourselves in the problems of the country, in the relations with the neighbors within the country, in her industry, economics, culture, and religion. Please write about the matter.

The coming request is to copy some story by an Israeli author and send it to me. You don't have to copy the whole story, just about one page, and in coming letters you can continue the story.

I received a letter from Abraham 18 10/19.9, and I thank my uncle for the blessings for the New Year holiday.

I now have near me seven Jewish friends and we all want to go "up" to Israel. We study Hebrew and Jewish history. Those that know these things better than others help in the studies. We sometimes celebrate the holidays together. On Succoth, we had a succah, not a large one, but a very small one, and on the table were our festivities. And in such a manner, we learn the language of our fathers and our history, and we dream of the future. I bless you for Chanukah that is coming, and wish you much happiness and joy. Regards to Mark, Guy, our friends at Deganish "B" and especially Esther Egan, to Shalom Kofer and to Uzzir Ben Shalom.

Regards and mazel—tov to Yella Listin, the sister of my friend, Yosef Mendlowitz because she gave birth to a daughter.

Regards to the close one of my friend, David Sternglass, Mindel Langer (she lives in Ashkelon if she gives the address).

My friend *Mark Dymshitz* requests nice and varied stamps on the envelopes of the let-

ters. He sends stamps to his daughters as they collect them.

I apologize that my letter is so full of requests.

Regards from our friends,

Shalom and will see you again,

Yours,

ZEST.

A THANKLESS PLEASURE

HON. HENRY HELSTOSKI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 8, 1973

Mr. HELSTOSKI. Mr. Speaker, throughout its history, this Nation has been blessed with countless men and women who have served loyally and gallantly in our Armed Forces. In return, we have tried to provide our veterans with benefits and comforts in an effort to make their lives more pleasant and meaningful. In addition, we have been fortunate to have so many Americans willing to dedicate themselves to working with our veterans.

Today, I would like to focus our attention on the Veterans' Administration Voluntary Service—VAVS—a group of volunteer workers who devote tremendous amounts of time and energy to helping our veterans.

Discussing the VAVS recently, Veterans' Administration Administrator Donald E. Johnson pointed out that during 1973 these individuals gave nearly 10 million hours in service helping disabled veterans. This, Mr. Johnson said, is service "money couldn't buy."

As a member of the Veterans' Affairs Committee, I am familiar with the plight many veterans face. Hence, today I want to commend the VAVS for the group's admirable dedication.

Mr. Speaker, the following editorial, "A Thankless Pleasure," appeared October 25 in the Stars & Stripes-The National Tribune. I wish to share the article with my colleagues because it provides additional insight into this organization. The article follows:

A THANKLESS PLEASURE

It is impossible to find a group of people who work so hard, get little or no thanks, and yet obtain so much pleasure.

Most people would probably agree that it is impossible to find such a group because such a group does not exist.

Such a group does exist. It is known as Veterans Administration Voluntary Service, volunteers who are members of veterans' and other organizations.

In expressing his pride in the VAVS, Donald E. Johnson, Veterans Administration Administrator, said, "Volunteers who serve disabled veterans in Veterans Administration Hospitals gave almost 10 million hours in services that 'money couldn't buy' during 1973.

"An average of 106,220 volunteers per month contributed 9,822,416 hours of their time to helping veterans at the VA hospitals, domiciliaries, and regional offices during the fiscal year ending June 30. The all-time record, only slightly higher, is 9,862,398 hours contributed in fiscal 1971.

"The largest amount of time spent by VA volunteers in fiscal 1973 was for rehabilitation services to veterans, with assistance in nursing, second, and work in the voluntary service itself, third.

"The end of the war in Vietnam means that more, not fewer, volunteers are needed in VA, because young men requiring long-term rehabilitation are being cared for at a record level in the VA hospitals.

"Volunteers of all ages from high school through senior citizens are welcomed in the VA Voluntary Service. Although many enter through their veterans, welfare, civic, and fraternal organizations, those who would like to join directly are invited to contact the Chief of Voluntary Service at any VA hospital."

The Stars and Stripes-The National Tribune is also very proud of the VAVS program. Our subscribers write of their pride, from first-hand experience as a patient and those who are volunteers.

It is our hope that everyone in this nation makes a tour through a VA hospital. They would find VAVS volunteers working in a large variety of duties. They would find many young volunteers that are gaining practical experience while they are obtaining academic knowledge at school. They would find not only veterans helping veterans, but also veterans' wives, daughters, sisters, mothers, and grandmothers. They would also find non-veterans. They would find disabled volunteers, too!

These volunteers are not paid wages. You couldn't buy their satisfaction and pleasure.

MURDER BY HANDGUN: THE CASE FOR GUN CONTROL—43

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 8, 1973

Mr. HARRINGTON. Mr. Speaker, sometime Tuesday, November 6, Walter Parkin, Joanne Parkin, Lisa Parkin, Bob Parkin, Richard Earl, Wanda Earl, Ricky Earl, Debbie Earl, and Mark Lang were shot and killed.

Handgun legislation will protect people like them, not the criminal(s) who are responsible for their deaths.

The article from the November 8 issue of the Washington Post is included below:

FOUR CHILDREN, FIVE ADULTS SLAIN IN "EXECUTION"

VICTOR, CALIF., November 7.—Two couples, their four children and a friend were found shot to death execution-style today in a blood-spattered house in this tiny vineyard settlement.

San Joaquin County Sheriff Michael N. Canlis said all the victims had been shot in the head.

Authorities theorized the victims had been ambushed by men who later ransacked the grocery store of one of the victims, Walter Parkin, 33. Parkin was owner of the rambling $60,000 home, 30 miles south of Sacramento.

Two children were shot to death on a bed. Parkin and six other victims, gagged and bound, were stuffed into a walk-in closet in the master bedroom, police said.

The other victims were tentatively identified as Parkin's wife, Joanne, 31; their daughter Lisa, 11; their son Bob, 9; Richard A. Earl, an accountant and neighbor; his wife Wanda in her 30s; their son Ricky, 15; their daughter Debbie, 18, and Mark Lang, 20, identified as Debbie Earl's boyfriend.

The grisly discovery was made this morning by Carol Jenkins, 18, a roomer at the Parkin home who was out on a date Tuesday night. She said she had returned at 3 a.m., noticed nothing wrong and had gone to bed.

EMBARGO ON ALL FURTHER EXPORTS

HON. C. W. BILL YOUNG

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 8, 1973

Mr. YOUNG of Florida. Mr. Speaker, I have today formally requested Secretary of Commerce Frederick B. Dent to impose an immediate embargo on exports of oil and oil products from the United States. Under the Export Administration Act, the Secretary may take such action to preserve commodities which are in short supply. In light of the President's address to the Nation last night on the energy crisis, I feel that America can ill-afford any further drain on our already scarce energy resources.

There is no question but that such an export drain is occurring. And while it is not of great magnitude, its implications are disturbing in the present crisis situation. During calendar 1972, U.S. oil firms exported 1.4 million barrels of petroleum products; total exports through September of this year have already surpassed that level with 1.5 million barrels. The September export level jumped threefold from August's 200,000 barrels to 693,000 barrels as Great Britain and Holland sought to make up losses from Arabian producers.

The export motive is a powerful one. European oil prices are double those in the domestic American market, and even after shipping and handling an exporter can make a profit of 11 cents per gallon, or over a million dollars on one tanker load.

Mr. Speaker, while this profit-taking is certainly not widespread at this time, the temptation to export will grow with every month of increasing world scarcity due to the Arabian cutoff.

The American consumer has been asked to cut back on his energy requirements and to live with troublesome shortages. We are currently in a situation where every barrel of oil is needed. Therefore, my request that Secretary Dent impose an immediate embargo on all further exports will help ensure that all our resources are used to meet our own needs and to help us attain our goal of independence from foreign producers.

The text of my letter to Secretary Dent is as follows:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., November 8, 1973.

Hon. FREDERICK B. DENT,
Secretary of Commerce, Department of Commerce, Washington, D.C.

DEAR MR. SECRETARY: Last night millions of Americans heard the President of the United States evaluate our current energy crisis and understood the need for "Project Independence"—freedom from reliance on outside energy sources by 1980. This goal is one which I, personally, have advocated many, many times. We were also asked to make a substantial national effort to conserve our scarce energy resources.

The short supply of petroleum distillates—especially diesel fuel, home heating oil, and gasoline—has been emphasized by recent world events. Yet I have been greatly disturbed to learn that even now oil interests in the United States are continuing to ex-

port these commodities. More than 1.5 million barrels of petroleum products have left the United States so far this year, and September exports jumped more than threefold over August, with three tankerloads going overseas. While this is but a small fraction of the nation's annual petroleum consumption, we are currently in a situation where every barrel is needed.

The current situation demands a total embargo on exports of all oil products. Under the Export Administration Act you have the authority to impose "short supply controls" on scarce commodities. I can see no justification for allowing the exports to continue. The Russian grain deal should serve as an object lesson in the need to serve the American consumer first.

I am formally requesting that you exercise the authority available to you under the Export Administration Act and impose an immediate embargo on all exports of oil and oil products, and other energy sources which are in short supply domestically. If Americans are to conserve energy and live with troublesome shortages, we must not let what energy resources we do have be further reduced by exports to other nations. I strongly support the President in his efforts to deal with the energy crisis and share his confidence in the positive response of the American people. However, it would be hard for me and for the people in my District to understand why, in the face of a Presidentially-declared energy crisis, oil companies would be permitted to export petroleum products for the sake of inflated profits.

With best wishes and personal regards, I am

Very truly yours,

C. W. BILL YOUNG,
Member of Congress.

THE FEDERAL BUDGET

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 8, 1973

Mr. DERWINSKI. Mr. Speaker, the budget battle continues to rage here in Washington and the frustrations that beset the Congress on that score have received considerable public attention.

Station WMAQ-TV in Chicago commented editorially on the Congress budgetary frustrations and coupled them with the equally frustrating conditions that face the city council of Chicago.

I believe the editorial is a sound one and properly analyzes the budget battle that we in the Congress face.

The editorial follows:

EDITORIAL

The federal budget—charts, graphs and almost incomprehensible statistics—is a little less exciting to read than the telephone book. Maybe that's why Congress allows the Executive Branch to make up the budget.

It might be dull, but the federal budget essentially determines how our government is going to spend $270 billion of our money. But we cannot expect the average American citizen to analyze the budget and send along appropriate suggestions to Washington. Theoretically at least, that should be a job for the 535 people we elect to represent us in Congress.

But Congress allows the budget to be the private property of the President and the non-elected people he picks to run the Office of Management and Budget. So the Office of Management and Budget operates as sort of an "invisible government" making the crucial decisions about national priorities.

Congressmen can complain that we're spending too much for this and not enough for that. But Congress has no alternative budget of its own. It has no office to provide in-depth analysis of the President's budget. So when Congress votes to spend more for a program than the President wants, the President vetoes the appropriation and criticizes Congress for overspending.

That makes Congress a less-than-equal branch of government. And it won't be equal until it establishes its own budgetary office so members of Congress can have enough information of their own to enable them to play a role in setting spending priorities.

This inequality also exists at the local level. In Chicago, Mayor Daley makes up the budget every year, not the 50 aldermen. The mayor gives each of them one copy of his budget book and then, just three weeks later, they have to vote whether to adopt it or not. At least Congress has time to evaluate appropriations requests over a period of months instead of Chicago's quick take-it-or-leave-it way of adopting a budget.

We're not criticizing President Nixon or Mayor Daley. By law, they have the duty to present their budgets. The problem is that Congress and the City Council have failed to assert themselves in this process. Unless the people we elect as legislators grab a share of their authority to set priorities at the beginning of the year, they're not in a very good position to complain the rest of the year about how the money is being spent.

WILL ENVIRONMENT LOSE OUT TO NUMBERS GAME?

HON. EARL F. LANDGREBE

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 7, 1973

Mr. LANDGREBE. Mr. Speaker, there has been extensive speculation about whether the energy crisis is real or whether it has been manufactured by the major oil companies for the purpose of increasing their corporate profits. The discussion of this matter is extremely confused for the simple reason that everything is "real," including a manufactured shortage. What should be obvious to all is that the fuels exist in abundance in their natural states.

Until price controls were implemented in 1971 there were no shortages or surpluses in fuels. In a free market, one of the principal functions of the price is to equalize supply and demand. When prices are fixed by the Government, either surpluses or shortages must occur. The energy crisis is indeed a contrived crisis, for it has been caused by Government interference with the pricing of the free market. Perhaps such a crisis has been contrived in collaboration with major oil companies—I do not know. The fact remains that prices cannot be fixed except by the Government.

Together with this Government price-fixing are the Government pollution controls, which Perry Miller, who served for several years on the Indiana State Board of Health, has described as "our arbitrary and scientifically meaningless pollution regulations." In the article which follows Mr. Miller demonstrates how concern for the environment has "changed from a problem of applied knowledge to a problem of applied politics." The arbitrary pollution and price controls are the causes of the present energy crisis. Solution of the crisis cannot and will not be achieved until the causes of the crisis have been removed.

The article follows:

[From the Industry Week magazine, Aug. 27, 1973]

WILL ENVIRONMENT LOSE OUT TO NUMBERS GAME?

(An interview with the environmental consultant Perry E. Miller)

"We've got to begin to understand that going all out 'to stop pollution' will be harmful to the environment. For today we're failing to consider the requirements we're placing upon air, water, land, and energy to meet our arbitrary and scientifically meaningless pollution regulations.

"We've allowed ourselves to become so preoccupied with 'pollution' that we're ignoring the environment and we're ignoring conservation."

Environmental engineer Perry E. Miller stretches out behind his desk like a piece of rolling Indiana farm land. He comes from a small town in Indiana and was raised to respect that land.

"After all, you don't destroy matter. You change its form, and you do something with it. I've been an environmental engineer all my life. And if I have a waste product which I must return to the environment, I ought to be able to use my knowledge to determine what alternative means of disposal will be least objectionable and have the least environmental effect.

"Take the matter of 'zero discharge' for water. When you call for zero discharge, that means you are going to put the substance on the land. But that concept fails completely to recognize the relationship between ground water and surface water.

"Now look at a substance like common table salt. You use it on your food and it doesn't hurt you. You find it in the oceans and they are teeming with life. But when you must put it on the land, concentrations build up and the land becomes arid like the salt flats of Utah.

"So this is the kind of thing we are doing: promulgating regulations without a sound understanding and data base on what treatment alternatives we have, on what can be accomplished, on differing environmental circumstances in various parts of the country that relate to treatment requirements, and on the environmental, health, and conservation effects of our actions.

"Environmental improvement used to be a scientific and technical problem. But it's changed from a problem of applied knowledge to a problem of applied politics."

"WHAT" REPLACES "WHY"

Mr. Miller has been working for environmental improvement for more than 30 years. He has been instrumental in environmental programs both as a state health official and in industry—most recently as director of environmental control for Republic Steel Corp., Cleveland. He has now returned to Indiana as an environmental consultant.

Mr. Miller is concerned that we have become so preoccupied with what we are doing that we have forgotten why. He recounts the gradual change.

"I joined the Indiana State Board of Health in 1940 when we were mainly interested in water pollution as it affected public water supplies and the quality of the water for use by the public. This was part of an ongoing program that had come about because of the typhoid epidemics many years earlier.

"But many evolutions have occurred simultaneously. One has been growth itself. At that time in Indiana we had around 350 canning plants. Today I would suppose there aren't 50. But the total product canned is

probably as great or even greater now. And that means that the discharges are more concentrated and therefore more significant.

"So we have had considerable development and growth of this kind—agricultural, industrial, and urban. As growth occurs, eventually you reach a point where the streams no longer can assimilate the waste load and then discharges must be treated to maintain water quality.

"So it was on that kind of basis that during the decades of the 1940s and 1950s and even into the early 1960s our state treatment requirements were designed to maintain water quality in the streams. You analyzed the water and you made engineering determinations of what was actually needed to do that individual job.

"But beginning about the mid-1960s we began an abrupt swing away from letting the environment tell us what a problem was to letting numbers tell us what a problem was. And we have now come to believe in those numbers to a degree that few question where they came from or what they mean. And we wouldn't think of checking with the environment for that would take knowledge and judgment.

"The first major water quality act was passed back in 1948, and its significance in retrospect is that it first brought the federal government into what had been a state activity. But the program was put under the Public Health Service, and we state people had excellent relationships with the men in Washington and in the field offices.

"These men were career technical experts. They had been involved for many years in studies such as the quality of water in major rivers, in public water supply treatment, and in the analysis of municipal waste treatment operations. They knew what they were talking about.

"The states went to these men for help, and they got help. Then the states followed up to take the actions required to get the job done working with local jurisdictions and local industries.

"We studied problems, we found answers, and we made progress. But perhaps as technical people we had not moved fast enough or not tried hard enough to explain what we were doing and what our objectives were. Or perhaps engineering judgment in applying the treatment needed to maintain water quality for specific purposes may have been too difficult for lawyers and the public to understand

ENTER ENFORCEMENT CONFERENCES

"There's no doubt that in the early 1960s public interest was growing concerning the environment. We had public interest earlier, but it was on the part of people directly affected by a specific situation. Now there was developing a more generalized interest concerning the environment, and, when you find that kind of concern on the part of the public, that in turn generates a concern on the part of people seeking political office.

"So the legislators responded with enforcement conferences to bring the public and the state people together. And when you have the public involved, it apparently is necessary that you have some kind of yardstick by which the public and the judicial system can judge whether there is a problem or not.

"As a result, the law established enforcement conferences and standards in specific numbers. But it went farther. Amendments in 1965 required the states to establish those standards subject to the approval of the Federal Water Quality Administration. So for the first time, the states' decisions on water quality were subject to federal approval.

"In retrospect, it now seems clear that beginning with that required approval the states lost their power of engineering judgment on what was needed to maintain environmental quality and that henceforth those decisions were to be made in Washington.

POLITICS SUPPLANT KNOWLEDGE

"For with each new piece of legislation at the federal level since that time, a new layer of bureaucracy has been imposed at the top. As a result, the decisions and judgments and policies are being made increasingly by nontechnical people. The technical men we worked with and respected in the 1940s and 1950s are long since gone. And while there are still some technical people there, political appointees are responsible for the decisions that are being made.

"This structure means environmental determinations are being made on a basis of political needs rather than environmental needs.

"We have moved from state-administered plans with consultative services by the federal government through a situation in which the state still played a dominant role with the federal government setting certain standards of achievement, to a situation today that is almost a total dictatorship of the federal government in telling a state what it must do and how it must do it.

"Now this in turn has had several effects. One is that, with each new law and each new change in the federal structure, the paperwork has increased more or less geometrically. As an Indiana state official, I found that my staff was eventually spending its time filling out forms for the federal government rather than spending its time in the field identifying and solving environmental problems.

"But worse still, this all has been done in a way that keeps the laws changing and the requirements changing so rapidly that planning has been impossible on any kind of long-range basis.

"Nitrogen oxides in air are a recent example where standards were set and the government has now made a determination that the analytical techniques were inaccurate. So they have now drawn back from those standards.

"But the states, to meet the time requirements of the legislation, adopted those more stringent standards for nitrogen oxides. They have the regulations on the books. Now, when they are told that the data upon which the standards were based are invalid and thus that the standards are unnecessarily strict, states must amend those regulations. One can question how many are following through.

"Beyond that, now we have industry faced with a situation in which the federal government says it is drawing back because of invalid data, states which may or may not draw back, and local agencies within a state which also may or may not draw back. And if so, how far?

"In a situation like that, just how is industry supposed to know what it has to do?

"When you look at what we're facing it seems clear that we're on a collision course. The Clean Air Act of 1970 sets forth certain requirements for meeting ambient air quality standards. For some emissions, certainly, the mid-1975 deadline can be met.

"But for others we have neither the technology nor the wherewithal to have the facilities in place prior to the deadline. That means either we're facing a large number of court cases with inevitable delays and other consequences, or we must recognize these standards are unrealistic and be satisfied with the substantial progress from developing technology.

"And in water, the effluent guidelines need not be established until Oct. 18, 1973—a year after the effective date of the 1972 act. Yet on these guidelines hinge the permits to discharge which industry must obtain to continue to operate.

WHAT'S A COMPANY TO DO?

"In this numbers game, the only thing a man responsible for environmental control in industry can take to his board of directors is a program which he considers to be based on sound treatment methods and which will work. Then he can only hope that this will bring his company into compliance with the effluent standards yet to be established.

"In arriving at the 'best practicable' currently available treatment called for by the law for existing facilities, you would assume that you might be able to meet with both the state and federal people to discuss what you are doing and what it will achieve. But there is no mechanism set up to do this and, again, you can only hope that you will be dealing with reasonable and knowledgeable people.

"Unfortunately, therefore, industry can only endeavor to use sound engineering judgment and try to do those things which will make an improvement and operate reliably.

"It might be that if you used this approach, and could demonstrate to the regulatory agencies that you were doing the best job possible, they would not prosecute. But you now have both under the federal act and many of the state acts the right of civil suit. And this means that any citizen or conservation group can collect samples and from them ascertain that your company is not in compliance and bring an action.

"What that means is that even if you should convince the regulatory agencies that you are doing the best practicable job, you may still wind up in court defending yourself in citizen suits.

"So this is what you create when you set standards that eliminate the need to determine whether or not there actually is a harmful effect. We face a time of turmoil and litigation to sort out these helter-skelter piecemeal requirements that no longer relate to environmental equality and do not consider the best use of our resources.

"For if we have to go all the way in every situation—allowing nature to do none of the waste assimilation—then we are squandering energy and creating countless new problems.

CAN WE TURN BACK TO PROGRESS?

"Sooner or later we're going to have to begin looking once again at what kind of treatment we actually need both to conserve our resources and maintain the quality of the environment.

"It seems ironic that we call the regulatory agencies 'environmental protective agencies' when they are actually administering laws completely devoid of any environmental judgment as to what effect one action may have upon others.

"And this extends beyond simply the environmental effects. For while the consumer pays the immediate costs of irrational pollution control programs, ultimately the future cost of overutilization of our natural resources will face generations to come."

"ZIGGY" KAHN RETIRES: BUT WILL CONTINUE TO WORK WITH THE ELDERLY

HON. WILLIAM S. MOORHEAD

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 8, 1973

Mr. MOORHEAD of Pennsylvania. Mr. Speaker, every community has its outstanding citizens. These are men and women who stand head and shoulders above their neighbors because of the quality and quantity of their contributions to their fellow human beings.

One such man is Joseph "Ziggy" Kahn, of the Squirrel Hill section of Pittsburgh, who will resign as alderman of Pitts-

burgh's 14th ward on January 1, 1974, when he reaches the mandatory retirement age.

Ziggy Kahn was born in Pittsburgh in an area which was known for its strong ethnic ties; Irish, Italians, Jews, and Eastern Europeans lived in a quilted pattern of streets and alleys called the "Hill District."

Ziggy was an outstanding athlete as a young man and parlayed his skill and intense desire for an education into a college scholarship.

He never forgot his old neighborhood and friends and after returning from World War I and finishing college, he came back to the Hill District to become athletic director of the famous Irene Kaufman Settlement, where for many years thereafter he produced championship athletic teams.

I would like to congratulate this man for his long years of service and dedication to Pittsburgh and its people and include in the RECORD an article of Ziggy Kahn which recently appeared in the Pittsburgh Press:

ALDERMAN'S A WINNER IN LIFE

(By Jerry Vondas)

Early in the afternoon Alderman Joseph L. Kahn descends the long flight of steps leading from his office.

As he ambles up Murray Avenue in Squirrel Hill, he's stopped and greeted by businessmen and shoppers and well wishers.

It's not easy for the popular alderman to go anywhere in the Squirrel Hill community and not be recognized.

HONOR SLATED

These people who admire the former athlete will gather tonight at Temple Sinai and honor Joseph (Ziggy) Kahn for his many years of service to both the Jewish and Squirrel Hill communities.

The name Ziggy Kahn has been synonymous with sports in the district for over 50 years.

There's hardly a man living today having grown up in the Hill District who didn't come under the tutelage of Kahn at the Irene Kaufman Settlement House.

The alderman was born and raised on Centre Avenue in the Hill, the son of Jewish immigrants who fled Finland to avoid persecution by the Russians.

And in the late 1800s it was tough to be a Jew in the Hill.

"We were the butt of all resentment and all jokes and labeled 'Jew Boys.' How many beatings we took from the other kids because we were Jews.

TIMES EASIER NOW

"No, those weren't easy times for my family and I."

Ziggy attended Central High School and graduated from Schenley High School where he was a top athlete in basketball, football, baseball and track.

It was during one of Schenley's games against Braddock High School he was given the nickname "Ziggy" by Bill Peet of the Pittsburgh Dispatch. Peet labeled the youngster because he would zig zag up and down the football field.

After graduation, he was awarded an athletic scholarship to Panzer College, Montclair, N.J., only to have his schooling interrupted by World War I.

He was to spend a year on the Maginot Line in France with the field artillery.

On returning to college, Ziggy played professional football with Jock Sutherland at Columbus, Ohio. This was at a time when an athlete could go to school and still play professional ball.

SPITBALL HIS SPECIALTY

His ability as a spitball pitcher was also well known, and he was signed to a contract with the Cincinnati Reds, only to have his baseball career shortened when he suffered a shoulder injury playing football.

After college Kahn signed a contract to be the athletic director of a private academy only to have the job fall through when the directors of the academy learned he was Jewish.

In 1921, he was offered the athletic directorship of the Irene Kaufman Settlement which he held until 1963.

His teams through the years included such well known sportsmen as Arnold Fineberg, Herbert Bonn, Moe Becker, Marty Reiter, Nate Litfin and Hershey Schwart.

But Ziggy always found time to be active in many civic and fraternal orders and was one of the organizers of the Squirrel Hill Boys' Club.

In 1949 Kahn was elected alderman of the 14th Ward and will relinquish this position Jan. 1 when his mandatory retirement age becomes effective.

AIDS SENIOR CITIZENS

Kahn is looking forward to retirement for it will give him more time to work with his new love—the Squirrel Hill Elderly Service Association.

"There are over 5,000 senior citizens in the 14th Ward," Kahn explains. "And of number about 750 of them are not in good shape physically or financially.

"We are going to see that these people get all the medical and legal help that they need.

"And we are fortunate to have Bill Katz of the Papercraft Corp. as one of our directors. He's a big help."

Kahn takes 30 to 40 old timers once a week and gives them instruction on keeping fit with his emphasis on tension circulation which the oldsters can do with little inconvenience.

Kahn and his wife Anna are the parents of a son, William, who is a director of social agencies in St. Louis. There are four grandchildren.

As Ziggy looks about an office filled with trophies and mementos from many of the sports greats, he knows that his has been a life fulfilled.

CRITICAL AREAS OF VETERANS' LEGISLATION

HON. LESTER L. WOLFF

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 8, 1973

Mr. WOLFF. Mr. Speaker, the Nassau County Council of the Veterans of Foreign Wars has developed their legislative program for 1973–74, and I would like to share the highlights of this program with my colleagues. The following statements cover many critical areas of veterans' legislation and were all approved unanimously by the Nassau County Council of VFW at a meeting on September 18, 1973:

NATIONAL PROGRAM—VFW PRIORITY LEGISLATIVE PROGRAM FOR 1973–1974

AMNESTY

The Veterans of Foreign Wars of the United States is unalterably opposed to the granting of general amnesty to those persons found guilty of desertion or draft evasion.

COMPENSATION

100% service connected disabled veterans receive only $5,940 a year in disability compensation, with lesser amounts for those with lesser disabilities. The compensation rates must be increased to provide a higher standard of living comparable to that of Americans who did not suffer disabilities as a result of their wartime service.

Veterans rated 50% or more for service connected disabilities are entitled to a dependency allowance for a wife and minor children. The dependency allowances should be authorized for veterans rated less than 50%.

Widows of 100% service connected disabled veterans should be entitled to service connected dependency and indemnity compensation regardless of the cause of death of their spouse.

PENSION

Veterans who have worn the uniform during wartime should not be subjected to welfare status. Veterans pension benefits should be made adequate to preclude veterans from being on the welfare rolls.

The average World War I veteran is now 76 years of age. This places them in a special category for extra consideration. The VFW pledges assistance for a meaningful pension program for our World War I comrades.

VA pension rates and income limitations must be liberalized so that veterans and their dependents will not have their pensions cut on account of the recent social security increase and similar increases in retirement programs. It would appear increasingly necessary that all private and public retirement income should be excluded from being counted as income for VA pension purposes.

HOSPITAL AND MEDICAL CARE

No reduction in hospitals or reduction below the daily patient load of 85,500.

IMPROVE GI EDUCATION AND TRAINING BILL

Legislation to provide the same levels of GI Bill assistance to Korean and Vietnam veterans as was provided veterans of World War II.

Recognition should be given in the GI Bill to veterans with special needs, both before and after they are discharged from the Armed Forces, to prepare them for education and training without which they will be unable to successfully readjust to civilian life.

READJUSTMENT ASSISTANCE FOR VIETNAM VETERANS

Drug care and treatment by VA for all eligible veterans.

Restore "Veterans Day" to November 11th.

FOR MILITARY RETIREES AND THEIR FAMILIES

Re-affirm goal of recomputation of retirement pay to reflect active duty pay scales.

NATIONAL CEMETERIES

The VFW expresses its gratitude to the legislators who through their efforts were responsible for establishing a national Cemetery system under the jurisdiction of the Veterans Administration, which include all cemeteries presently handled by the Department of the Army.

We strongly urge our legislators to oppose any move by the Administration to include the Veterans Administration as part of Health, Education and Welfare.

HOW MUCH CREDIT IS DUE DÉTENTE?

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 8, 1973

Mr. CRANE. Mr. Speaker, at his recent press conference President Nixon declared that the crisis in the Middle

East did not develop into a confrontation between the United States and the Soviet Union because of the cordial relations developed as a result of the policy of détente.

Many other observers take a far different view. The November 1973 Washington Report of the American Security Council, for example, notes that—

The renewal of fighting in the Middle East not only destroyed the peace in that area, it helped many Americans understand the reality that the United States cannot depend on detente.

The Washington Report continues to point out that—

The Soviet duplicity in the Middle East removes the last doubt that Soviet talk of detente, of a new era of good will and cooperation between the U.S. and the Soviet Union, was anything but a device, a tactic, to gain whatever advantage was possible.

The policy of détente started in May of 1972. Despite détente, notes Columnist William F. Buckley, Jr.:

Here we were, October of 1973, and the Soviet Union (a) provisions a war in the Mideast, (b) threatens to intercede with Soviet military, and (c) (this is a report from one news magazine) threatens physically to destroy the State of Israel.

While the President credits détente with keeping the Mideast war from progressing any further, Mr. Buckley expresses the view that—

It does not surprise one that the Soviet Union was kept from carrying out its threats—we still have an army, and a navy, and an air force. What is surprising, for those who believe in detente, is that the Soviet Union is still making threats. The idea of detente is to stop making threats, to stop relying on force. Where has the Soviet Union shown a disposition to stop relying on force?

It is high time that we move away from the euphoria which accompanied the initial official statements concerning détente. Every indication is that the Soviet goal of world conquest is the same as it previously has been. The Berlin Wall continues to stand, Soviet troops continue to occupy Eastern Europe, a repressive police state continues to flourish within the Soviet Union itself, and the means of war are continuing to be supplied to the North Vietnamese, the Vietcong and, now, the Arab States. If this is a peace-loving power, there are few tangible indications of that fact.

I wish to share with my colleagues the column, "How Much Credit Is Due Détente," by William F. Buckley, Jr., which appeared in the Washington Star-News of November 1, 1973, and insert it into the RECORD at this time:

HOW MUCH CREDIT IS DUE DÉTENTE?

Poor Richard Nixon is entitled to such satisfaction as he deserves, and the other day at the press conference he was visibly buoyed by the "success of his negotiations with the Soviet Union. By the vindication of detente. If it had not been—the President said in effect—for my painstaking approaches to the Soviet Union over the past year and a half, who knows what would have happened: a confrontation between and Russian troops in the Mideast certainly, and, beyond that, perhaps even the dread world war. Presidents who avoid world wars are certainly entitled to public gratitude, roughly in proportion as their ingenuity was responsible for avoiding that war.

I do not wish (here) to disparage Nixon's maneuverings of last week, merely to ask whether one should leap—as Nixon would have us do—to the conclusion that detente was the cornerstone of last week's success.

Surely it is reasonable to suppose that the Soviet Union does not desire a world war. At least not for so long as a world war would mean the destruction of the Soviet Union.

We have faced crises with the Soviet Union before, and at times when the cold war was at its coldest. President Eisenhower landed American troops in Lebanon. A year or two later Khrushchev announced his intention of taking Berlin, and President Eisenhower announced his intention of hanging on to Berlin. Meanwhile the leaders of the People's Republic of China announced their unanswering determination to seize the offshore islands of Quemoy and Matsu. President Eisenhower ordered the 7th Fleet to patrol the relevant strait, and, as we all know, Quemoy and Matsu are still there. President Kennedy ordered Khrushchev to take his missiles out of Cuba and stuff them back into the Socialist motherland, and Khrushchev did so.

Nixon's contention that the Mideast ceasefire is a bloom of detente is preposterous. It is a pity that the reporters in the room were so anxious to turn the press conference into an examination of Watergate that no one asked the primary question, namely: Why did we come close to a confrontation with the Soviet Union in the Mideast?

Detente started formally in May of 1972, and here we were, October of 1973, and the Soviet Union a) provisions a war in the Mideast, b) threatens to intercede with Soviet military, and c) (this is the report from one news magazine), threatens physically to destroy the State of Israel, to whose independence the United States is pledged.

Now it does not surprise one that the Soviet Union was kept from carrying out its threats—we still have an army, and a navy, and an air force. What is surprising, for those who believe in detente, is that the Soviet Union is still making threats. The idea of detente is to stop making threats, to stop relying on force. Where has the Soviet Union shown a disposition to stop relying on force?

The next question to ask the President is: If we project the relative decrease in our military strength over the next five or six years, can you assure us that we would be in a position to stop the Soviet Union in a crisis of this sort?

And if not, what force is Israel going to rely upon, in her next war, to contain a Soviet-backed effort to destroy her?

Surely the Senate Foreign Relations Committee at this point should call in representatives of the chiefs of staff, and ask them the question: If the Soviet Union had called our bluff, what would we have done about it? It may be that as the situation gets hotter, President Nixon gets cooler. But all the while the United States gets weaker.

BECAUSE THEY ARE JEWS

HON. FRANK J. BRASCO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 8, 1973

Mr. BRASCO. Mr. Speaker, even as we debate here today, at least 450 Israeli military personnel languish in Arab captivity, hostage to the still fluid plans being hatched in the Arab world aimed at doing damage to the Jewish state.

Thousands upon thousands of Arab prisoners have fallen into the hands of Israel, belonging to the armed forces of Syria, Egypt, Iraq, Morocco, and Jordan. In every way, these men have been treated with fairness, compassion, humanity, and mercy. None have been abused, tortured, beaten, or degraded, either publicly or in private. The truth of this has been attested to by representatives of the International Red Cross and the so-called United Nations.

Acting against their better military judgment, the Israelis have allowed plasma to be delivered, much of it from Israel, to wounded Egyptian troops. Resupply of the 3d Army, beaten and isolated, has been allowed by Israel when most other people would have demanded that their armed forces follow up an earlier advantage and destroy the enemy.

Simultaneously, the Israel Government has scrupulously supplied lists of all captured Arab military personnel to the respective governments, complying in full with every dot and comma of the Geneva Convention accords. No one, even their worst enemies, can accuse the Israelis of acting in anything but a humane manner.

In response to all this, what have the Israelis received as a quid pro quo in regard to their military personnel in Arab hands? Precious little. In fact, facts just now coming to light indicate that the Syrians at least have acted with indescribable barbarity toward Israeli prisoners. We are informed reliably that a number of Israeli prisoners of war, taken in combat wearing the uniform of their nation and surrendering according to the laws of war governing such situations, have been mercilessly butchered on the slopes of Mount Hermon and been buried quickly to hide the dead.

Such an outrage defies description and adjectives.

Where are the humanitarians who bleed so copiously and often for the Arab refugees? Where are the seekers after justice, who have so ardently pleaded the cause of all foes of the Jews? Where is the so-called United Nations, which has passed so many resolutions condemning the Jewish state as it fought for its life over the years?

Where is the Friends Service Committee, so active on behalf of refugees? How about the government of India, whose humanitarian burblings have amused and instructed us for so many years? And the Socialist states, who rave on about the rights of people? Where are they? Who sheds a tear for the Jews?

How can the United Nations ask to be taken seriously by anyone when its double standard is its ultimate degradation as an organization? It said nothing when Idi Amin of Uganda praised Hitler's acts of genocide against the Jews. It has said nothing about Russian persecution of the Jews. It turns a blind eye and a deaf ear to international terrorism directed against the Jews.

And now it raises not even a peep over the brutal, barbaric butchery of unarmed men, whose only crime was to raise their hands in surrender. Are the good diplomats not aghast at the spectacle of men having their hands tied behind their

backs and then shot through the head? Do not they blench in horror at the spectacle of Israeli prisoners with their throats cut? Do they not seek even some inquiry? Is this not of concern to them? Or is there a different standard for the Jews from that applied to the rest of the world? Perhaps that is the real answer.

This has been going on for more than 20 centuries. The names of the persecutors may change. The means of murder may evolve. The location of the crime may differ from one era to the next. But the identity of the victims is always the same. The Jews. Always the Jews.

The Crusaders justified it because Jews were supposed to be deicides. The Inquisition justified it because Jews were unbelievers. The persecutors of Dreyfus justified it because Jews were supposed to be traitors to France. Hitler justified it because of race difference. Stalin justified it because they were an indigestible lump in Communist society. Today's Kremlin rulers justify it because the Jews insist on their religious identity and right to emigrate to Israel. How will the Arabs justify it? How does the U.N.? It will be interesting to learn whether or not a new excuse can be produced this time.

And who will it be tomorrow? And what will their rationale be? I do not pretend to know. All I can be certain of is that the victims will once again be the Jews.

Mankind's molar bankruptcy is proclaimed by Syria and confirmed by the United Nations. Our silence today around the world is louder than any shout of anger. It gives the lie to any pretensions to civilization or pious mouthings of justice. Israel's worst fears should be confirmed by such murders and the world's acquiesence in them.

In turn, this causes me more fear than ever. For in each age, those who committed such crimes and others who have condoned them have inevitably suffered a worse fate. It is almost as if such inaction brings with it a guarantee of doom.

As for myself, I disassociate myself from any such inaction, for to maintain silence in the face of such evidence is to sanction murder. Fervently do I hope that our country will not fall into line with those nations and institutions and groups who have turned their faces away from this horrendous spectacle. Our Government should forthwith, and in the most vigorous manner insist to the Soviet Union that the elementary accords of the Geneva Convention be lived up to by their Arab clients. No stronger guarantee of more bitterness and strife can be conjured up than this situation.

To do less is to share in the shame of all mankind.

WASHINGTON REPORT

HON. JAMES R. GROVER, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 8, 1973

Mr. GROVER. Mr. Speaker, continuing my remarks of October 26, I wish to present further selections from my newsletters of the past year:

SELECTIONS FROM NEWSLETTERS

WELFARE REFORM—JULY 26, 1973

We have discussed the Alice-in-Wonderland world of Washington bureaucracy before and we have taken many a jaundiced look at the welfare labyrinth. Put the two together and you have a welfare system which is very much deserving of the distaste with which it is viewed by the average American.

A Congressional study unveiled recently by my colleague, Rep. Martha Griffiths of Michigan, showed that a family of four in welfare-weary New York City must have at least $11,500 in earnings if it is to equal the potential of all the government assistance available to that same family on welfare. For the poor, the uneducated, those having to overcome prejudice, the message then becomes rather clear. It pays to go on welfare in New York City because you are better off than working at some menial job. It becomes rather clear then why more than one out of every seven or eight persons in New York City is on the dole, rather than on the job.

A working family, of course, faces certain expenses. It pays taxes—to support the people who don't work. It faces the expense of getting to and from work. More clothing is required. It pays all the expenses which we have come to take for granted—for medical and dental care, for tools, union membership, housing, etc. But the family on welfare gets a great deal more than the non-taxable $4,000 for which it is eligible in city welfare payments. It gets free medical care, food stamps, school lunches. Its housing costs are paid. It is eligible for such services as day care.

A poor, unskilled family would have to be blind not to see fairly soon that it is better off on welfare than with an income of $5,000 or $6,000. President Nixon has been charged with cruelty, bigotry and insensitivity for his efforts to streamline the welfare system and to bring some sanity to it. Perhaps his critics could be charged with cruelty and insensitivity toward the working poor.

No person should be allowed to go hungry, unhoused and poorly clothed. We have a moral obligaton to assist our less fortunate neighbors. We must look to their needs. But let us not forget that it was work that made this nation great. Perhaps future historians will blame an inane welfare system for dragging it down.

BATTLE OF THE BUDGET—SEPTEMBER 20, 1973

The Congressional recess having ended, Washington lawmakers returned to face two major problems. One is the highly publicized and continuing Watergate matter and the obvious need for sweeping election reforms. The other, with possibly more significant long-term implications, is the continuing battle of the budget.

It is on the latter battlefront that the Democratic-controlled Congress appears to have a major advantage. Despite the President's continuing call for economies in government, the lawmakers had already added close to a $1-billion deficit to the Presidential budget before leaving for the August recess. President Nixon is seeing any hope for a balanced budget go glimmering as new spending proposals go into the Congressional hopper. The Democratic-controlled Congress appears to be ignoring Presidential warnings and the administration's requests for economy.

I do not agree completely with some of the President's priorities on spending. For example, I opposed the impoundment of pure waters funds which provided an additional $300-million in federal aid for New York State's municipal waste disposal projects.

As the battle of the budget continues in Washington, I predict that you will see it take classic lines. Liberal members of Congress have already zeroed in on the Defense budget as their target. They want to balloon the cost of domestic programs while proposing dangerous cuts in our arms commitment, while conservative and moderate members of Congress will point to the already high costs of many domestic programs and the waste uncovered in some, particularly in the poverty sector.

This is not to say that there is not a middle ground on the Defense budget. It can be trimmed of duplication and waste but few would deny that a strong nation is more likely to enjoy lasting peace than one which is counting on the good will of Soviet Russia and the Chinese. Much of defense spending is now due to the high cost of the all-volunteer services, the need to make service life attractive and comparable to private industry.

Watch the dollars-and-cents decision which will be made on Capitol Hill in the coming weeks. They will affect not only your pocketbook but your future in the world.

LAND USE PLANNING ACT—SEPTEMBER 27, 1973

One of the most radical and far-reaching legislative bills which I have seen in my years in Congress breezed smoothly through the Senate Chamber some weeks ago. It now awaits the House Interior Committee's action, and many members of that committee are praising it as the panacea for all environmental ills.

This type of legislation is often called a "sleeper." It has an attractive cover and title—The Land Use Planning Act—and its avowed purpose is to encourage the states to undertake a land use planning program. But how does this power grab encourage states to do their planning? It requires the states to submit a land use program to the Interior's Secretary for approval. What if he doesn't approve of the plan? Well then, New York State, for example, loses hundreds of millions of dollars of its share of highway, airport and land and water trust funds. Just a pint-sized package of federal blackmail.

Okay, so lets give them a plan they will approve—what can we lose? Since we must conform to the planning criteria in the bill we stand to lose our home rule shirt at all levels of government. Tihs surreptitious nationalizing of real property laws, zoning laws and building codes makes the UDC look as a democratic, harmless and acceptable as a New England town meeting.

It could force public housing on communities, control density and location of residential, business and industrial buildings; it could dictate location of governmental facilities, public utilities and even have a say in police and fire protection in our communities.

We are all for cleaning up our air and water and for keeping our country clean and green. But do we have to totally disenfranchise our villages, towns, cities and counties with this collectivist legislative outrage to accomplish such a goal?

FIRE ISLAND BEACH EROSION—OCTOBER 11, 1973

A recent announcement by the National Park Service that it will no longer attempt to prevent beach erosion at the Cape Hatteras National Seashore has caused a great deal of concern here on Long Island. By inference, announcement of this new policy would indicate a similar approach to the National Seashore areas on Fire Island. There are a number of points which should be kept in mind before we go along with such a policy.

First, this announcement was made by the Interior Department, not by the Army Engineers. The Engineers are now conducting, as a result of my amendment to rivers and harbors legislation, a broad-ranging study of Great South Bay. I will be meeting with them shortly to discuss a deadline for completion of this study and I will ask them to include, in their work with a computer model of the bay, a study of barrier beach erosion and its impact.

It is also important to keep in mind that

this Interior Department approach, which will be applauded by many who oppose artificial preservation of beachfront, must be reviewed by Congress. It goes without saying that property owners in areas affected by such a policy would oppose it.

Here on Long Island, our beach sands are moved from east to west in a littoral drift powered by ocean currents and countered by prevailing southwesterly winds. Historically, erosion, strong tides and high seas have created periodic breakthroughs in the barrier beach. These are a foregone conclusion if man doesn't do periodic repair work. It is a frightening possibility that a major ocean breakthrough during a severe hurricane could wipe out thousands of homes on the mainland of the South Shore and endanger many lives as well.

There are two sides to the question and I don't pretend to have the answers. Maintenance of the barrier beach, through dune repair, groin work, sandbagging, dredging of existing inlets or creation of new inlets, is extremely expensive. Perhaps we would achieve some form of beach stabilization if we did nothing, although we know that Fire Island would be carved into a different shape by the water and wind.

I am hopeful that the Engineers study will give us the information we need to make a proper judgment here. In view of the development of Fire Island, the overdevelopment of our bayfront and the importance of our waterfront recreation and home areas, it would be foolhardy to stick with the Interior Department's shoot-from-the-hip decision.

FISHERY ZONE—OCTOBER 18, 1973

Those Americans who are trying to adjust their outlook to a situation in which our nation is at peace should be aware of our involvement in an unannounced war, one which, in the long run, could have grave consequences to the world's food supply. I refer to the continued protein battle on the high seas between those unprincipled nations which take everything from the ocean waters which swims, without regard to replacement of fish stocks, conservation practices, equitable treatment of all nations or even the edibility of what they are netting.

Congress has been patiently waiting a resolution of these problems through various international conferences by such august bodies as the United Nations Seabeds Committee and the International Commission for the Northwest Atlantic Fisheries (ICNAF) and meetings between individual involved nations. A law of the Sea Conference under ICNAF sponsorship holds forth some hope. There is, in fact, a crisis meeting of ICNAF in Ottawa at this moment.

To date, we have seen little of accomplishment but a great deal of talk. The recent British-Icelandic confrontation shows that some nations are ready to stop talking and start shooting or confiscating. Particular violations of agreements regarding fisheries have been the Russians and other East European nations which are scouring the seas off our coasts.

Because of the decimation of various species of fish, American commercial fishermen have suffered a catch reduction of 50 per cent in recent years. Not only have consumers had to pay more to provide fish for their tables, but this thinning out of fish stocks is having an impact on sports fishery as well.

My legislation, which would extend American control over our waters to the borders of of our continental shelf, is in committee awaiting Congressional action. This would allow our nation to practice proper conservation procedures in an area extending up to 200 miles off our shores. If we do not receive voluntary cooperation from nations which appear to have no concern for the future, we ought to pass this legislation and enforce measures which will insure us a continuing harvest from the ocean's depths.

WATERGATE AND RELATED ISSUES—NOVEMBER 11, 1973

I have commented at various time this year on the issue of campaign "dirty tricks," Watergate, and related events. There is no room for such activities in our political system. While I am shocked and saddened at the disclosures and find it healthy that the public learn the facts, I am cautious that we work within the system to root out the evils already exposed. People in public life are entitled to due process of law and that presumption of innocence accorded to every other citizen.

I supported the selection and appointment of an independent prosecutor to investigate the facts of Watergate, and while many of us question the wisdom and propriety of the President's removing Mr. Cox, the President had the legal right to remove him as he does any other administration appointee. It is hoped that the new special prosecutor will be unhampered in his pursuit of the facts and the truth.

Regarding the White House tapes, while the constitutional question of privilege and separation of powers was never decided with finality, it must be said that simple justice for those involved demanded that their substance be made known to the courts.

On the matter of impeachment, I am in support of the inquiry being undertaken by the House of Representatives. Although many constituents have written urging me to take a stand immediately and pledge to vote for impeachment, I remind them that on such a matter, if the Judiciary Committee reports a bill of impeachment, the House sits as a quasi-judicial body, a 435-member grand jury. As such a body, the House must evaluate the evidence to determine if the offenses shown are tantamount to and meet criteria of "high crimes and misdemeanors." Since Representatives must thus sit in judgment, it is my contention that a prejudged commitment is violative of due process. Certainly in our judicial system, such a public position by a grand juror would be unethical and in contempt of court.

For the good of our great country and its governmental institutions, I hope that we can resolve the House inquiry with its impeachment questions and the confirmation of Gerald Ford as Vice President with fairness and dispatch.

Over the years of my service to my constituents, I have urged them to keep in mind the great heritage we have in our nation's great wealth of resources, not only material and physical, but also moral and spiritual. While the headlines may fame the evils and evildoers of our society, there are so many good people and so many good things in our great country to support our abiding faith in the United States of America and her institutions.

LABOR-HEW APPROPRIATIONS BILL MUST BE RETURNED TO CONFERENCE

HON. ALBERT H. QUIE

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 8, 1973

Mr. QUIE. Mr. Speaker, today the conferees on the Labor-HEW appropriations bill, H.R. 8877, have completed their conference and filed a report which includes the same formula restrictions on title I of the Elementary and Secondary Education Act which were contained in the continuing resolution, House Joint Resolution 727, which was almost defeated by the House on October 11, 1973.

When the House considered the report on the last continuing resolution, I supported that report only because the situation was urgent since it was before the House the last day before the previous continuing resolution expired. The previous resolution provided for a 100 percent of 1972 hold harmless for the States which was totally unacceptable to me.

Lastly, it was promised that the conferees on the Labor-HEW appropriations bill would attempt to work out a better solution on that piece of legislation. Since they have not, if I have the opportunity, I intend to move that H.R. 8877 be recommitted to the conference committee with instructions to report back a bill that includes a 90 percent hold harmless for local school districts based on 1973 actual funds and applies a 120 percent of 1973 limitation to the amount which any State may receive. The combination of those two factors will permit a much more equitable distribution of funds to occur.

For the information of Members, I am inserting below a table reflecting State distributions based on the application of the provisions I favor compared to the provisions contained in H.R. 8877. Both tables reflect the effects of the limitations applied at the county level.

The table follows:

STATE TABLE TITLE I, ESEA—LEA GRANTS ONLY

[In thousands of dollars]

State	Actual 1973 LEA	H.R. 8877 provision[1]	Quie proposal[2]
Alabama	$34,549	$36,331	$32,021
Alaska	2,415	2,757	2,898
Arizona	8,154	9,354	9,761
California	111,618	128,361	133,942
Colorado	10,237	11,680	12,284
Connecticut	11,747	11,680	14,097
Delaware	2,323	2,672	2,788
Florida	24,111	27,433	28,933
Georgia	40,573	42,841	39,767
Hawaii	3,715	4,272	4,458
Idaho	2,719	3,062	2,948
Illinois	69,554	79,657	83,465
Indiana	18,773	21,241	21,220
Iowa	14,601	15,402	14,810
Kansas	9,147	10,166	10,976
Kentucky	32,212	33,817	31,215
Louisiana	31,322	35,609	33,241
Maine	5,634	6,479	66,760
Maryland	19,381	22,250	23,257
Massachusetts	24,894	28,628	29,872
Michigan	51,769	59,517	62,123
Minnesota	20,897	22,739	23,936
Mississippi	35,923	37,867	32,628
Missouri	23,367	25,210	25,711
Montana	2,866	2,236	3,240
Nebraska	7,188	7,798	7,491
Nevada	924	1,040	1,109
New Hampshire	2,007	2,309	2,409
New Jersey	44,232	50,867	53,079
New Mexico	7,393	8,502	8,872
New York	196,836	226,356	236,203
North Carolina	51,557	50,635	46,912
North Dakota	4,101	4,360	3,894
Ohio	42,248	48,337	50,698
Oklahoma	16,649	18,436	16,651
Oregon	8,421	9,685	10,106
Pennsylvania	64,998	74,748	77,978
Rhode Island	4,874	5,605	5,849
South Carolina	29,853	30,882	27,157
South Dakota	5,470	5,713	5,477
Tennessee	31,273	32,660	28,798
Texas	67,676	74,233	70,304
Utah	3,895	4,447	4,674
Vermont	2,094	2,399	2,268
Virginia	31,523	33,230	33,817
Washington	13,446	15,462	16,135
West Virginia	17,320	19,242	16,135
Wisconsin	17,341	19,762	20,809
Wyoming	1,171	1,326	1,405
District of Columbia	10,096	11,610	12,115

[1] 1972: 90 percent LEA, 90 percent SEA, and 115 percent LEA.
[2] 1973: 90 percent LEA and 120 percent SEA.

Note: Col. 1 is based on actual 1973 HEW allocation of $1,585,000,000. Col. 2 and 3 are based on $1,810,000,000, the amount contained in conference report on H.R. 8877.

I have also selected three States and am inserting at this point in the RECORD tables indicating how much each county would receive under the provisions I favor in comparison with those contained in the Labor-HEW appropriations bill. If space permitted, I would be happy to insert tables for each State. That information is available and may be obtained through the minority office of the Education and Labor Committee, X51743.

The tables follow:

CALIFORNIA TITLE I, ESEA—LEA GRANTS ONLY

[In thousands of dollars]

County	Actual 1973 LEA	H.R. 8877 Provision [1]	Quie Proposal [2]
Alameda	$6,192	$7,121	$6,770
Alpine	4	5	6
Amador	21	24	26
Butte	549	632	652
Calaveras	39	45	68
Colusa	56	64	53
Contra Costa	2,600	2,991	3,300
Del Norte	95	109	96
El Dorado	195	224	244
Fresno	4,219	5,853	4,492
Glenn	81	93	81
Humboldt	544	625	531
Imperial	758	871	708
Inyo	46	52	70
Kern	2,542	2,924	2,716
Kings	664	764	606
Lake	127	146	162
Lassen	47	55	55
Los Angeles	45,181	51,958	55,157
Madera	486	559	438
Marin	429	494	618
Mariposa	28	33	26
Mendocino	322	371	334
Merced	970	1,117	1,167
Modoc	52	60	50
Mono	9	11	12
Monterey	1,299	1,494	1,297
Napa	235	271	275
Nevada	112	129	120
Orange	3,594	4,133	4,893
Placer	341	393	429
Plumas	56	65	64
Riverside	2,772	3,188	3,407
Sacramento	3,851	4,429	5,103
San Benito	115	132	122
San Bernardino	3,785	4,353	5,063
San Diego	5,505	6,331	7,347
San Francisco	4,791	5,510	4,739
San Joaquin	2,097	2,411	2,382
San Luis Obispo	424	488	419
San Mateo	1,413	1,626	1,934
Santa Barbara	1,023	1,177	1,246
Santa Clara	4,306	4,952	5,501
Santa Cruz	494	569	713
Shasta	505	582	596
Sierra	8	9	10
Siskiyou	138	159	124
Solano	946	1,088	1,202
Sonoma	$1,049	$1,207	$1,228
Stanislaus	1,676	1,927	1,601
Sutter	215	247	242
Tehama	158	182	142
Trinity	38	44	45
Tulare	2,134	2,454	2,151
Tuolumne	67	77	88
Ventura	1,505	1,732	2,023
Yolo	370	426	568
Yuba	324	373	429

FLORIDA TITLE I, ESEA—LEA GRANTS ONLY

Alachua	$472	$544	$425
Baker	77	11	70
Bay	363	418	341
Bradford	80	93	73
Brevard	325	374	715
Broward	1,387	1,595	1,723
Calhoun	112	101	101
Charlotte	46	53	53
Citrus	60	69	70
Clay	138	159	180
Collier	102	117	133
Columbia	213	246	193
Dade	3,619	4,162	5,133
De Soto	58	67	53
Dixie	50	47	45
Duval	2,197	2,570	3,005
Escambia	813	936	1,125
Flagler	44	52	40
Franklin	69	80	62
Gadsden	528	488	476
Gilchrist	34	31	31
Glades	34	35	31
Gulf	64	74	63
Hamilton	107	23	96
Hardee	106	103	96
Hendry	53	62	59
Hernando	60	70	75
Highlands	103	118	111
Hillsborough	1,865	2,145	2,027
Holmes	193	173	173
Indian River	110	127	149
Jackson	498	532	448
Jefferson	152	175	137
Lafayette	29	34	26
Lake	353	406	318
Lee	235	270	342
Leon	395	454	355
Levy	84	96	91
Liberty	31	34	28
Madison	219	252	197
Manatee	266	307	294
Marion	443	510	399
Martin	65	76	126
Monroe	127	146	194
Nassau	146	169	132
Okaloosa	215	248	379
Okeechobee	39	45	56
Orange	1,016	1,168	1,436
Osceola	97	111	87
Palm Beach	1,200	1,380	1,386
Pasco	181	208	192
Pinellas	1,056	1,215	1,258
Polk	908	1,045	1,021
Putnam	259	298	278
St. Johns	205	236	185
St. Lucie	208	239	423
Santa Rosa	151	175	170
Sarasota	211	244	265
Seminole	448	516	404
Sumter	100	116	99
Suwannee	180	207	162
Taylor	103	119	93
Union	38	44	35
Volusia	560	644	638
Wakulla	60	68	54
Walton	182	208	164
Washington	144	166	130

UTAH TITLE I, ESEA—LEA GRANTS ONLY

Beaver	$8	$9	$18
Box Elder	81	94	111
Cache	97	111	99
Carbon	97	112	87
Daggett	4	5	4
Davis	162	186	218
Duchesne	55	63	49
Emery	44	40	40
Garfield	11	13	13
Grand	23	27	26
Iron	26	30	37
Juab	17	20	16
Kane	11	10	10
Millard	63	64	57
Morgan	5	6	5
Piute	11	11	10
Rich	9	9	9
Salt Lake	1,666	1,916	2,078
San Juan	302	348	319
Sanpete	59	68	53
Sevier	54	63	49
Summit	$15	$17	$22
Tooele	60	70	72
Uintah	75	87	81
Utah	398	458	491
Wasatch	14	17	13
Washington	51	59	65
Wayne	19	18	18
Weber	449	517	602

[1] 1973: 90 percent LEA, 90 percent SEA, and 115 percent LEA (quarter).
[2] 1973: 90 percent, and 120 percent SEA.

THE CRISIS CALLED WATERGATE

HON. MARIO BIAGGI
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Thursday, November 8, 1973

Mr. BIAGGI. Mr. Speaker, the country is in a great crisis. Its President is under attack and the mood of Congress and the public is one of confounded fury. Yet is the crisis as serious as the civil war which threatened to tear our country in two? Or is it as serious as World War II, when the entire republic and our democratic principles were at stake? I think not. A crisis, yet but one that can be dealt with in the manner proscribed by the Constitution and the law and one that must be dealt with not in the fashion of a lynch mob, but through the procedures and institutions established for determining the truth and meting out justice.

The Watergate affair and the resultant attack on the President is a serious and complex matter. Numerous underlying issues are confused with the main investigation. I would like to attempt to enumerate briefly the various—but by no means all of—the complaints now being investigated. First, of course, is the Watergate break-in, the political espionage of the 1972 campaign and the resultant cover-up of these activities by high Government officials, including possibly the President. Investigating this matter is the Senate Select Committee on Campaign Practices, the General Accounting Office, the Department of Justice, the Federal Bureau of Investigation, the Office of Special Prosecutor, a Federal grand jury and countless news media personalities with predetermined opinions. Involved in this investigation is the need to listen to the Watergate tapes which might shed light on the involvement of the President and other high officials and help determine who is telling the truth and who is lying about the break-in and cover-up. Clearly the tapes should be made available to the courts for such a determination. By use of the unusual in camera hearing by the district court judge, the national security interest will be protected and the right of a President to confidential conversations with members of his staff will also remain intact.

The next major issue involved in this case in the question of misuse of campaign finances. There is some overlap here with respect to the use of campaign funds for the illegal activities mentioned above. However, the questionable activities go beyond that. The involvement of the International Telephone and Telegraph Co. in sponsoring campaign advertising at a time when they had a case pending before the Justice Department; the question of possible solicitation of a campaign donation from the milk industry in return for a decision on milk price supports favorable to that industry; the question of illegal donations from corporations; the question of illegal and unreported cash contributions; all have to be answered. Congress has set up machinery for such investigations under the new campaign financing law. The General Accounting Office is charged with investigating any violations and has been diligently working on these matters. Any findings of wrong-doing will be turned over to the Justice Department for prosecution.

The break-in of Daniel Ellsberg's psychiatrist's office is being investigated by a west coast grand jury. The use of the Central Intelligence Agency for political purposes has been investigated by a House Select Subcommittee, which recently issued a report. These activities, however, were conducted primarily by

aides to the President and some of these aides have been indicted already in connection with the break-in. Their guilt or innocence will be determined by the courts.

Questions surrounding the use of public funds on the private property of the President was investigated by the House Appropriations and Government Operations Committees which said that the expenses, while perhaps somewhat excessive in the quest for security, were within legal limits of the existing laws. Changes in the law have been proposed to require congressional review and approval of any improvements and to limit the number of houses so improved. I have urged that consideration be given to limiting the President to the White House and Camp David which are public residences for the President. During his term of office, he need not use any other residence. If a "Western White House" is deemed desirable by the Congress then such should be authorized and maintained as a public residence for all Presidents. Future improvements of private property security purposes that result in material gain to the property should be reimbursed to the U.S. Government by the owner.

Beyond these questionable activities, the confirmation of GERALD R. FORD as Vice President of the United States also has been enmeshed in the entire Watergate affair. The 25th amendment provides for proper expeditious procedures for confirmation of the nominee of the President. The machinery is adequate and should be exercised. To hold up these confirmation proceedings pending any action by the President or the courts would be a subversion of the Constitution. If GERALD R. FORD is found qualified to hold the office and his confirmation is voted by both Houses of Congress as provided for in the law, then he should be installed as Vice President. If he is found unqualified, a new nominee should be submitted and the process of confirmation quickly completed. Holding up this confirmation and pressing for impeachment and conviction of the President so that the Speaker of the House may assume the Presidency is as dishonest as anything the President is accused of doing. The Congress would be grossly derelict in their duties if they failed to fulfill the requirements of the 25th amendment as expeditiously as possible. Hearings are now going on in the House and Senate. The Federal Bureau of Investigation as well as investigators of Congress are checking every detail of Congressman FORD's past. If he is found qualified, he should be confirmed.

The final major issue is the question of the appointment of a special prosecutor to investigate all of the activities that fall under the purview of the Federal grand jury enpaneled by Judge John Sirica. Here, if justice be served, the prosecutor must be independent. While I do not want to presume that the President or any of his appointed officers would seek to subvert justice, in the interests of a fair and impartial investigation and one that will be creditable to everyone, the prosecutor must be appointed by the courts. The Constitution again clearly provides for such an appointment. Article II, section 2, states that:

> Congress may by law vest the appointment of such inferior officers, as they think proper, in the President alone, in the courts of law or in the heads of departments.

The Congress must pass legislation immediately that would authorize Judge Sirica to appoint a special prosecutor independent of the executive branch to carry out the investigation and report his findings to the grand jury.

Should the President be impeached? The answer to that question will only come when all the evidence is in. I have urged that the House Judiciary Committee begin an investigation of its own to determine if there are grounds for impeachment. Again the Constitution clearly provides for this. I am pleased that the committee has begun such an investigation.

In impeachment cases, the House of Representatives sits as a grand jury and hears the evidence provided by its "prosecutor," the Judiciary Committee. Based on that evidence it votes for or against impeachment. Any Congressman who predetermines his decision in such a matter without a full investigation does grave injustice to our Constitution and systems of laws. It would be like admitting to a jury individuals who were predetermined to vote the defendant guilty. I intend to keep an open mind on this until the Judiciary Committee completes its investigation and all evidence is in.

Many have called for the resignation of the President. This would be no less a miscarriage of justice than if the Congress and courts decided to abandon the investigation. The people have a right to a final finding of wrongdoing. The process for such a finding is there and the means of removal of the President is there. For the President to resign now would deprive the people of an ultimate determination in the entire case and the opportunity of reform to prevent any illegal activities from occurring again.

Many have argued that the country cannot survive the crisis of impeachment and conviction of the President by the Senate. They have said such a lengthy investigation and proceedings would bring the Government to a halt, destroy our ability to conduct foreign relations, and possibly threaten our security from within and without. If this is so, we should call for a constitutional amendment repealing article II, section 4 of the Constitution—the section providing for impeachment.

This great country has survived many crises in its long history. It is a tribute to the resolute will of its people and to the institutions and laws they have established. Despite the turmoil of the last decade with its riots, the burning of cities, mass demonstrations, the killing of many of our youth in an unpopular war, the Union survived.

This crisis, too, will pass and the country will be stronger for it, if reason prevails. Beyond the travail of the moment, we must look to the future. What lessons have been learned by this terrible tragedy? What reforms must be made to prevent such abuse of power from occurring again? In my view, the greatest reform must come in the criminal justice system. That our institutions cannot quickly seek out the wrongdoer, prosecute him and free the innocent is our greatest tragedy. That the system might be subverted by the overwhelming power of a news media who, in invoking the rights of the first amendment of the Constitution, may trample on the rights of the individual under the fifth and sixth amendments. The accusations made against the President, his aids and friends must be fully adjudicated. Trial by press is as sure a dictatorship as any known to man. The right of a person to maintain his innocence until proven guilty in a court of law must be maintained for every American whether President of not.

A National Advisory Commission on Criminal Justice Standards and Goals recently issued a multivolume report on the problems of our criminal justice system and the need for reform. Programs along the recommended lines must be implemented quickly.

In the meantime, while the countless investigations are being pursued, while we wait for the reform of more indictments, while we concentrate on finding out who is guilty and who is innocent, let our rational minds prevail. Let us put aside our emotions and see to it that the course of justice is followed. And instead of the wringing of hands and the gnashing of teeth, let us concentrate on inflation, a sagging economy, a massive energy crisis, the quest for peace in the Middle East, and the many other problems that demand solutions from this 93d Congress.

CONCURRENCE WITH THE SENATE AMENDMENTS TO THE DISTRICT OF COLUMBIA RENT CONTROL ACT OF 1973

HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 8, 1973

Mr. MAZZOLI. Mr. Speaker, the House today has concurred with the Senate amendments to the bill, H.R. 4771, as amended, which was passed by the House on June 11, 1973.

I would like, very briefly, to explain the Senate's amendments and to include in the RECORD the report of the Commissioner of the District of Columbia, dated October 15, 1973.

The principal Senate amendment provides that any rent regulations adopted by the District Council, under this act, may remain in effect for 1 full year following the date of their enactment by the Council.

This provision insures that the rent stabilization and regulation powers which we are granting to the District Council will extend through the interim period prior to the expected inauguration of an elected local government in January 1975, as provided in the pending District of Columbia Self-Government and Governmental Reorganization Act.

From 1975 forward, the authority and discretion as to the regulation of rents will be vested in the locally elected government, provided that the pending "home rule" legislation is enacted as expected.

As originally passed by the House, H.R. 4771 granted rent control authority to the District of Columbia Council for a period of just 1 year following enactment of the bill.

The Senate amendment, in effect, gives the Council a period of up to a full year to determine whether to implement rent controls, and then provides that such controls may be enforced for 1 full year. If the Council takes no action within 1 year of the enactment of this bill, its authority will lapse, just as provided in the version originally passed by the House.

The other Senate amendments provide:

First. That the Council must hold hearings 6 months after it places rent controls in effect in order to determine whether such controls should be continued, modified, or terminated.

Second. That the Council, in establishing rent regulations, shall provide means whereby increased costs incurred by a landlord are taken into consideration.

Third. That the composition of the District of Columbia Housing Rent Commission include four representatives of landlord interests and four representatives of tenant interests, as opposed to two representatives of each group, as provided in the version of the bill originally passed by the House.

Fourth. That the Commission shall have subpena power and that contempt proceedings may ensue from disobedience of such subpenas. An authorization of $85,000 to carry out the provisions of the legislation also is included.

The Mayor-Commissioner of the District of Columbia was asked to report the views of the District of Columbia Government on H.R. 4771 as it was passed by the Senate, with amendments, on September 7, 1973. His report follows:

THE DISTRICT OF COLUMBIA,
Washington, D.C., October 15, 1974.

Hon. CHARLES C. DIGGS, Jr.
Chairman, Committee on the District of Columbia, U.S. House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: The Government of the District of Columbia has for report H.R. 4771, a bill "To authorize the District of Columbia Council to regulate and stabilize rents in the District of Columbia", as passed by the United States Senate on September 7, 1973.

H.R. 4771, in the form passed by the House of Representatives, was amended in several substantive respects by the Senate. Section 3(a) of the bill was amended to require that any rules adopted by the District of Columbia Council to regulate or stabilize rents shall contain such pass-through provisions as will allow increased costs incurred by landlords which are directly related to the rental premises to be considered in determining maximum rents to be charged. In section 4(a), the composition of the District of Columbia Housing Rent Commission, which is authorized to be established, was changed to mandate that four of the members represented landlords' interests and four members be representative of the interests of tenants, all of whom would serve until termination of the Commission.

Section 4 of the bill was amended by the addition of a subsection (e) to expand the powers of the Rent Commission in such matters as the holding of hearings, administering of oaths, attendance of witnesses, and the production of records, and to make the noncompliance with subpenas of the Commission punishable by the Superior Court of the District of Columbia as a contempt thereof. A new subsection (f) authorizes appropriations not in excess of $85,000 to carry out the duties of the Housing Rent Commission.

Section 8 of H.R. 4771 was amended to extend until one year after the adoption of regulatory rules the powers of the Council to provide for rent controls, unless no rules are adopted within a period of one year following the date of enactment of the bill in which case the authority conferred by the bill would expire at the end of such year. A further amendment would require the Council to hold a public hearing six months after the adoption of rent controls to determine whether its rules should be modified or terminated.

While the District Government continues to favor the enactment of legislation which delegates to the District of Columbia Council the authority to regulate and stabilize rents in the city, it is our preference that such a law vest in the executive branch the power to administer any local rent control program which may be established. For this reason, we submitted to your Committee on May 23, 1973 a draft bill which represents our preference as to the kind of legislation needed to effectively regulate maximum rents and rental services in the District of Columbia.

Nevertheless, the District Government supports the enactment of H.R. 4771, including the amendments made by the Senate in its consideration of the bill. In a report to the Committee on the District of Columbia of the United States Senate, dated July 24, 1973, a copy of which is attached for the information of your Committee, we expressed several concerns with respect to certain provisions of H.R. 4771, some of which have been met by the amendments made by the Senate. However, there remain other matters of concern to the District, as outlined in the attached report, and we recommend that these be given further consideration by your Committee.

Sincerely yours,

WALTER E. WASHINGTON,
Mayor-Commissioner.

DUNDALK, MD., COMMUNITY AND ITS ROLE IN AMERICAN HISTORY

HON. CLARENCE D. LONG

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 8, 1973

Mr. LONG of Maryland. Mr. Speaker, on October 22, Mr. Ben Womer joined me in addressing students at Holabird Junior High School. Mr. Womer, a noted local historian, presented to these young people a most informative talk on the role their community has played throughout American history in war and peace.

Mr. Womer's talk on Dundalk reflects the many American communities in which everyday people live and work—the communities of good citizens which are the essence of America.

VETERAN'S DAY SPEECH

(By Mr. Ben Womer)

I would like to take a minute to tell you a little about myself. My family moved to Sparrows Point, Maryland, from Pennsylvania in 1922. I was twelve years old at the time. Six years later we moved to Dundalk, Maryland, where I have lived ever since. I have spent forty-five of my sixty-three years working for the Bethlehem Steel Company. I am now retired. Two and a half years ago I founded the Dundalk-Patapsco Neck Historical Society along with the help of other older members of our community. Our purpose is to find and record as much as possible of the history of our area for the use of the youth of our community. Believe me you can be very proud of where you live.

The Patapsco Neck section of Baltimore County has contributed as much, if not more than, any other section of our state and even our country to help make our nation what it is today. In the beginning, we settled on the western shore of the Bay in the 1600's starting an export trade long before there was a Baltimore City, which was not founded until 1729. We established truck farms at the very beginning to feed the people and they flourished for many years until there are only two left today in the Neck. We had a land invasion by the British in 1814 much to their sorrow. There are three monuments on North Point Road to show the people of our nation the part we played to help keep our independence. This war was of such importance that two of our Presidents of the United States came here to look over the battle ground. President James Monroe, our fifth President, came from Washington on June 7, 1817, and President John Quincy Adams, our sixth President, came from Washington on October 16, 1827. It was said, at the time, that President Adams picked up some acorns to take back to Washington. So somewhere in Washington, D.C., there must be some mighty big oak trees from our North Point area. One other factor about the battle fought at North Point was that Baltimore was the only major city on the eastern seaboard of the United States that the British never set foot upon.

Joshua Barney, one of our great patriots who served his country well in our War of Independence in 1776 and the War of 1812, lived in our area until he was twelve years of age when he went to sea. I might say this was a day that the British would have liked to have never seen recorded in the history books of America. One other thing I would like to call to your attention is that our Star Spangled Banner was written off our shores by Francis Scott Key. The British ships that fired upon Fort McHenry in the War of 1812 passed our shoreline and anchored off Colgate Creek just a short distance from your school.

Long after the victories of Washington over the French and English had made his name familiar to all of Europe Benjamin Franklin chanced to dine with the English and French Ambassadors when the following toasts were drunk: "To England, the sun whose bright beams enlightens the remotest corners of the world" proudly spoke the English Ambassador raising his glass. The French Ambassador, filled with natural pride but too polite to dispute the previous toast, offered the following: "To France, the moon whose mild, steady and cheering rays are the delight of all nations consoling them in darkness and making their dreariness beautiful". Benjamin Franklin then rose and offered: "To George Washington, the Joshua who commanded the sun and moon to stand still and they obeyed him".

Shipbuilding was started on Bear Creek in 1661 and we are still building ships today. One of the first airports in the United States was started at Logan Field in Dundalk. The

boundaries of the field were Belcaire Road, Sollers Point Road and Dundalk Ave. The first Air Wing of the National Guard to be recognized by the federal government in the United States was our own National Guard here in Maryland. Some of the first airplane factories in our nation were started right here in Dundalk——Berlinger and Joyce at Turner Station and Curtis Carponi on Broening Highway. In 1867 we had the first form of automation in the making of bricks. In 1888 the first tidewater steel mill was started at Sparrows Point. One of its first products were steel rails that helped us span the nation, ships that helped our great cities and bridges—the Tri-State Bridge in New York, the Golden Gate Bridge in San Francisco and the Empire State Building in New York, to name a few. Our brick yards helped the cities, not only in our country, but as far away as Paris, France. At Fort Holabird the Army Jeep was designed, tested and built, along with amphibious equipment such as the Duck. Important signal items were designed there such as radar equipment for detection of World War II buzz bombs and the photo equipment used to record the first atom blast. Prisoners of war, such as Rommel's North African troops, were kept there.

Our people served in all our wars. We have the finest schools and churches money can buy as well as a fine police and fire department. Not long ago I read in an 1895 newspaper that the girls in the Patapsco Neck section of Baltimore County were the prettiest in the state. Well, as I look around here today, it still holds true. We may not have had royalty or aristocracy here in the Patapsco Neck but we did have hard working, God fearing people who helped to build and defend our nation. I am glad to say I am proud of being part as well as from the Patapsco Neck section of our state. I don't think we have to take our hat off to anybody when we say we have one of the finest places to live and work in our nation. Thank you.

BENJAMIN J. DORSKY: FOUNDING FATHER OF LABOR IN MAINE

HON. PETER N. KYROS

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 8, 1973

Mr. KYROS. Mr. Speaker, it is certainly my very great privilege to bring to the attention of my colleagues in the House of Representatives the outstanding record of the man who has done more than any other to improve the quality of life for Maine's working men and women. He is Benjamin J. Dorsky, the mild-mannered but tough-willed president of the Maine AFL–CIO, who will be honored at a testimonial dinner this Saturday night in Bangor for his 40 years of contributions to the labor movement.

The full story of Ben Dorsky's life spans the development of the labor movement itself in this country, but, Mr. Speaker, I will review only the highlights:

He was born in 1905, at a time when the average workingman brought home $420 a year, the men operating the blast furnaces in smoky steel mills were putting in 84-hour weeks, and a book by Upton Sinclair, "The Jungle," was about to bring national attention to the workingman's plight through its shocking revelations about the meatpacking industry.

He was a freshman at Bangor High School in 1920, yet even then he was one of our State's first unionized movie projectionists and a member of local 198, which at that time had a membership of only 25.

He was married in 1929, perhaps the toughest year in American history for the workingman, and soon began a family of seven.

He became legislative agent for the AFL in 1935 and its president in 1937. If ever labor faced an uphill battle in our State legislature, it was in 1937, when Maine and Vermont were the only States in the Union that did not go for Roosevelt's New Deal in the previous election.

He spearheaded the battle against the right to work law when it reared its ugly head in Maine in 1948 and again in 1961, miraculously persuading big business interests to support his position.

He was the founding father of our State's unemployment laws and the chief author of our workmen's compensation laws, which he has seen refined over the years, and which many say are among the very best in the country.

He has established a reputation as a hard bargainer, good compromiser, and unexcelled lobbyist, as he pushed through legislation for union and nonunion working man alike, battling for a higher State minimum wage and a new State law that says that plants closing down must give their workers 4 weeks' pay or 4 weeks' notice.

When the AFL merged with the CIO in 1955, Ben became its head, and he has been president ever since.

Although not a lawyer, he has a lawyer's eye for loopholes in a labor contract. Although not a college graduate, at a commencement ceremony in January 1971 he was given the University of Maine's prized Distinguished Service Award for his "outstanding contribution to the social and economic growth of the State of Maine."

This is Ben Dorsky, Mr. Speaker, a man who has organized for labor in Maine, scrimped on his lunches, traveled long hours by train in the early days, given every waking hour and every ounce of his enormous energy to organized labor, and even once pawned his own fishing gear to get enough money for the State AFL to be represented at a national convention.

To some he is "Gentle Ben," to others "Archie Bunker," and to the rest "Mr. Labor in Maine." As the saying goes, "Character is a victory, not a gift," and Ben Dorsky has won the great victory of establishing himself as a man of tremendous courage, moral fiber, and tenacity for the things he believes in. He has for 40 years fought the workingman's battle and won it. We are all very proud of his achievements in Maine as we honor a lifetime of dedication to the working man and woman.

SCREWMACHINE INDUSTRY BRIGHT

HON. WILLIAM S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 8, 1973

Mr. BROOMFIELD. Mr. Speaker, despite increased competition from cold-formed parts, die-castings, and plastics, the future of the screwmachine industry remains bright.

That analysis was made by Mr. Asa W. Bonner in an interview in the October 1 edition of Metalworking News. Mr. Bonner is the president and chief executive of three screwmachine plants in Michigan. His long record of success in the field qualifies him as one of the leading spokesman for the screwmachine industry.

Mr. Speaker, I have known Asa Bonner for many years as a constituent, as a friend, as an eminently successful businessman and as a community leader.

A self-made man, he knows that there is no substitute for ingenuity, precision-workmanship, and dependability for success in any field, especially one so competitive as the machine industry. So, with singular advice to his colleages, he looks to the future with the same enthusiasm and vigor that has sustained him for the past 54 years in business.

Mr. Bonner is a past president of the National Screwmachine Products Association. Before that he served with the Office of Price Administration and the National Recovery Administration.

Not only does the following news story pay a well-deserved tribute to my friend, Asa Bonner, it illustrates the constant need for improved performance and workmanship which our free enterprise system, unlike any other economic system, encourages and demands from our business community.

The story follows:

BONNER, WITH GOLDEN RECORD, CALLS FUTURE BRIGHT FOR FIRMS PUTTING STRESS ON QUALITY

(By Al Wrigley)

FARMINGTON, MICH.—A bright future for those screw machine shops that put a premium on their mechanical engineering capabilities and that stress improvements in the quality of their products was predicted here by one of the industry's best-known executives, Asa W. Bonner.

"The quality of screw machine products in many applications has withstood competitive challenges from cold-formed parts, powdered metals, die castings, special extrusions, and even plastics," Bonner declared in an interview here, "and there's no doubt in my mind that it's this quality—along with our industry's engineering knowledge—that will keep most markets for screw machine products intact in the future."

Bonner noted that in the automotive industry, for example, high-quality, durable parts are needed in many subassemblies, including brakes, axles, and transmissions, and "will continue to be needed long into tomorrow.

LONG RECORD OF SUCCESS

Bonner, himself, has never directed a screw machine enterprise that failed to show a profit. While he's reluctant to talk about

his business success, he's been in the industry for 54 years—38 years as a top executive—and that adds up to a lot of black ink.

Today, along with his sons, Ben V. Bonner and Asa, Jr., he heads up three firms: A.T. and G. Co. here, M. B. Fetcher Co., Detroit, and Lexbon Enterprises, Detroit. The elder Bonner is president and chief executive officer of all three firms, whereas Ben is executive vice-president, and Asa Jr. serves as vice-president, and also general manager of Fetcher.

As is probably pretty clear from this, the Bonners own most of the stock in all three firms.

The elder Bonner does not look the age of a man who became associated with Fetcher in 1921, or whose sons are now in their 40s. He's statuesque, looks hale and hearty, and speaks fluently. Some veterans of the industry will remember his stint as president of the National Screw Machine Products Association (NSMPA) in the mid-50s, and the work he performed before that with the Office of Price Administration (OPA) and the National Recovery Administration (NRA). He gained considerable recognition for all those jobs. He stil serves as chairman of the NSMPA's Public Affairs Committee.

SCANS FUTURE

"It's hard to predict the future for the screw machine products industry," Bonner said in his office at A.T. & G., "but then, that's true about almost any industry. For many of us, business is cyclical, and it's affected by strikes, public attitudes, competition from other industries, and decisions made by our customers regarding the amount of work they release to outside suppliers.

"But I have to say that, even with all these variables to consider, there's absolutely no question in my mind that the future will be secure for those screw machine shops that keep abreast of engineering or technical advancements, and that continue to stress quality in the products they make."

Bonner admitted that screw machine products in many applications cannot compete with cold formed parts and other competitive products in price. "And that's why it's so important for us to maintain the highest standard of quality in the items we produce," he said.

"The auto industry, for example, expects us to provide it with strong, uniform anchor bolts for brake subassemblies, and we have to maintain proper concentricities on these parts, and give them lots with very low rejection rates. It's a fact that a competitor who's trying to produce anchor bolts a different way may be able to cut one-third off of our price, but as a general rule, we'll get the order, because when you're talking about subassemblies such as brakes, the automaker's more anxious to know what kind of quality he's getting than how much the parts are going to cost."

$9-MILLION SALES IN 1972

Bonner said that the three companies he's heading have normal annual sales, combined; of $8 million to $10 million. In the 1972 fiscal year, their volume totaled up to about $9 million. Five years ago, sales by the three companies were around $7.5 million, he said.

Most of the screw machine parts these firms produce go to the automakers and their components, or subassembly suppliers. Besides anchor bolts, these parts include spindles of different kinds, studs, bushings, rods, valves, shafts and precision fastener. A.T. and G., which had sales last year of more than $6.5 million, produces special items only. There are no parts available from the Farmington firm off-the-shelf.

Bonner estimated that his companies produce around 250 different screw machine products each year, and a total quantity of 200 million to 250 million pieces annually. His facilities are able to produce parts in steel, brass, aluminum, copper, and other materials up to approximately 4¾ inches in diameter and 18 inches in length.

COMMEMORATION OF THE 10TH ANNUAL MEETING OF THE AMERICAN ASSOCIATION OF ATTORNEY-CERTIFIED PUBLIC ACCOUNTANTS, INC.

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 8, 1973

Mr. GILMAN. Mr. Speaker, in this day and age when it is imperative to strive for the best in professional accomplishment to adequately satisfy the growing needs of a society steeped in complicated techniques required for its very existence and development, it is fitting to draw attention to, and single out for special encomiums, a professional society whose members have been licensed to practice both as attorneys and as certified public accountants.

I refer to the American Association of Attorneys-Certified Public Accountants, Inc.—AAACPA—which will hold its 10th annual meeting in November.

I am privileged to honor this group and wish to call the attention of my colleagues to some of the activities of the AAACPA. Accordingly I respectfully request that the following report be included in this portion of the RECORD.

CHALLENGES AND ATTACKS GAVE BIRTH TO THIS ASSOCIATION

One challenge was to bring together persons who by dint of study and experience, had attained the dual capacities of Attorney-CPA to better serve the public, so that by professional contact, they could further expand their capacities "pro bono publico."

The other challenge was to resist the unwarranted attacks by those provincial ethics committees of several states, as well as the august American Bar Association (ABA), which would require these duly licensed dual practitioners to reject their duality and exclusively practice only one or the other of the two professions.

While most state and local bar associations did not follow this view, dual licensees in the profession of law and accountancy realized that failure to react to and resist the serious challenges that had surfaced would result in the gradual deterioration of their position to their own and to society's disadvantage. They recognized the possible ultimate loss of valuable rights they had earned and secured from sovereign states by perseverance, study, examination and practice. The foresight of just a handful of dual licensees from several sections of the country resulted in the decision to take the first step in the protection and preservation of their constitutional rights. They invited others, who found themselves in the same position, to attend the first organizational meeting of the American Association of Attorney-Certified Public Accountants, Inc.

It is a pleasure to report that the challenges were successfully met and the attacks have all but ceased. Although there are approximately 3,500 attorney-certified public accountants in the entire country, over 1,000 of them are now members of this prestigious professional organization and practically every state of the union, the District of Columbia and Puerto Rico has representation in the Association. There are nineteen affiliated regional associations located in California, Connecticut, District of Columbia, Florida, Georgia, Illinois, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, New Jersey, New York, Ohio, Oklahoma, Texas, Virginia and West Virginia. I mention them to show the depth of penetration and development achieved by the national organization in the short span of ten years.

Critical bar and accounting associations were confronted. The perseverance of the AAACPA, which then numbered its membership in the hundreds, prevailed. Fortunately, our democratic society is conducive to a full airing of all viewpoints and valid opportunities for mistaken views to be changed. The leaders of the Association have an abiding faith that discerning minds outside of the membership ranks would ultimately see the justice of the dual licensees' viewpoint but this important matter could not be left to chance. From the very beginning diligent efforts were made by the Association for a solution of a problem that should never have existed in so disturbing a fashion, in the first place.

Both professions of law and accountancy are better today for the wise counsel that prevailed to permit the free interchange of opposing views especially those that were accepted for publication in the American Bar Journal and the Journal of Accountancy—the latter a publication of the American Institute of Certified Public Accountants.

From 1964 to 1968, their supplications for relief were rejected by the ABA, but their perseverance finally prevailed and the Association was invited by the renowned Special Committee on Evaluation of Ethical Standards of the ABA, known also as the "Wright" Committee, to meet with them and submit a brief on the Association's position. This Committee had the awesome responsibility of recommending changes in the ethical concepts applicable to the legal profession. Their work resulted in the imposing Code of Professional Responsibility adopted in 1969, which updated, modified and replaced the Canons of Ethics.

That meeting of the representatives of the AAACPA with the Wright Committee in the Waldorf Astoria in New York in August of 1968, has been the brightest episode in the accomplishments of this Association. The discussions were extremely fair-minded and friendly and both sides made serious efforts to explain and resolve the opposing points of view. Subsequent discussions ensued during the preliminary draft period of the Code of Professional Responsibility to incorporate further suggestions by the AAACPA. Happily, the amended Code was unanimously adopted by the House of Delegates of the American Bar Association and has been adopted by practically every state.

Of particular interest to the Association's members is Disciplinary Rule 2-102(E) of the Code which states that "A lawyer who is engaged both in the practice of law and another profession or business shall not so indicate on his letterhead, office sign, or professional card nor shall he identify himself as a lawyer in any publication with his other profession or business".

The impact of this rule was clear and to the complete satisfaction of the AAACPA. A lawyer who is also engaged in another profession may practice both professions with, of course, certain fair and understandable guide lines.

The adoption of the Code on August 12, 1969, and especially the portion that concerns the Association's members directly as dual practitioners, definitely represents the most important favorable development to date affecting the Association and its membership.

Next in import was the American Bar As-

sociation's Formal Opinion No. 328 issued in August 1972, which pronounced that it is proper for a lawyer simultaneously to hold himself out as a lawyer and as an accountant, that separate letterheads as a lawyer and as a C.P.A. are required and that a lawyer may practice two professions, such as law and public accounting, from the same office with some qualifications as specified in the Code.

It is to the credit of the American Association that it sought to resolve a difficult situation by pursuing friendly discussions with Bar Associations and Accounting Groups. There was a fair dissemination of all points of view and the climate of conflict has cleared considerably.

Although the Association has maximized its efforts to successfully confront the former challenges and attacks on the ethical propriety of the dual practice, it has also successfully handled other challenges. It has lost no time in developing meaningful programs for the benefit of members of both the legal and accounting professions. From its very inception the Association sponsored professional betterment seminars, initiated, encouraged and financed scholarship programs in a number of universities, sponsored law review and professional articles by its members and published a quarterly newsletter which is mailed to approximately 4,000 dual practitioners, libraries, Bar Associations and Accounting Societies. During the current year, after a period of study and discussion, the Association sponsored and set up the American Association of Attorney-Certified Public Accountants Foundation, Inc. Among the listed purposes of this foundation are the fostering and maintenance of the honor and integrity of the professions of the law and public accounting, the study and improvement and facilitation of the Administration of Justice, the study of law and accounting, the ethical practice thereof and research therein and to promote and foster the continuing education of lawyers and accountants.

These are noble purposes and you may be assured that they are safely entrusted in the care of attorney-certified public accountants, who have given much of their time and effort and means to encourage and seek the best of the two worthy professions of law and accountancy in order to better minister to the essential needs of our increasingly complex society.

In light of their accomplishments, this is an appropriate time to warmly congratulate the members of the American Association of Attorney-Certified Public Accountants, Inc., to wish them well in their endeavors, to hope that their numbers will grow, to encourage their continual interest in the welfare of the members of the two professions in which they are licensed to practice and in the welfare of the public at large.

ARAB OIL AND U.S. GRAIN

HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 8, 1973

Mr. BINGHAM. Mr. Speaker, on November 5, the Associated Press reported that the Department of Agriculture expected sales of U.S. grain and other farm products to the Middle East to jump 50 percent in fiscal 1974, to a record $600 million. With a continuing Arab oil boycott, I thought my colleagues would be interested in knowing the amount of grain that we exported to the Middle East in fiscal 1973, and especially to the six countries limiting oil exports. That data follows:

U.S. GRAIN EXPORTS TO THE ARAB STATES—FISCAL YEAR 1973

[Note: NDAF, not directly accounted for, refers to other grains not included in quantity totals but included in the value totals. Quantity figures represent minimums rather than accurate totals. Dollar values are accurate as shown.]

	Quantity (metric tons)	Value (thousands)
1. Syrian Arab Republic:		
Rice	13	$2
NDAF	NDAF	2
Total	13+	4
2. Qatar:[1]		
Wheat	21	2
Rice	39	10
Feed grains	5	1
NDAF	NDAF	11
Total	65+	24
3. United Arab Emirates:		
Wheat	1,275	106
Rice	130	49
Feed grains	580	58
NDAF	NDAF	48
Total	1,985+	261
4. Yemen Arab Republic:		
Wheat	2,999	344
Rice	562	162
Feed grains	9	2
NDAF	NDAF	265
Total	3,570+	773
Yemen (Aden):		
Wheat	2,587	258
Rice	200	43
Total	2,787	301
6. Oman:		
Rice	9	4
NDAF	NDAF	6
Total	9+	10
7. Bahrain:[1]		
Wheat	105	11
Rice	59	20
Feed grains	37	6
NDAF	NDAF	55
Total	201+	92
8. Lebanon:		
Wheat	85,008	6,620
Rice	1,119	373
Feed grains	50,831	2,981
NDAF	NDAF	209
Total	135,958+	10,183
9. Iraq:[1]		
Wheat	13,281	1,269
Feed grains	207	89
NDAF	NDAF	41
Total	13,488+	1,399
10. Jordan:		
Wheat	93,943	7,130
Rice	431	106
Feed grains	36,405	3,029
NDAF	NDAF	46
Total	130,779+	10,311
11. Kuwait:[1]		
Wheat	22	6
Rice	2,154	611
Feed grains	7,164	625
NDAF	NDAF	1,008
Total	9,340+	1,350
12. Saudi Arabia:[1]		
Wheat	150,111	10,678
Rice	56,729	14,825
Feed grains	7,090	594
NDAF	NDAF	391
Total	213,930+	26,498
13. Morocco:		
Wheat	335,010	26,012
Rice	2	1
Feed grains	18,500	1,457
NDAF	NDAF	161
Total	353,512+	26,731
Algeria:[1]		
Wheat	407,555	28,106
Total	407,555	28,106
15. Tunisia:		
Wheat	71,771	6,398
Feed grains	24,423	1,582
NDAF	NDAF	327
Total	96,194+	8,307
Libya:[1]		
Wheat	5,129	470
Rice	2,029	874
Feed grains	2,600	289
NDAF	NDAF	135
Total	9,758+	1,768
17. Egypt:		
Wheat	292,861	25,794
Feed grains	132,399	8,581
NDAF	NDAF	459
Total	425,260+	34,834
18. Sudan:		
Wheat	85,222	7,465
Feed grains	12,403	755
NDAF	NDAF	345
Total	97,625+	8,565
Total — Arab countries with embargo in effect against United States	654,337	59,237
All countries:		
Rice	63,476	17,080
Wheat	1,546,900	120,669
Feed grains	292,655	20,049
NDAF	NDAF	3,509
Total	1,902,029	160,417

[1] Indicates participation in oil embargo.

Note: Figures concerning grain shipments to Abu Dhabi, a member of the United Arab Emirates and a participant in the oil boycott, are not separately available and thus are not included in Arab embargo totals.

Source: U.S. Department of Agriculture.

PRESIDENTIAL SUCCESSION AND THE POPULAR MANDATE: A RETURN TO 1972

HON. BELLA S. ABZUG

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 8, 1973

Ms. ABZUG. Mr. Speaker, on November 1 I introduced H.R. 11230, a bill to amend title 3 of the United States Code to provide for special presidential elections. This bill, based on the Presidential Succession Act of 1972, would remove partisanship from the impeachment process, and produce an administration grounded in popular confidence.

As columnist William Raspberry said in yesterday's Washington Post:

The proposal has some clear advantages over the present options, which are either to confirm Gerald Ford as a likely President or to elevate Carl Albert to that position. In either case you get a President not chosen by the people. In the latter case, you get a President not even of the party favored by the people.

One of the important aspects of the proposal is that it would largely remove the suspicion of politics from presidential sucession. As things now stand, a Democrat-controlled Congress that rejected the nomination of Republican Ford, for any reason whatever, would be suspected of trying to take for the Democratic Party what it failed to win in the 1972 elections.

For the benefit of my colleagues, I insert the full text of Mr. Raspberry's column and an article appearing in the Wall Street Journal by noted scholar, Arthur Schlesinger, Jr., in the RECORD:

A SPECIAL ELECTION IN 1974

(By William Raspberry)

Boston's Mayor Kevin White has been pushing hard for a special election to replace the fallen Spiro T. Agnew and the falling Richard M. Nixon.

White, like so many Americans, is dismayed at the prospect of a President being forced out of office but being permitted (under the 25th Amendment) to name his own successor. But to deny him that choice, by congressional refusal to confirm Mr. Nixon's nominee for the vice presidency, would be to promote House Speaker Carl Albert, a Democrat, to a position for which the American people elected a Republican.

Says White:

"Our choice today appears to be either: (1) a national leadership that is not nationally elected to govern a nation, or (2) acquiescence to disregard and abuse of constitutional powers by our current elected leadership, and controversy for three years about the legitimacy of that leadership."

Mayor White sees another alternative: a special election early in 1974 to choose a new President and Vice President (in the event both offices have become vacant), with the Speaker of the House serving as interim or acting President until January, 1975.

"This would require no constitutional amendment, but simply an act of Congress," White contends and constitutional law scholars with whom I have spoken agree. Such a solution says White, would begin a "healing" process and, by returning the decisionmaking power to the people, "ensure the legitimacy of presidential power."

The constitutionality of the proposal seems clear enough. Article II, Section I, provides that ". . . the Congress may by law provide for the case of removal, death, resignation or inability, both of the President and Vice President, declaring what officer shall then act as President and such officer shall act accordingly, until the disability be removed or a President shall be elected."

To do what White proposes could go a long way toward re-establishing a sense of order and stability to the national government. Introduction of special-election legislation would put the Congress in the posture of acting, rather than merely reacting to one crisis after another.

The proposal has some clear advantages over the present options, which are either to confirm Gerald Ford as a likely President, or to elevate Carl Albert to that position. In either case you get a President not chosen by the people. In the latter case, you get a President not even of the party favored by the people.

Under the White plan, Albert would be acting President only.

One of the important aspects of the proposal is that it would largely remove the suspicion of politics from presidential succession. As things now stand, a Democrat-controlled Congress that rejected the nomination of Republican Ford, for any reason whatever, would be suspected of trying to take for the Democratic Party what it failed to win in the 1972 elections.

Perhaps as fair as White's special election, and considerably less unwieldy would be a reconvening of the electoral college for new presidential and vice presidential selections. That way, the new national leadership would be chosen by precisely the same people who chose the winners last fall. But that path may have some insurmountable constitutional obstacles.

Of overriding importance for Kevin White is the necessity that people consider their government to have legitimacy.

"Rather than living for three years with an administration unable to instill confidence and lacking legitimacy, a special election would seize the crisis of impeachment and succession as an opportunity to reaffirm the workings of our political process," he said.

Two drawbacks to the White proposal are the amount of time and confusion involved in organizing, campaigning for and holding the elections and the fact that the traditional Leap Year cycle of presidential elections would be lost, there being no provision for a two-year-term. Neither of these seems particularly crucial.

There could, however, be really critical problems of strategy, White's plan, envisioning the necessity of impeachment, would require the rejection of the Ford nomination. Yet the feeling is growing that the President may well elect to resign, but not until Ford is confirmed.

BACK TO THE FOUNDING FATHERS?

(By Arthur Schlesinger, Jr.)

The crisis of the American presidency roars along; but the last fortnight has wrought an interesting change in the acoustics of the situation. It would seem that the idea of impeachment is now no longer unthinkable. What was for so long a remote, alien and frightening concept is on its way to becoming, in the phrase of the late Spiro T. Agnew, a household word. And indeed Agnew's own total disappearance from the scene, an event no doubt traumatic for him but quickly absorbed and forgotten by the rest of the country, has perhaps begun to accustom people to the notion that changes may be made near the very top of government without national disaster.

Of course the vice presidency is one thing, the presidency something very different. Mr. Nixon in his press conference strove valiantly to put over the point that his special relationship with Mr. Brezhnev made him personally indispensable to the successful conduct of foreign affairs. Skeptics noted, however, that this special relationship dissuaded Mr. Brezhnev neither from forcing the crisis (if indeed there was a crisis) in the Middle East nor from rebuking Mr. Nixon thereafter for his "absurd" account of the crisis and his alleged "attempt to intimidate the Soviet Union." Indeed, Secretary of State Kissinger had already curiously undercut the President's claim to indispensability by pointing out in his press conference that the essential decisions were made by the National Security Council without the participation of the President and only then passed along for his final approval.

The crisis remains, and it will no doubt erupt again over the same issue that led to the firing of Archibald Cox—the insistence of the special prosecutor, whoever he may be, on access to evidence locked up in the White House. While the President in the end said he would yield this time to the ruling of the court of appeals with regard to the nine specified tapes, he appears adamant in his determination to hold back other materials any special prosecutor will consider indispensable to an honest investigation.

Moreover, even with regard to the nine tapes, the judicial ruling is not altogether clear on one vital point. The court said that, if the President claimed that "certain material may not be disclosed because the subject matter relates to national defense or foreign relations, he may decline to transmit that portion of the material" to Judge Sirica.

A NATIONAL-SECURITY BLANKET

Now the President has already made it perfectly clear that his theory of national-security information cuts a very wide swath. He has admitted trying at the very start to limit the inquiry into the Watergate burglary on the ground that it might uncover CIA operations and endanger the national security—an idea denied at the time by the CIA and never satisfactorily explained thereafter by the President. He has admitted telling Assistant Attorney General Henry Petersen on April 18 of this year "to stay out of national security matters" in questioning Howard Hunt of the White House plumbers. His statement of May 22 used the phrase "national security" 24 times and the word "security" in one or another context 13 additional times an effort to shove as many things as possible under a national-security blanket.

As late as August 15, apropos of the break-in by the plumbers into the office of Mr. Ellsberg's psychiatrist, Mr. Nixon declared his grave concern "that other activities of the special investigations unit might be disclosed. . . . It was and is important that many of the matters worked on by the special investigations unit not be publicly disclosed because that disclosure would unquestionably damage the national security." One may reasonably suppose that, if this particular break-in had not already come out, it too would have been sealed up in the name of national security. Does anyone suppose that other activities of the plumbers are more legitimately withheld?

If Judge Sirica should be unconvinced by presidential deletions in the name of national security, then presumably the matter would ascend once more to the court of appeals, thereby reopening the question whether a higher court can gain access to unexpurgated tapes in order to determine whether the deletions were justified. In the meantime, the President has invoked executive privilege to stop oral testimony before the Watergate Committee concerning a White House meeting of March 23, 1971—the meeting which led to the increase in milk price supports shortly after the dairy industry made large contributions to Nixon's reelection campaign. No conceivable claim of national security can operate here.

Persisting presidential opposition to the yielding of evidence will only strengthen the arguments for impeachment. For, whatever merit a presidential claim of privilege may have in certain circumstances, that claim is automatically and totally dissolved when the House of Representatives undertakes an inquiry with a view to the exercise of its constitutional power of impeachment. In such an inquiry, as President Polk said in 1846, "the power of the House in the pursuit of this object would penetrate into the most secret recesses of the Executive Departments. It could command the attendance of any and every agent of the government, and compel them to produce all papers, public or private, official or unofficial, and to testify on oath to all facts within their knowledge." Continued White House denial of evidence to the special prosecutor or the Senate committee would therefore leave the Congress little alternative but to use the impeachment process to gain access to the evidence required to resolve the issues before the country.

Where would successful impeachment leave the republic? The dethronement of President Nixon would, according to the present law of succession, bring into the presidency either Gerald Ford, if he can be confirmed in the present circumstances, or, this

failing, Carl Albert, Speaker of the House. The question has arisen whether there is not a better way to handle the problem. Several members of Congress have thus introduced resolutions providing for a special presidential election if Congress should find that a President has so lost popular confidence that he can no longer effectively perform his responsibilities (Jonathan Bingham) or that a President has violated the Constitution (Edith Green and Morris Udall). A special election would have obvious advantages. It would clear the slate and bring in an administration with a mandate to govern. But this approach requires a constitutional amendment and is therefore not practical as an immediate solution.

Last week the staffs of Sen. Edward Kennedy and of Mayor Kevin White of Boston came up, quite independently, with another approach—that is, a reinstatement by Congress of the Presidential Succession Act of 1792. This law, under which the United States lived for 94 years, contained an interesting and forgotten provision. In case of the simultaneous removal, death, resignation or disability or *both* the President and Vice President, the law said, then the president pro tem of the Senate, or should there be none, the Speaker of the House "shall act as President . . . until such disability be removed, or *until a President be elected.*" Whenever the office of President and Vice President both fell vacant, the Secretary of State was "forthwith" to make arrangements for a new presidential election, unless the simultaneous vacancy fell within the last year before the next regular presidential election, in which case the Acting President would serve out the term.

The Presidential Succession Act of 1792 was passed by the Second Congress, which contained a number of men who had been at the Constitutional Convention five years before. It shows, among other things, that the Founding Fathers hardly regarded the four-year election system as sacrosanct. But the law had certain ambiguities. Did it intend that the newly elected President only serve out the rest of the regular four-year term? It can be considered that this is implicit in the failure to provide for the synchronization of presidential and congressional elections and in the restriction of the special election to the first three years to the term.

On the other hand, such eminent constitutional authorities as Herbert Wechsler and Paul Freund argue that this reading of the act is incompatible with Article II, Section 1, of the Constitution which provides that the President "shall hold his Office during the Term of four Years." That argument would be conclusive if the Constitution had said "during *a* Term of four Years." "*The* Term" may refer to the regularly scheduled term and thus leaves at least a millimeter of doubt. Constitutional authorities, as James Wechsler wrote in an interesting column last week in The New York Post, also assume that the special election would coincide with the mid-term congressional election, thereby solving the synchronization problem. This assumption, however, finds little sustenance in the language of the act, which calls only for elections in the first available November.

REENACT THE 1792 LAW?

In any case, the Presidential Succession Act of 1792 is hardly a triumph of lucid draftsmanship, even though it may not quite warrant the harsh judgment of the great constitutional scholar E. S Corwin: "It is unlikely that Congress ever passed a more ill-considered law." Might not there now be point in Congress's returning to the Founding Fathers and reenacting the law of 1792? Obviously the timing of the special election and the length of the subsequent term would have to be clarified. Perhaps the election should be held within 90 days of the double vacancy; and the new President should serve only the balance of the regular term, if this is reconcilable with Article II, Section 1.

Moreover, many people, noting that Senator James Eastland of Mississippi is president *pro tem* of the Senate, would prefer to follow the example of Harry Truman, whose Succession Act of 1947 reversed the 1792 order, providing that, in case of a simultaneous vacancy, it would be first the Speaker of the House and only then the president pro tem of the Senate who would qualify as "Acting President."

The signal advantages of reinstating the 1792 law would be that it is the only discernible means of producing before 1976 an administration demonstrably grounded in popular confidence—and that, since it would be a statute and not a constitutional amendment, it could be passed at once. If Mr. Nixon had the courage to resign and submit his case to the nation, he could even seek vindication as the Republican candidate in the special election. If removed by the impeachment process, of course, he would thereafter be forbidden "to hold and enjoy any Office of honor, Trust or Profit under the United States."

One of the incidental values of the contemporary crisis of the presidency is the attention the American people are suddenly compelled to pay to the workings of what had been carelessly assumed to be a reasonably foolproof political system.

A PLEA FOR SANITY

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 8, 1973

Mr. MICHEL. Mr. Speaker, I want to bring to the attention of my colleagues the editorial opinion of an old friend of mine, now publisher of the Courier in Ottumwa, Iowa.

In a time like this when all we seem to be getting from much of the media is something akin to hysteria, it is refreshing to see that Jerry Moriarity is still displaying that good, old-fashioned brand of horsesense that we all need to help us put things in perspective and use reason and good judgment in our evaluation of what is happening nationally.

I insert his editorial, "A Plea for Sanity" at this point in the RECORD:

A PLEA FOR SANITY—HAS OUR PERSPECTIVE BEEN LOST?

(By Jerry Moriarity)

Will not one sane voice be raised in these United States with a plea for reasonableness in judging President Richard Nixon?

Will not just one politician abandon the vitriolic, hysteria-creating rhetoric long enough to ask what is being done to our country? And why?

Will not just one editor, embraced by his own obsessions over a shield law, honestly admit that others, even Presidents, have rights to privacy also? Even on tape.

As an interested observer on the presidential scene since the days of Harry S. Truman (although earlier I had heard and seen both Franklin D. Roosevelt and Al Smith) it is distressing to see how this once vigorous nation is being torn asunder in the wake of the sordid Watergate debacle.

Nixon now is being condemned as a Hitler-figure, as an immoral politician, incapable of leading this nation. Impeachment looms on the horizon.

Somehow the perspective has been lost completely.

Just how great are his crimes? How many lives have been lost? How many tax dollars have been misappropriated? How many elected officials have been contaminated?

And let's compare Nixon with several of his predecessors, too, while we're at it.

I was in Washington, D.C., in the new State Department building a number of years ago on the exact day President John F. Kennedy confessed to us that American pilots were flying missions for the first time in South Vietnam.

Before that, under President Eisenhower, we had only an advisory role. Now we were projected—by presidential decree—into that of actual combatants. The pilots who died on those first sweeps started a parade of dead that later seemed interminable. And the war itself was almost interminable, made so because of the no-win policies inflicted on our fighting men.

And don't forget we had the ill-conceived and ill-fated Bay of Pigs invasion of Cuba, engineered by Kennedy, who let the Cuban patriots die on the beaches because no American fire or air power had been supplied as promised. Not even the New York Times protested! And there were no cries for impeachment.

Does the arrest of the four Cubans in the Watergate burglary match this tragedy as some commentators would have us believe?

I heard President Lyndon Johnson in Peoria, condemning Barry Goldwater as a warmonger, while proclaiming himself as a disciple of peace. Many of us still remember the distasteful TV commercials of the little girl with a daisy being blown up in an atomic holocaust, all because of Goldwater, according to the Johnson scriptwriters. Johnson once said: "I'm President of the United States and I can do any goddam thing I want to." And he did. So it wasn't surprising that in a few months after his election, the Messiah of peace out-Goldwatered Goldwater, hobbling us in a war unlike any other in our history.

I felt at the time that Johnson was a dangerous hypocrite and the thousands of crosses in the jungles of Southeast Asia now attest to that truth. And surprisingly—or is it surprisingly?—the fawning liberal press praised Johnson as a hero upon his death. Impeachment never crossed their minds.

Yet these same critics are yelping at Nixon's heels, even though it was Nixon who brought that ugly war to a conclusion.

For the first time in a generation America is at peace. For the first time in more than a score of years, no American serviceman is dying in combat.

And it was Nixon who broke down the barriers separating the U.S. from both Red China and the Soviet Union, no small accomplishment under any standards.

To understand Watergate, it is wise to reflect on the America Nixon inherited as President. Cities were burning. Weathermen revolutionaries were blowing up buildings, occasionally themselves. Civil disobedience was the pattern. President Johnson could not even attend the Democratic convention in Chicago, so ugly was the mood. Candidate Eugene McCarthy couldn't get from his hotel to the convention hall because of demonstrators on the streets. Yippies rioted in the parks, foul words written on their foreheads; some with their pants' fronts opened, exposing themselves. Others contented themselves with throwing human waste at the harassed Chicago police. I was happy to get away from that scene.

And can you honestly say conditions in the U.S. are worse now under Nixon? You've got to be lying in your teeth!

Honk for impeachment, if you will. The sounds can be heard again over the still land; a few years ago they would have been drowned in the cacophony of discontent.

OBJECTIONS TO SONNENFELDT CONFIRMATION MUST BE ANSWERED—PART XII

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 8, 1973

Mr. ASHBROOK. Mr. Speaker, over a number of months I have called to the attention of Members of Congress statements, newspaper accounts and other information raising questions concerning the nomination of Mr. Helmut Sonnenfeldt as Under Secretary. A number of witnesses have testified before the Senate Finance Committee in opposition to his confirmation. The hearings began on May 15 were finally concluded on October 2 and the committee voted to approve his confirmation.

The Senate hearings provided a dramatic note when Mr. Sonnenfeldt, Mr. Stephen Koczak and Mr. Otto Otepka gave conflicting testimony under oath, suggesting the possibility of perjury.

What started out as a pro forma confirmation hearing, now has become the subject of much controversy. To illustrate the complexity of the case, I am inserting into the RECORD two letters to Senator RUSSELL LONG, chairman of the Senate Finance Committee from Mr. John Hemenway, who was the first opposition witness on May 15. A copy of my news release, to be released on Friday, November 9, dealing with the case and hearings now being currently held by the House Internal Security Committee is also included:

WASHINGTON, D.C.,
Nov. 7, 1973.

Senator RUSSELL B. LONG,
Chairman, Committee on Finance, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: Issues, such as the integrity of witnesses and the sanctity of public documents and records, brought into public focus by the Senate Select Committee on Watergate, provide the background against which many current events are judged.

The Nomination of Helmut Sonenfeldt (and others), in the Finance Committee's publication of the Confirmation Hearings of May 15, 1973, October 1 and 2, 1973 cannot escape the Watergate context and re-examination of standards.

Therefore, the large number of matters left unresolved in your Committee report struck me. They are important matters, particularly if senators voting on the matter of confirmation are of the belief that the Finance Committee looked into all of the evidence available concerning Mr. Sonnenfeldt's qualifications for high office.

I appreciate your sense of fair play in permitting me to testify before your Committee, even though you support the nomination of Helmut Sonnenfeldt and you know I opposed it. However, left unresolved are important matters relating to Mr. Sonnenfeldt's personal integrity. This matter, in turn is related to every citizen's respect for and trust in the honesty with which his government manages the affairs of this Republic.

Counting again on your sense of fairness, I have set down a number of matters that were not resolved by your Committee during the limited time it actually devoted to the matter of Mr. Sonnenfeldt's qualifications. I hope that you may, in the interest of evenhandedness, call these matters to the attention of your Committee members and other senators in a supplemental report. My list, while long, is not by any means comprehensive.

Item and nature of the information or evidence unreported

1. *Mr. Otepka* had more to say—(*Transcript* p. 128) "Chairman Long (to witness Otepka): ". . . there is a lot more you should be asked to tell us about . . . I may have to ask one of our staff people to sit with you . . . or else ask you to come back before the committee . . . . I have to leave at this point, but this is a matter that I think will have to be cleared up." *In fact*, there were a lot of matters raised by the Otepka testimony that never were clarified, but neither Sen. Long, nor any staff member requested further clarification, and little of this appears in the transcript.

2. Mr. Koczak asks permission to submit new statement—Mr. Koczak, caught by surprise, testified on October 1, extemporaneously. He asked for permission to testify and elaborate on his extemporaneous remarks of October 1 (Transcript p. 89–98). He reported (T., p. 141) that the Senate Finance Committee Staff will not accept a letter clarifying false statements published in the New York Times. His full remarks, under oath, were given to the Ichord Committee of the House of Representatives today, 7 November, 1973, but the revealing testimony on discrepancies in Sonnenfeldt's testimony to the Finance Committee has been denied to the senators asked to vote on the basis of the Finance Committee's Report.

3. Perjury—One can not read the Sonnenfeldt Hearing Record carefully without being aware of the likely possibility that perjury has been committed. For this reason I wrote to the US Attorney for the District of Columbia and to the Acting Attorney General on November 1, 1973 asking these officials to investigate the matter. These letters, along with Congressman Ashbrook's own letter to the Attorney General bearing on the identity of an FBI Agent in the matter (see below) were published in the *Congressional Record* of November 1, 1973, p. 35705.

4. Witness: Francis Niland—Mentioned by Mr. Otepka (T. p. 127 and T. p. 128) as a key witness to confirm Mr. Opteka's own sworn testimony as to improper activities of Mr. Sonnenfeldt. He was not called, but was interviewed by one of the Committee. There is no record of that interview in the Committee record.

5. Witness: Hugh Cumming—Named by Mr. Otepka as of the opinion that Mr. Sonnenfeldt had a propensity to divulge classified information to unauthorized persons. Cumming was Director of the Bureau of Intelligence and in a position to corroborate Opteka. He was not called by the Committee.

6. Witness: Herbert Lampe—Named by Journalist Paul Scott (T. p. 152) as the man in the security division of the Department of State who "sat on the wire tap" on Sonnenfeldt for over a year. He was not called by the Committee.

7. Witness: Morris Ernst—Named by John Hemenway as the Director of Economic Research for CIA who asserts that Mr. Helmut Sonnenfeldt and the NSC staff were kept informed of all aspects of intelligence concerning the grain deal with the Soviets and factors that could affect it on a day-by-day basis in Hemenway's letter to Senator Long of 6 November, 1973. Sonnenfeldt's responses to Senator Byrd (Va.) disclaim any intimate knowledge of the grain deal and all responsibility for it. (See especially, T.p. 76, and also, T. p. 77, 78, 84, 61, 59, 58, 56, and 55.) Mr. Sonnenfeldt's veracity on this point was not probed by the Committee.

8. Witness: General Haig and Henry A. Kissinger—Named by former Presidential Counsellor Mollenoff as one of two White House aides (the other was Dr. Henry Kissinger) to whom he provided the very information, the Finance Committee was investigating. Nothing was done by Gen. Haig or Dr. Kissinger with this information (T. p. 98) Congressman Ashbrook in a letter to Senator Long notes that something *was* done. As soon as Mollenhoff left the White House, Sonnenfeldt was promoted to FSO–1. (T. p. 107)

9. Witness: "Sid" Goldberg—Mr. Goldberg, a publisher and journalist for over 22 years in the special field of personnel practices of the Federal Governmeit, received first-hand information about the "sanitizing" of Sonnenfeldt's security file just prior to Sonnenfeldt's lateral entrance into the U.S. diplomatic service at the rank of FSO–1 (equivalent to major general. (T. p. 155) Mr. Goldberg was not called by the committee.

10. Witness: Jesse M. Macknight—Yet another witness available to testify that the materials reviewed by the panel convened to bring Sonnenfeldt into the diplomatic service were specially screened. (T. 156) He was not called by the Committee.

11. Witness: FBI Agent name not known—Named by Mr. Koczak (T. p. 93) as detailed to covert security operation, this is the agent who investigated the Sonnenfeldt matter. Name requested by Congressman Ashbrook (Congressional Record of November 1, 1973, p. 35705.) Not called by the Committee.

12. Three U.S. Diplomats, the FSO Exam Panel—This group routinely okayed Sonnenfeldt's fraudulent entry into the US diplomatic service at the rank of FSO–1 (they probably did not know that fraud was involved.) The panel consisted of Amb. Margaret Joy Tibbits, Howard L. Persons, and Alan Fidel. (T. p. 28.)

13. Witness: Jane Dannenhauer and Fred F. Fielding—Staff assistant in charge of the White House Security Office named by Secretary Shultz (T. p. 110) as reviewing officer (together with Fred F. Fielding) on the various security checks on Mr. Sonnenfeldt (T. p. 110). The problem is that, according to Mr. Otepka (T. p. 111) there are numerous serious discrepancies which remain unresolved by the statements or reviews of Miss Dannenhauer and Mr. Fielding. The Committee did not pursue this line of inquiry.

14. Witness: Mr. Otepka's Secretary—Named by Mr. Otepka (T. p. 126) as having transcribed the wire taps on Mr. Sonnenfeldt. These wire taps provided the solid basis for knowing that Mr. Sonnenfeldt was not telling the truth on several material points during official investigations. Was not called by the Committee.

The above list of uncalled witnesses and unresolved matters is not complete. It simply serves to give you an idea of the kind of problem I believed important enough to call to your attention. Clearly, the facts are not all in, yet, and some of the facts that are in the record suggest strongly that perjury has been committed during the Hearing and that Sonnenfeldt's chief qualification for being Under Secretary of the Treasury is the fact that he has a close personal friendship with Mr. Henry Kissinger, now Secretary of State.

It may not be significant, in the view of some, that Mr. Sonnenfeldt claimed to be handling all Soviet and European matters for Mr. Kissinger in the NSC. However, when asked several times (see point #7, above) about the disastrous grain deal with the Soviet Union that has cost the US Government billions of dollars, so far, Sonnenfeldt claimed: "That happens to be one negotiation . . . I did not participate in."

Sonnenfeldt never did answer Senator Byrd's follow-up question, "Surely you had

some input in regard to that Soviet grain deal, did you not? (T. p. 76, bottom of the page.)

Most Congressmen and U.S. Senators are very concerned for the plight of the millions of average Americans paying taxes they find difficult to pay. With his mentor, Secretary Kissinger, this potential Under Secretary of the Treasury has just participated in a $5 billion fiscal and strategic mistake that is going to have to be paid for by thousands of taxpayers. What will they think of Mr. Sonnenfeldt's answer to one of Senator Byrd's discerning probes:

"Sonnenfeldt: Well, I come from a background, Senator, in Europe, where high taxes have prevailed for generations." (T. p. 135.)

Senator Mondale has claimed that the position for which Mr. Sonnenfeldt is being considered is ". . . one of the most important in American government." (T. p. 88). Surely, therefore, the unresolved matters cited above which reflect adversely on Mr. Sonnenfeldt's personal integrity should be resolved or at least clarified before he is permitted to occupy a post of such importance.

I offer you the above comments on the Hearing Record, Senator Long, in the hope that you may wish to make it available to your colleagues in the senate before they are asked either to confirm or deny confirmation to Mr. Helmut Sonnenfeldt to be Under Secretary of the Treasury.

Sincerely yours,

JOHN D. HEMENWAY.

WASHINGTON, D.C.,
November 6, 1973.

Senator RUSSELL LONG,
Senate Finance Committee,
U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: That Mr. Helmut Sonnenfeldt did not respond honestly or truthfully to questions put to him by members of your Committee was confirmed once again by additional information that has been made by available to me.

Mr. Morris Ernst, Director of Economic Research for CIA confirms to my informants that Mr. Helmut Sonnenfeldt, specifically along with Mr. Clarence Palmby and the entire technical staff of the Department of Agriculture and the NSC were kept informed of all aspects of intelligence concerning the wheat deal and factors that could affect it on a day-by-day basis.

You will recall that, during Senator Byrd's (Virginia) intensive questioning of Mr. Sonnenfeldt concerning the US/USSR grain transaction, Mr. Sonnenfeldt claimed that he was uninformed in this matter. He acknowledged that practically all other East/West arrangements were under his direction *except* the wheat deal, on which he was not really kept informed.

If you will review the transcript (published yesterday) you may find that Mr. Sonnenfeldt's responses to Sen. Byrd's questions lack a certain quality of native candor.

Since I understand that the Committee has reported out of Committee the nomination of Mr. Helmut Sonnenfeldt to be Under Secretary of the Treasury, I felt that you should be informed of these facts attributed to Mr. Ernst. I would be glad to reveal my source if you indicate a genuine interest in tracking this matter down. I understand that Senators Talmadge, Byrd (Va.) and Mondale were absent when the vote was taken in Committee—vote you asserted was unanimous. Since this might be a matter of importance to you, the Committee, and to them, I am hand-delivering this letter, as indicated, this afternoon, with copies to the absent senators.

You also should know that I have requested the Attorney General (Acting) to examine the Sonnenfeldt hearing transcripts for the clearly probable case of perjury it documents. This correspondence was published in the attached Congressional Record enclosed. Just as you may feel you have done your duty in this matter, you will understand that I, too, must do my duty as I see it.

Sincerely yours,

JOHN D. HEMENWAY.

[News release]

WASHINGTON.—Congressman John M. Ashbrook (R-Ohio), ranking minority Member of the House Internal Security Committee (HCIS) stated today that the identities are known of a number of people at the White House, Justice Department, State Department, Civil Service Commission and the Treasury Department who have been involved at various times and in varying degrees in the controversial case of Helmut Sonnenfeldt, the present nominee for Under Secretary of the Treasury. Ashbrook questioned the effectiveness of the Federal Civilian Employee Loyalty-Security Program, now under review by the Committee, as it relates to the Sonnenfeldt case in which in a recent development conflicting testimony by Sonnenfeldt, Stephen Koczak and Otto Otepka under oath before a Senate Committee suggests the possibility of perjury.

In citing the Sonnenfeldt case and the Federal security program, the Ohio Congressman referred to a number of individuals as potential Committee witnesses at an open session of a subcommittee of HCIS on November 7 just before the subcommittee voted to go into executive session to hear Koczak, who has accused Sonnenfeldt of leaking highly classified information to a foreign power.

Congressman Ashbrook stated:

"There are a number of people both in and out of government who might well be of great help to HCIS in its application of the Federal program to the Sonnenfeldt case. Whether perjury was committed or not, the importance of an individual case is secondary to a true evaluation and possible revision of a program designed to insure suitable and trustworthy employees for Federal service. The conduct of key Federal employees involved in the Watergate affair attests to this."

Ashbrook cited his experience with the Treasury Department and the Civil Service Commission in eliciting information on the Sonnenfeldt case:

"In listing the various investigations of Mr. Sonnenfeldt, both Treasury and CSC omitted investigations in the 1959–61 period involving the FBI, State Department security investigators, the use of the lie detector and phone taps to discover whether Mr. Sonnenfeldt was leaking classified information. Furthermore, the CSC's Security Investigations Index which lists all personnel investigations and is used by Federal investigators is of questioned reliability if the Sonnenfeldt case is any indicator. The Index shows no investigations between 1955 and 1966, indicating the deliberate withholding from CSC of pertinent information required under the Federal Civilian Employee Loyalty, Security Program."

THE INSTANT HYSTERIA SYNDROME

HON. EARL F. LANDGREBE

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 8, 1973

Mr. LANDGREBE. Mr. Speaker, hysteria has surrounded the entire Watergate affair, and recent event in the Justice Department have caused a quantum leap in this hysteria. I submit to the RECORD the following article by Ben Cole of the Indianapolis Star for consideration by my colleagues.

THE INSTANT HYSTERIA SYNDROME

(By Ben Cole)

WASHINGTON.—The four-day hubbub over President Nixon's shakeup of the Justice Department ought to inspire some reflections on the instant hysteria syndrome in modern America.

According to Gen. Alexander Haig, the President's top assistant, the White House failed to anticipate the furious reaction that ensued when Mr. Nixon fired Watergate Prosecutor Archibald Cox, when Deputy Attorney-General William D. Ruckelshaus either quit or was discharged, and when Attorney General Elliot Richardson resigned.

The pros and cons of it all are still being talked about, although the discussion is less impassioned since the President's latter day decision to let Federal Judge John Sirica listen to those controverted White House tapes.

But what is important is the suddenness with which the obviously tempestuous White House action stirred national emotions—and the manner in which they were aroused.

Mr. Nixon evidently came to the conclusion that Cox must go right after the Watergate prosecutor announced he would refuse to accept extracts of those disputed tapes, and would go to court to get the real thing. Mr. Nixon, in fact, never exactly fawned on Cox, anyway.

When Richardson resigned rather than do the firing, the job was passed to Ruckelshaus, who said he was conscience bound, too. So out went the youthful Hoosier star in the administration.

All this happened in the space of hours and broke on the TV networks approximately at the Saturday dinner hour. At least one young TV announcer, filmed on the White House lawn, was so excited by it all that he was visibly trembling.

And then came the hours upon end of analysis, commentary, man-on-the-street reaction interviews that whipped up excitement in the populace as the weekend continued. By Sunday, the available figures of prominence were adding their nickel's worth on the TV panel and talk shows.

When Congress convened on Tuesday, cries of impeachment rang deafeningly beneath the great cast iron dome of the Capitol. The press galleries were crowded with correspondents who practically never put in appearances except in times of greatest transitory excitement.

And when at last Mr. Nixon decided to hand over the tapes, the decision deflated it all so quickly that the relaxation was even visible. The press gallery was almost empty, shouts of impeachment dropped to conversational pitch.

Without taking up the merits of the President's actions, it is possible to see a great danger in the abruptness of the reaction. It was as though the whole United States with its teeming millions were a little town. All at once there ran a report that a dire crime had been committed. Who's the culprit? Then word spread that it was the mysterious person living alone on the edge of town.

All it took was one resonant voice crying, "The rope!" and off galloped the townsmen, no longer possessed of reason but transformed into a mob.

Television is a miracle that is with us, and it will continue to be with us for the rest of our lives. What is more, the way the TV—news industry uses that medium is up to its own people. And it would be dangerous to suggest anything else.

So TV is a fact, and the danger that it can produce the instant hysteria syndrome is always present. These things cannot be changed.

But humans are adaptable. The American people must come to realize that this instant communication is part of their environment and learn how to deal with their own reactions.

Politicians up to and including presidents must always keep in mind, as well, the swiftness with which the word is spread, for better or for worse.

SENATE—*Friday, November 9, 1973*

The Senate met at 11 a.m. and was called to order by Hon. JAMES B. ALLEN, a Senator from the State of Alabama.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

Almighty God, who hast revealed Thyself in a Carpenter-Physician-Teacher, make known Thyself to us in the quiet discharge of each day's duty, ennobling all our labor by doing it as unto Thee. Keep ever before us the vision of Thyself in the common things of every day, that we may find a divine calling serving our fellowman in this place. We pray not for tasks fitted to our strength but for strength which fits us for our tasks. When we ask Thee "to forgive us our trespasses" may we be sure "to forgive those who trespass against us." Gather the President, all legislators, all jurists, all those in the diplomatic and military services, and all citizens of this great land under the shelter of Thy forgiveness, Thy mercy, and Thy love that the Nation may live righteously as "one nation under God."

In Thy holy name we pray. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. EASTLAND).

The second assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., November 9, 1973.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. JAMES B. ALLEN, a Senator from the State of Alabama, to perform the duties of the Chair during my absence.

JAMES O. EASTLAND,
President pro tempore.

Mr. ALLEN thereupon took the chair as Acting President pro tempore.

MESSAGES FROM THE PRESIDENT

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

THE ENERGY CRISIS—MESSAGE FROM THE PRESIDENT

The ACTING PRESIDENT pro tempore (Mr. ALLEN) laid before the Senate a message from the President of the United States which was referred jointly to the Committees on Armed Services, Banking, Housing and Urban Affairs, Commerce, Government Operations, Interior and Insular Affairs, Public Works, and the Joint Committee on Atomic Energy. The message is as follows:

To the Congress of the United States:

As America has grown and prospered in recent years, our demands for energy have begun to outstrip available supplies. Along with other major industrialized nations, we are now faced with the prospect of shortages for several years to come.

Two years ago, in the first energy message ever sent to the Congress by a President of the United States, I called attention to the looming energy problem. Since that time, I have repeatedly warned that the problem might become a full-blown crisis, and seeking to minimize shortages, I have taken a number of administrative steps to increase supplies and reduce consumption. Earlier this year, I also sent more than a half dozen urgent legislative proposals to the Congress. While none of these has yet been enacted, I am hopeful at least several of the measures will be ready for my signature before year's end.

Unfortunately, the energy crisis that once seemed a distant threat to many people is now closing upon us quickly. We had expected moderate shortages of energy this winter, but four weeks ago, when war broke out in the Middle East, most of our traditional suppliers in that area cut off their shipments of oil to the United States. Their action has now sharply changed our expectations for the coming months.

Largely because of the war, we must face up to the stark fact that we are heading toward the most acute shortages of energy since the Second World War. Of the 17 million barrels of oil a day that we would ordinarily consume this winter, more than two million barrels a day will no longer be available to us. Instead of a shortage of approximately 2–3 percent that we had anticipated this winter, we now expect that our supply of petroleum will be at least 10 percent short of our anticipated demands—and could fall short by as much as 17 percent.

ADMINISTRATION ACTIONS TO MEET THE EMERGENCY

Faced with this emergency, I believe that we must move forward immediately on two fronts: administrative and legislative.

In a speech to the Nation last night, I announced a number of immediate actions:

First, industries and utilities which use coal—our most abundant resource—will be prevented from converting to oil. Efforts will also be made to convert power plants from the use of oil to the use of coal.

Second, reduced quantities of fuel will be allocated to aircraft. This will lead to a cutback of some 10 percent in the number of commercial flights, but it should not seriously disrupt air travel nor cause serious damage to the airline industry.

Third, there will be reductions of approximately 15 percent in the supply of heating oil for homes, offices and other establishments. This is a precautionary measure to ensure that the oil now available not be consumed early in the winter, so that we shall have adequate amounts available in the later months. This step will make it necessary for all of us to live and work in lower temperatures. We must ask everyone to lower the thermostat in his home by at least 6 degrees, so that we can achieve a national daytime average of 68 degrees. In offices, factories and commercial establishments we must ask that the equivalent of a 10-degree reduction be achieved by either lowering the thermostat or curtailing working hours.

Fourth, there will be additional reductions in the consumption of energy by the Federal Government, cutting even deeper than the 7 percent reduction that I ordered earlier this year. This new reduction will affect the operations of every agency and department in the Government, including the Defense Department, which has already led the way in previous cutbacks. As one of the steps in this Federal effort, I have ordered that daytime temperatures in Federal offices be reduced to a level between 65 and 68 degrees. I have also ordered that all vehicles owned by the Federal Government be driven no faster than 50 miles per hour except in emergencies. This is a step which I have also asked Governors, mayors, and other local officials to take immediately with regard to vehicles under their authority.

Fifth, I have asked the Atomic Energy Commission to speed up the licensing and construction of nuclear plants, seeking to reduce the time required to bring nuclear plants on line from ten years to six years.

Sixth, I have also asked Governors and mayors to reinforce these actions by taking appropriate steps at the State and local level. Among the steps which I believe would be helpful are these: staggering of working hours, the encouragement of mass transit and carpooling, alteration of school schedules, and elimination of unnecessary lighting. I have also recommended to the Governors that, consistent with safety and economic considerations, they seek to reduce highway speed limits to 50 miles per hour. This step alone could save over 200,000 barrels of oil a day.

NEED FOR EMERGENCY LEGISLATION

As essential as these actions are to the solution of our immediate problem, we must recognize that standing alone, they are insufficient. Additional steps must be taken, and for that purpose, we must have new legislation.

I am therefore proposing that the Administration and the Congress join forces and together, in a bipartisan