SENATE

Wednesday, February 18, 1948

(Legislative day of Monday, February 2,

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Rev. Christopher J. Berlo, C. P., chaplain, United States Army, offered the following prayer:

Almighty and everlasting God, author of all wisdom and dispenser of knowledge, deign to bestow upon the Members of this august assemblage, the elected representatives of a free and God-fearing people, the gifts of understanding and discernment, so that under the inspiration of Thy divine guidance their deliberations may be characterized by truth, tempered by charity, and guided by prudence.

Heavenly Father, from whom all blessings flow, we ask Thee to inspire both the leaders and the people of our great country with a deep and lasting appreciation of our divinely bestowed inalienable rights, with a firm and self-sacrificing resolve to preserve for our future generations, in all their pristine strength and vigor, those safeguards and guaranties of these rights, which were conceived in liberty and brought forth in unselfish patriotism by the founding fathers of our Constitution.

Grant that all the families of nations now torn asunder by the wounds of war, sin, and strife may know Thy truth, following it by a worthy life, and place themselves under Thy most gentle rule. In Thy mercy we beseech Thee, O Lord, from all guilt absolve us and from all evil deliver us. Amen.

THE JOURNAL

On request of Mr. TAFT, and by unanimous consent, the reading of the Journal of the proceedings of Tuesday, February 17, 1948, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed without amendment the following bills of the Senate:

S. 257. An act for the relief of Yoneo Sakai:

S. 305. An act for the relief of Mrs. Hilda Margaret McGrew;

S. 310. An act authorizing the issuance of patent in fee to Jonah Williams;

S. 311. An act authorizing the issuance of a patent in fee to Charles Ghost Bear, Sr.; S. 312. An act authorizing the issuance of

a patent in fee to Charles Kills the Enemy; S. 313. An act authorizing the issuance of a patent in fee to Calvin W. Clincher; S. 409. An act for the relief of Milan Jand-

S. 457. An act for the relief of Anna Kong Mei:

S. 499. An act authorizing the issuance of a patent in fee to Mrs. Bessie Two Elk-Poor Bear:

S. 542. An act authorizing the issuance of a patent in fee to Mrs. Ella White Bull; and S. 1673. An act to authorize the promotion of James Y. Parker, Army serial No. O20712, as major, Army of the United States, as of March 1, 1942, under the act of February 16, 1942 (56 Stat. 94), and for other purposes.

The message also announced that the House had passed the following bills of the Senate, severally, with an amendment in which it requested the concurrence of the Senate:

S. 316. An act for the relief of Mary Sungduk Charr;

S. 402. An act to authorize and direct the Secretary of the Interior to issue to James Black Dog a patent in fee to certain land;

S. 500. An act authorizing the issuance of a patent in fee to Tom Eagleman; and

S. 521. An act to permit the naturalization of Sang Hun Shim.

The message further announced that the House had agreed to the amendments of the Senate to the bill (H. R. 774) to amend an act to authorize the Secretary of War and the Secretary of the Navy to make certain disposition of condemned ordnance, guns, projectiles, and other condemned material in their respective Departments.

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

H.R. 1392. An act for the relief of Mrs. Charlotte E. Harvey;

H. R. 1667. An act for the relief of the estate of T. L. Morris;

H. R. 1786. An act for the relief of Jesse A. Lott:

H. R. 2013. An act for the relief of Mrs. Sirvart Arsenian;

H. R. 2633. An act for the relief of Claude Thomas, legal guardian of Elizabeth Ann Mervine, a minor, and the estates of Mary L. Poole, deceased, and Hazel S. Thomas, deceased:

H. R. 2803. An act for the relief of Miriam Barkle;

H. R. 2806. An act for the relief of the estate of H. M. McCorvey;

H. R. 3787. An act for the relief of Mrs. Maria Smorczewska;

H. R. 3964. An act for the relief of Thomas D. Sherrard:

H. R. 4118. An act to confirm title in fee simple in Thomas Loflin to certain lands in Rankin County, Miss.;

H. R. 4246. An act for the relief of J. L. Hitt:

H. R. 4541. An act for the relief of Jesse F. Cannon, Jackson Jones, and the estate of John Halstadt;

H. R. 4569. An act for the relief of Herbert L. Hunter:

H. R. 4570. An act for the relief of Howard A. Yeager:

H. R. 4593. An act for the relief of Abraham Spevak; and

H.R. 4672. An act for the relief of John Cameron Henry.

AID TO CHINA-MESSAGE FROM THE PRESIDENT (S. DOC. NO. 120)

The PRESIDENT pro tempore laid before the Senate the following message from the President of the United States, which was read by the Chief Clerk, referred to the Committee on Foreign Relations, and ordered to be printed:

To the Congress of the United States:

On several occasions I have stated that a primary objective of the United States is to bring about, throughout the world, the conditions of a just and lasting peace. This is a cause to which the American people are deeply devoted.

Since VJ-day we have expended great effort and large sums of money on the relief and rehabilitation of war-torn countries to aid in restoring workable economic systems which are essential to the maintenance of peace. A principle which has guided our efforts to assist these war-torn countries has been that of helping their peoples to help themselves. The Congress is now giving careful consideration to a most vital and far-reaching proposal to further this purpose-the program for aid to European recovery.

I now request the Congress to consider the type of further assistance which this country should provide to China.

A genuine friendship has existed between the American people and the people of China over many years. This friendship has been accompanied by a long record of commercial and cultural association and close cooperation between our two countries. Americans have developed a deep respect for the Chinese people and sympathy for the many trials and difficulties which they have endured.

The United States has long recognized the importance of a stable Chinese nation to lasting peace in the Pacific and the entire world. The vast size and population of China make her an important factor in world affairs. China is a land with rich tradition and culture and a large and energetic population. It has always been our desire to see a strong progressive China making a full contribution to the strength of the family of nations.

With this end in view, we have supported the National Government of China since it first came to power 20 years ago. China and the United States were allies in the war against Japan and as an ally we supported China's valiant war efforts against the Japanese. Since the Japanese surrender we have provided a great deal of additional assistance. Military aid was given the Chinese Government not only to help defeat the Japanese invaders but also to assist in reoccupying Japanese-held areas. The United States contributed the major share of the extensive aid received by China under the program of the United Nations Relief and Rehabilitation Administration. We made available to the Chinese Government at minimum cost large quantities of surplus goods and equipment of value to China's economy. We are currently extending further aid to China under our foreign relief program.

Nevertheless, the Chinese Government and people are still laboring under the double and interrelated burden of civil war and a rapidly deteriorating economy. The strains placed upon the country by 8 years of war, and the Japanese occupation and blockade have been increased by internal strife at the very time that reconstruction efforts should be under way. The wartime damage to transport and productive facilities has been greatly accentuated by the continued obstruction and destruction of vital communications

by the Communist forces.

The civil warfare has further impeded recovery by forcing upon the Government heavy expenditures which greatly exceed revenues. Continual issuances of currency to meet these expenditures have produced drastic inflation with its attendant disruption of normal commercial operations. Under these circumstances China's foreign exchange holdings have been so reduced that it will soon be impossible for China to meet the cost of essential imports. Without such imports, industrial activity would diminish and the rate of economic deterioration would be sharply increased.

The continued deterioration of the Chinese economy is a source of deep concern to the United States. Ever since the return of General Marshall from China, the problem of assistance to the Chinese has been under continuous study. We have hoped for conditions in China that would make possible the effective and constructive use of American assistance in reconstruction and rehabilitation. Conditions have not developed as we had hoped and we can only do what is feasible under circumstances as they exist.

We can assist in retarding the current economic deterioration and thus give the Chinese Government a further opportunity to initiate the measures necessary to the establishment of more stable economic conditions. But it is and has been clear that only the Chinese Government itself can undertake the vital measures necessary to provide the framework within which efforts toward peace and true economic recovery may be effective.

In determining the character and

dimensions of the program which might be suited to this purpose, we have had to take into account a number of diverse and conflicting factors, including the other demands on our national resources at this time, the availability of specific commodities, the dimensions and complexities of the problems facing the Chinese Government, and the extent to which these problems could be promptly and effectively alleviated by foreign aid. United States assistance to China, like that provided to any other nation, must be adapted to its particular requirements and capacities.

In the light of these factors, I recommend that the Congress authorize a program for aid to China in the amount of \$570,000,000 to provide assistance until June 30, 1949.

The program should make provision for the financing, through loans or grants, of essential imports into China in the amount of \$510,000,000. estimate is based upon prices as of January 1, 1948, since it is impossible at present to predict what effect current price changes may have on the program. Revised dollar estimates can be presented in connection with the requestfor appropriations if necessary. The essential imports include cereals, cotton, petroleum, fertilizer, tobacco, pharmaceuticals, coal, and repair parts for existing capital equipment. The quantities provided for under this program are within the limits of available supplies. The financing of these essential commodity imports by the United States would permit the Chinese Government to devote its limited dollar resources to the most urgent of its other needs.

The program should also provide \$60,-000.000 for a few selected reconstruction projects to be initiated prior to June 30, There is an urgent need for the restoration of essential transportation facilities, fuel, and power operations, and export industries. This work could be undertaken in areas sheltered from military operations and could help in improving the supply and distribution of essential commodities.

As in the case of aid to European recovery, the conduct of this program of aid should be made subject to an agreement between China and the United States setting forth the conditions and procedures for administering the aid. The agreement should include assurances that the Chinese Government will take such economic, financial, and other measures as are practicable, looking toward the ultimate goal of economic stability and recovery. The United States would, of course, reserve the right to terminate aid if it is determined that the assistance provided is not being handled in accordance with the agreement or that the policies of the Chinese Government are inconsistent with the objective of using the aid to help achieve a self-supporting economy.

Pending establishment of the agency which is to be set up for the administration of the European-recovery program, the assistance to China should be carried forward under the existing machinery now administering the foreign-relief programs. Legislation authorizing the Chinese program should make possible transfer of the administration of the Chinese program to the agency administering our aid to European recovery. The need for authority in the administering agency to make adjustments in the program from time to time will be as great here as in the European-recovery

The proposed program of aid to China represents what I believe to be the best course this Government can follow in the light of all the circumstances. Nothing which this country provides by way of assistance can, even in a small measure, be a substitute for the necessary action that can be taken only by the Chinese Government. Yet this program can accomplish the important purpose of giving the Chinese Government a respite from rapid economic deterioration during which it can move to establish more stable economic conditions. Without this respite the ability of the Chinese Government to establish such conditions at all would be doubtful. achievement of even this limited objective is of such importance as to justify the proposed program of aid.

I recommend, therefore, that this program be given prompt and favorable consideration by the Congress

HARRY S. TRUMAN. THE WHITE HOUSE, February 18, 1948.

EXECUTIVE COMMUNICATIONS, ETC. .

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

PROFESSIONAL AND SCIENTIFIC SERVICE IN WAR AND NAVY DEPARTMENTS

A letter from the Acting Secretary of War, reporting, pursuant to law, that no position had actually been filled in the professional and scientific service in the War and Navy Departments; to the Committee on Post Office and Civil Service.

DONATIONS BY NAVY DEPARTMENT TO NON-PROFIT INSTITUTIONS AND ORGANIZATIONS

A letter from the Acting Secretary of the Navy, reporting, pursuant to law, a list of institutions and organizations, all nonprofit and eligible, which have requested donations from the Navy Department; to the Committee on Armed Services.

MEMBER OF DISTRICT OF COLUMBIA REDEVELOP-MENT LAND AGENCY

A letter from the Commissioners of the District of Columbia, submitting, pursuant to law, the nomination of Richard R. Atkinson for reappointment as a member of the District of Columbia Redevelopment Land Agency, for a term of 5 years, effective on and after March 4, 1948; to the Committee on the District of Columbia.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. REED, from the Committee on Interstate and Foreign Commerce:

H. R. 2298. A bill to amend the Interstate Commerce Act, as amended, and for other purposes; with an amendment (Rept. No.

By Mr. KILGORE, from the Committee on Armed Services:

S. 1107. A bill to amend section 2 of the joint resolution approved November 17, 1941 (55 Stat. 764), relating to the arming of American vessels; with amendments (Rept. No. 892).

By Mr. MORSE, from the Committee on Armed Services:

S. 1571. A bill to promote the national defense by increasing the membership of the National Advisory Committee for Aeronautics; with amendments (Rept. No. 893).

By Mr. MAYBANK, from the Committee on Armed Services:

S. 1723. A bill to amend Public Law 168, Seventy-seventh Congress, first session, an act to authorize the course of instruction at the United States Naval Academy to be given to not exceeding 20 persons at a time from the American Republics, other than United States; with amendments (Rept. No. 894)

By Mr. BALDWIN, from the Committee on Armed Services:

S. 1790. A bill to amend the act of Congress entitled "An act to credit certain service performed by members of the Army, Navy, Marine Corps, Coast Guard, Coast and Geodetic Survey, and Public Health Service prior to reaching 18 years of age for the purpose of computing longevity pay, or for other pay purposes," approved March 6, 1946; with an amendment (Rept. No. 895).

AUTHORITY TO REPORT RENT-CONTROL BILL DURING RECESS

Mr. TAFT asked and obtained leave for the Committee on Banking and Currency to report during the recess of the Senate on the rent-control extension bill.

Subsequently,

Mr. CAIN, from the Committee on Banking and Currency, reported an original bill (S. 2182) to extend certain provisions of the Housing and Rent Act of 1947, to provide for the termination of controls on maximum rents in areas and on housing accommodations where conditions justifying such controls no longer exist, and for other purposes, and submitted a report (No. 896) thereon.

BILLS INTRODUCED

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

By Mr. BRIDGES:

S. 2177. A bill for the relief of Leon Moore; to the Committee on the Judiciary.

By Mr. MOORE (for himself and Mr.

THOMAS of Oklahoma):

S. 2178. A bill for the relief of John David

Logan; to the Committee on the Judiciary.
By Mr. KNOWLAND:
S. 2179. A bill for the relief of Maria Rug-

geri; and

S. 2180. A bill for the relief of Elfriede Walther; to the Committee on the Judiciary.

S. 2181. A bill to ratify the administrative promotions of employees on military furlough from the field postal service, in certain cases, and for related purposes; to the Committee on Post Office and Civil Service.

(Mr. CAIN, from the Committee on Banking and Currency, reported an original bill (S. 2182) to extend certain provisions of the Housing and Rent Act of 1947, to provide for the termination of controls on maximum rents in areas and on housing accommodations where conditions justifying such controls no longer exist, which appears under a separate heading.)

REDUCTION OF INDIVIDUAL INCOME-TAX PAYMENTS-AMENDMENT

Mr. HOLLAND. Mr. President, I ask unanimous consent to submit for appropriate reference an amendment intended to be proposed by me to the bill (H. R. 4790) to reduce individual income-tax payments, and for other purposes, and I request that an explanation of the amendment by me may be printed in the

There being no objection, the amendment was received, referred to the Committee on Finance, and ordered to be printed; and, without objection, the explanatory statement submitted by Mr. HOLLAND was ordered to be printed in the RECORD, as follows:

EXPLANATION BY MR. HOLLAND OF PROPOSED AMENDMENT TO H. R. 4790

The purpose of my proposed amendment to the bill H. R. 4790 is to amend the chapter of the Internal Revenue Code relating to methods of collection of delinquent taxes so as (1) to increase the present exemption of household furniture from distraint and sale for the satisfaction of Federal taxes from the present limit of \$300 to \$1,000, (2) to exempt a homestead not exceeding \$5,000 in value from seizure and sale for the satisfaction of Federal taxes, and (3) to exempt from the Federal tax lien the property which is exempt from distraint or seizure and sale for the satisfaction of Federal taxes.

Under the provisions of existing law (sec. 3670 of the Internal Revenue Code), a lien is imposed upon "all property and rights to property, whether real or personal" belong-ing to a person who is indebted to the United States for taxes. Section 3678 of the Internal Revenue Code provides for suits to enforce this lien against all property and rights to property, whether real or personal, of a delinquent taxpayer.

However, the most common way of sub-jecting the property of a delinquent tax-payer to the satisfaction of Federal taxes is by administrative procedure under subchapter (c) of chapter 36 of the code. In brief, this subchapter gives a collector the right to distrain and sell the personal property of a delinquent taxpayer, and in addition, a right to seize and sell the real property of a delinquent taxpayer if the tax cannot be satisfied out of personal property. The only property exempt from distraint and sale is enumerated in section 3691 (a) of the code,

which reads as follows:
"SEC. 3691. Property exempt from dis-

traint: (a) Enumeration.

"There shall be exempt from distraint and sale, if belonging to the head of a family-"(1) School books and wearing apparel.

"The school books and wearing apparel

necessary for such family, also.

"(2) Arms.

"Arms for personal use.

"(3) Livestock.

"One cow, five hogs, five sheep and the wool thereof, provided the aggregate market value of said sheep shall not exceed \$50.

"(4) Fodder.

"The necessary food for such cow, hogs, and sheep, for a period not exceeding 30

(5) Fuel.

"Fuel to an amount not greater in value than \$25.

"(6) Provisions.

"Provisions to an amount not greater than \$50.

"(7) Household furniture.

"Household furniture kept for use to an amount not greater than \$300; and "(8) Books and tools of trade or profession.

"The books, tools, or implements, of a trade or profession, to an amount not greater than \$100."

This subsection as incorporated into the code was taken from the act of July 1, 1862 (12 Stat. 440) as amended. At the present time there is no exemption at all of real property that may be seized and sold to satisfy Federal taxes.

The last substantial change in the law which is now section 3691 (a) of the code occurred in 1866. Obviously, there has been a great change in personal property values since that time which necessitates a revision of the laws relating to exemptions of property from sale for satisfaction of delinquent Federal taxes. And it must be remembered that in 1866 only a small percentage of the people of the country were directly liable to pay Federal taxes. It has only been since the enactment of the Federal income tax in 1913 that a large number of the people pay Federal taxes directly. These considerations also may account for the fact that there has never been any exemption of real property from sale to satisfy Federal taxes and at the same time point to the necessity for such an ex-

emption at the present time.

When judicial proceedings are instituted to enforce the Federal tax lien, it appears to be uncertain whether the exemptions listed in section 3691 (a) are applicable. Likewise, it is not clear whether the laws of the States exempting homesteads and other property are applicable in the case of a judgment to enforce the lien for Federal taxes. However, it is clear that if administrative proceedings under subchapter (c) of chapter 36 are instituted to collect Federal taxes that the State laws exempting homestead and other property are not applicable.

Most of the States, in one way or another, exempt homesteads from seizure and sale for any reason (except to satisfy taxes levied directly on such homesteads). Certainly a

homestead should be just as invulnerable from seizure for Federal taxes as it is from seizure for State taxes. And it should be protected whether the method of tax collection is judicial or administrative. fore, to provide uniformity as to the liability of the property of an individual for the satisfaction of Federal taxes, my amendment would provide that the Federal tax lien would not apply to the property of a delinquent taxpayer which is exempt from distraint or seizure and sale under administrative process.

HOUSE BILLS REFERRED

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

H.R. 1392. An act for the relief of Mrs. Charlotte E. Harvey;

H. R. 1667. An act for the relief of the estate of T. L. Morris;

H. R. 1786. An act for the relief of Jesse A.

H. R. 2013. An act for the relief of Mrs. Sirvart Arsenian:

H. R. 2633. An act for the relief of Claude T. Thomas, legal guardian of Elizabeth Ann Mervine, a minor, and the estates of Mary L. Poole, deceased, and Hazel S. Thomas, deceased:

H. R. 2803. An act for the relief of Miriam Barkle;

H.R. 2806. An act for the relief of the estate of H. M. McCorvey;

H. R. 3787. An act for the relief of Mrs. Maria Smorczewska;

H. R. 3964. An act for the relief of Thomas D. Sherrard;

H. R. 4246. An act for the relief of J. L. Hitt:

H. R. 4541. An act for the relief of Jesse F. Cannon, Jackson Jones, and the estate of John Halstadt;

H. R. 4569. An act for the relief of Herbert L. Hunter;

H. R. 4570. An act for the relief of Howard A. Yeager;

H. R. 4593. An act for the relief of Abraham Spevak; and

H.R. 4672. An act for the relief of John Cameron Henry; to the Committee on the Judiciary

H. R. 4118. An act to confirm title in fee simple in Thomas Loflin to certain lands in Rankin County, Miss.; to the Committee on Interior and Insular Affairs.

FORWARD-LOOKING REPUBLICANISM-ADDRESS BY SENATOR LODGE

Mr. LODGE asked and obtained leave to have printed in the RECORD an address on the subject Forward-Looking Republicanism, delivered by him in Charleston, W. Va., February 12, 1948, before the Republican clubs of West Virginia, which appears in the Ap-

LINCOLN DAY ADDRESS BY SENATOR MARTIN AT KANSAS CITY

[Mr. KEM asked and obtained leave to have printed in the RECORD a Lincoln birthday address delivered by Senator Martin at Kansas City. Mo., February 13, 1948, which appears in the Appendix.]

RADIO NETWORKS AS TOOLS OF PROPA-GANDA-EDITORIAL FROM THE CHI-CAGO DAILY TRIBUNE

Mr. KEM asked and obtained leave to have printed in the RECORD an editorial entitled "Radio Networks as Tools of Propaganda," from the Chicago Daily Tribune of February 9, 1948, which appears in the Appendix.]

LINCOLN DAY ADDRESS BY SENATOR MARTIN AT CHICAGO

Mr. BROOKS asked and obtained leave to have printed in the RECORD an address delivered by Senator Martin at the Lincoln

Day dinner of the Illinois Republican State Central Committee, at Chicago, Ill., on February 10, 1948, which appears in the Appendix.

QUARTERMASTER CORPS RESEARCH LAB-ORATORY AT BOSTON—STATEMENT BY SENATOR MYERS

[Mr. MYERS asked and obtained leave to have printed in the RECORD a statement made by him before a subcommittee of the Senate Committee on Armed Services considering Senate bill 286, to establish the Quartermaster Corps Research Laboratory at or in the vicinity of Boston, Mass., which appears in the Appendix.]

WHAT LABOR EXPECTS OF MANAGE-MENT-ADDRESS BY H. W. BROWN

[Mr. GREEN asked and obtained leave to have printed in the RECORD an address entitled "What Labor Expects of Management," delivered by H. W. Brown, president, International Association of Machinists, at a meeting of the American Management Association at Chicago, Ill., on February 18, 1948, which appears in the Appendix.]

HUMANITARIAN WORK OF DR. J. W. WITTEN-ARTICLE FROM THIS WEEK

[Mr. BYRD asked and obtained leave to have printed in the RECORD an article entitled "The Man With 150 Sons," written by Ralph Bass and published in This Week for February 15, 1948, which appears in the Appendix.

AWARD BY VIRGINIA JUNIOR CHAMBER OF COMMERCE OF DISTINGUISHED SERVICE CITATION TO W. BROOKS GEORGE

[Mr. BYRD asked and obtained leave to have printed in the RECORD a press release relating to the nomination of Mr. W. Brooks George as the recipient of the Distinguished Service Award of the Virginia Junior Chamber of Commerce, which appears in the Appendix.]

ELECTION RETURNS FROM NEW YORK— ARTICLE FROM NEW YORK TIMES

[Mr. BREWSTER asked and obtained leave to have printed in the RECORD the election returns from New York, as published in the New York Times of February 18, 1948, which appear in the Appendix.]

CAPEHART'S WORLD RFC PLAN—EDITORIAL FROM THE INDIANAPOLIS STAR

[Mr. CAPEHART asked and obtained leave to have printed in the RECORD an editorial entitled "Capehart's World RFC Plan," published in the Indianapolis (Ind.) Star on Monday, February 9, 1948, which appears in the Appendix.

MEETINGS OF COMMITTEES

Mr. TAFT asked and obtained consent that the Committee on Expenditures in the Executive Departments, and the Committee on Interior and Insular Affairs, be permitted to sit during the session of the Senate today.

Mr. TAFT (for Mr. Donnell) asked and obtained consent that the subcommittee of the Committee on the Judiciary considering the Tamm nomination be permitted to sit during the session of the Senate today.

LEAVES OF ABSENCE

Mr. McFARLAND asked and obtained consent that Mr. Magnuson be excused from attendance on the Senate during the remainder of the present week and next week.

Mr. LUCAS asked and obtained consent that Mr. Maybank be excused from attendance on the sessions of the Senate until February 27.

Mr. LUCAS also asked and obtained consent that he be excused from attendance on the sessions of the Senate until February 25.

ANNIVERSARY OF INDEPENDENCE OF LITHUANIA

Mr. LUCAS. Mr. President, on Monday last, February 16, American citizens of Lithuanian origin celebrated the independence of the brave little country from which they came. For it was 30 years ago on February 16, 1918, that there was published in the city of Vilnius the Declaration of Lithuanian Independence. On that day Lithuania became a modern nation under a constitutional form of government.

On gaining her independence the people of this remarkable country, which has existed on the shores of the Baltic Sea for centuries, made remarkable The standard of living of the progress. people advanced rapidly. Until war came to the Baltic Sea and the North Sea, her foreign trade showed a steady gain. Lithuania had faced westward and sought to take for herself the advantage and benefits of our western form of civilization. The nation worked hard to restore her great natural wealth, her prestige, and position among the nations of the world.

But the feeling of pride which our Lithuanian fellow citizens take in the independence of their mother country is dimmed by the fact of Soviet domination. For it was on June 15, 1940, that independence was temporarily her crushed by Russian forces who today are still in control of the country. Since that day Lithuania's lot has been harsh and tragic. It is indeed a grim sort of irony that her independence day was celebrated not in Lithuania but in other lands where freedom and liberty still survive. There is today no free Lithuania.

All over the world today millions of freedom-loving peoples look to America with hope. The passion for freedom is deeply rooted in the hearts of the Lithuanian people. The history of that country is the most revealing testimony of her right to enjoy the way of life of a free people. If we revere our American traditions, our country must take the moral leadership which is ours by virtue of our strength and moral heritage. We must work toward the goal of a world in which free governments are freely chosen by free men. This is a moral ideal, but it is an ideal which will make for the greatest security for our country. Foremost among the countries of the world to whom we owe that moral leadership is Lithuania, whose attachment to freedom lays a powerful claim on our sympathies and energies. Let us all hope that the time is not far off when Lithuania and the other countries of the world now subject to the influence of foreign powers can throw off the alien voke and regain the freedom which is so rightfully hers.

LEAGUE FOR PEACE WITH JUSTICE IN PALESTINE

Mr. McMahon. Mr. President, I ask unanimous consent to have printed in the body of the Record a statement which I prepared with reference to the League for Peace With Justice in Palestine.

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

During the past few days each of us Senators has received a document from the League for Peace With Justice in Palestine, marked "Confidential," with a notation that it is to be delivered in person. The only name which appears on the document is that of Benjamin H. Freedman who purports to be the organization's secretary.

be the organization's secretary.

I hope none of my colleagues who have received this document will take it seriously.

The League for Peace With Justice in Pal-

estine consists of three individuals: Benjamin H. Freedman, P. M. Shoendorf, and Habib I. Katibah.

Freedman has worked in close collaboration with the directors of the Institute of Arab-American Affairs, Inc., of New York, and Arab propaganda agency, and the Arab office of Washington which is officially sponsored by the Governments of Egypt, Iraq, Lebanon, Saudi Arabia, Transjordan, and Yemen and is actually registered as a foreign agent with the Department of Justice. In addition, Freedman has actually participated in representations made by the Egyptian Minister to our State Department.

P. M. Shoendorf, the second of the three members of the League for Peace With Justice in Palestine is, in fact, Freedman's mother-in-law.

The third, final, and only other member of the League for Peace With Justice in Palestine, Habib I. Katibah, is an Arabian journalist who is associated with the Institute of Arab-American Affairs, Inc. In addition, he was an active leader in the Arab National League which, prior to the war, worked in close cooperation with the German-American Bund.

On May 2, 1946, the League for Peace With Justice in Palestine ran a full-page advertisement in the New York Herald Tribune in which it asked a million prospective members to send the organization \$1 each. At that time it gave its address as a public stenographer's office at 345 Madison Avenue.

On May 9, 1946, the same ad was run in the New York Sun and the New York World-Telegram, but the address of the organization was then given as another public stenographer's address at 420 Lexington Avenue, New York City.

The address given in the document as circulated among us yesterday was post office box No. 228, station F, New York 16, N. Y. It is abundantly clear to me that the

It is abundantly clear to me that the League for Peace With Justice in Palestine is not only not a responsible organization with American interests at heart, but, in addition, is a one-man organization which tries to lend some respectability to the efforts of the registered Arabian propagandists.

THE LEGISLATIVE BUDGET

Mr. TAFT. Mr. President, I move that the Senate proceed to the consideration of Senate Concurrent Resolution 42, Calendar No. 931. This is the concurrent resolution regarding the legislative budget.

The PRESIDENT pro tempore. Would the Senator consider submitting the suggestion in the form of a unanimousconsent request, so as not to displace the unfinished business? Mr. TAFT. I intended to displace the St. Lawrence seaway joint resolution. My understanding is that the St. Lawrence seaway measure will automatically come back before the Senate under the unanimous-consent agreement on February 27. I see no reason why it should not be completely displaced in the meantime.

The PRESIDENT pro tempore. The question is on the motion of the Senator from Ohio that the Senate proceed to the consideration of Senate Concurrent Resolution 42, which the clerk will read. The Chief Clerk read as follows:

Resolved by the Senate (the House of Representatives concurring), That it is the judgment of the Congress, based upon presently available information, that revenues during the period of the fiscal year 1949 will approximate \$47,300,000,000 and that expenditures during such fiscal year should not exceed \$37,200,000,000, of which latter amount not more than \$26,600,000,000 would be in consequence of appropriations hereafter made available for obligation in such fiscal year.

Mr. LODGE. Mr. President, as I understand, the Senator from Ohio is asking that the St. Lawrence seaway joint resolution be displaced.

Mr. TAFT. That is correct. By unanimous consent, on Friday, February 27, the Senate will automatically return to the consideration of that measure, no matter what else may be pending.

Mr. LODGE. Would favorable action on the Senator's motion mean that there would be only 4 hours for debate on Friday, February 27, on the St. Lawrence seaway proposal?

Mr. TAFT. That is correct, unless

Mr. TAFT. That is correct, unless the Senate took up something else. As a matter of fact, there is a full calendar which could be considered between now and February 27.

Mr. LODGE. As I have repeatedly said, I have been ready to vote on the St. Lawrence seaway measure for some time. But I did enter into an agreement with the Senator from Wisconsin [Mr. Wiley], the purport of which was that the time for offering amendments would close on February 23, and that then there would be time for discussion of the amendments between February 23 and February 27. I notice that the Senator from Wisconsin is not now in the Chamber, but that was the understanding agreed to. I should want to be sure that what we were doing was keeping faith with the agreement which I had with the Senator from Wisconsin.

Mr. TAFT. I do not know anything about the agreement; but we will have to proceed next Friday with the rent-control bill, the consideration of which will last, I suppose, over to Monday, and possibly Tuesday. It is proposed that on Wednesday, February 25, the Senate consider the motion of the Senator from Illinois [Mr. Lucas] to reconsider the vote by which the resolution relating to the Committee on Expenditures in the Executive Departments was agreed to, which will take all day. Merely because we fixed a day 2 weeks ahead for a vote on a certain measure I do not think we can indefinitely keep that measure be-

fore the Senate when there is other business to be disposed of.

Mr. LODGE. I suggest to the Senator from Ohio that he did not understand what we did. We agreed on a time limit, February 23, for the offering of amendments, and to vote on the joint resolution on February 27, the understanding being that between the 23d and the 27th time would be afforded for the consideration of the amendments. I personally have been ready to vote at any time on the St. Lawrence seaway measure, and I think most Senators are, but we did have this agreement with the Senator from Wisconsin. I observe he is not in the Chamber, and we ought to keep faith with him.

Mr. BARKLEY. Mr. President, as I understand the rule, when a measure is pending as the unfinished business it is in order, of course, for any Senator to move that some other measure be taken up, but if such a motion is agreed to, it displaces the unfinished business, and it cannot be brought back before the Senate without another motion. If a unanimous-consent agreement is reached to take up a certain measure, it does not displace the unfinished business. I do not know what the Senator requested.

Mr. TAFT. I moved to displace the unfinished business, because it seems to me that when we agree to vote 3 weeks from a given time, and there is no debate on the particular measure then pending, we should set it aside and proceed with other business. Under the unanimous-consent agreement, the St. Lawrence seaway joint resolution will automatically come before the Senate for consideration as the unfinished business on February 27.

Mr. BARKLEY. It would not be the pending business until that time, if the Senator's motion should prevail, unless some Senator moved to take it up again, as was done originally. No amendment could be offered to it, because it would not be the pending business, although the amendments must all be offered by February 23. If the St. Lawrence seaway joint resolution shall be displaced, it will not be before the Senate, and no amendment can be offered to it, unless between now and that time some Senator moves to take it up again. It seems to me that unless there is objection to what the Senator is trying to have done, the best procedure would be to ask unanimous consent, which would not displace the St. Lawrence seaway measure. Is the Sen-ator trying to have the legislative budget concurrent resolution taken up

Mr. TAFT. There was all of last week, the 2 days the Senate was in session, for debate on the St. Lawrence seaway, and no Senator desired to speak. Apparently there is no more to be said on the subject. There is this other agreement, about which I know nothing, and which is not set out in the Record, so far as I know.

Mr. LODGE. It was set out in the RECORD that February 23 would be the last day for the offering of amendments. I thoroughly sympathize with the Senator's desire to get ahead with the business

of the Senate, and the Record will show that many times I said the Senate should vote sooner than the date fixed. But I think it will hopelessly complicate the transaction of business in the Senate if we agree by unanimous consent to do a certain thing and then agree later to do something else.

Mr. TAFT. Mr. President, the only unanimous-consent agreement the Senate has entered into is to resume consideration of the joint resolution relating to the St. Lawrence seaway on February 27.

Mr. LODGE. No. The Senate has agreed that the time for submission of amendments shall end on February 23.

Mr. BARKLEY. Mr. President, the arrangement which was entered into is not such an arrangement as is usually made. I do not recall when a vote on a measure has been fixed so far ahead as was done in this case, but the action was taken largely in order to accommodate Senators on the majority side of the Chamber, including the Senator from Ohio, who wanted to be absent for purposes which we all understand. The Senator from Ohio probably went farther away from Washington than anyone else.

Mr. TAFT. But I was ready to vote on the St. Lawrence seaway measure before I left Washington.

Mr. BARKLEY. The Senator from Ohio was justified in leaving Washington, because he is in very hot pursuit of a very high prize in this country. I do not criticize the Senator from Ohio for being away from Washington last week. I am very fond of the Senator from Ohio, and, as I have said before, because I am an advocate of the "good neighbor policy" he is my candidate for the Republican nomination for President of the United States. I live very close to where he lives. He lives just across the river from me. Other things being equal, I would be for the Senator for the Republican nomination. Therefore I do not criticize him for pursuing the prize, and even going as far West as Colorado in that pursuit.

Mr. TAFT. Mr. President, the Senator from Kentucky cannot blame me for the action which was taken postponing the vote on the St. Lawrence seaway. I was ready to vote on it last week.

Mr. BARKLEY. No; I do not blame the Senator for the postponement of the vote. Perhaps that action was taken during the Senator's absence. The action taken was unusual, but it was done in order to accommodate Senators. Of course, it was recognized that we could not for a whole week accommodate Senators on the majority side without some sort of quid pro quo to the minority side. in view of our "birthdays," political and otherwise. [Laughter.] The arrangement which was entered into was an unusual one. That, however, does not change the rule of the Senate that the measure relating to the St. Lawrence seaway is the unfinished business, and will remain the unfinished business unless it is displaced either permanently by motion or temporarily by unanimous con-

Mr. TAFT. I do not want to interfere with the offering of amendments to

the measure. Under the terms of the unanimous-consent agreement, however, it seems perfectly clear to me that an amendment can be offered, whether the measure is before the Senate or not. The unanimous-consent agreement provides—

And that no amendment shall be received to said joint resolution which has not on or before February 23, 1948, been submitted as an amendment intended to be proposed thereto and ordered to lie on the table and be printed.

Under that agreement an amendment certainly may be offered even though the joint resolution is not presently before the Senate.

Mr. BARKLEY. That is true. Amendments can be offered. But they are not offered to a measure which is pending and is the unfinished business.

Mr. TAFT. I may point out that since an amendment is now pending, other amendments can be submitted as intended to be proposed later, and ordered to lie on the table and be printed, but cannot be acted upon until whatever amendment is pending has been disposed of.

Mr. BARKLEY. Amendments may be submitted and printed for the information of the Senate.

Mr. TAFT. Mr. President, I thought there would be no objection to the procedure I suggested. I withdraw my motion, and now ask unanimous consent that the unfinished business be temporarily laid aside, and that the Senate proceed to the consideration of Senate Concurrent Resolution 42.

Mr. SMITH. Mr. President, will the Senator from Ohio yield for a parliamentary inquiry?

Mr. TAFT. I yield.

Mr. SMITH. The unanimous consent agreement provides:

That a motion to recommit the said joint resolution shall only be in order on February 23, but a vote thereon shall not be had prior to February 27, 1948.

I am contemplating making a motion to recommit, in connection with which I propose to make some remarks. I am advised I cannot make that motion until the 23d, because the unanimous consent agreement provides "that a motion to recommit * * * shall only be in order on February 23." I ask the Senator from Ohio: Would the motion he has made, if adopted, interfere with my motion to recommit the measure dealing with the St. Lawrence seaway project.

Mr. TAFT. Yes; I think the Senator from New Jersey is correct. However, I have withdrawn the motion.

Mr. SMITH. I want to preserve my position to submit my motion on February 23.

The PRESIDENT pro tempore. The Senator from Ohio has withdrawn his motion, and has asked unanimous consent that the unfinished business be temporarily laid aside, and that the Senate proceed to the consideration of Senate Concurrent Resolution 42, which was read at the desk a few moments ago. Is there objection?

There being no objection, the Senate proceeded to consider the concurrent resolution (S. Con. Res. 42) establishing

the ceiling for expenditures for the fiscal year 1949 and for appropriations for the fiscal year 1949 to be expended in said fiscal year.

GENERAL FEATURES OF THE LEGISLATIVE

Mr. BRIDGES. Mr. President, on August 2, 1946, the Legislative Reorganization Act became law. The intent of this law was to provide for increased efficiency in the legislative branch of the Government.

The act provided for many changes. Among these, it reduced the number of standing committees of the Congress and defined the powers and duties of such committees. It provided the committees with increased clerical and professional staffs in order to assist in committee activities. It provided for the rendering of a legislative budget. It provided for a Legislative Reference Service to be established in the Library of Congress to assist in the legislative process. The Office of the Legislative Council was expanded. Lobbyists were to be required to register certain information with the Clerk of the House of Representatives and the Secretary of the Senate. The act provided for many other changes as

Most of these changes were hailed as a long step forward in modernizing the legislative procedures of the Congress. And in numerous instances, I can say without reservation, the Legislative Reorganization Act has worked admirably. I believe that my colleagues generally on both sides of the aisle share this view,

LEGISLATIVE BUDGET DESCRIBED

However, there were many of us who kept our fingers crossed when we voted for certain provisions of the act. One such provision was the section dealing with the legislative budget.

To the casual eye the text of the Legislative Reorganization Act creating the legislative budget does not seem difficult of accomplishment. It directs that the Committee on Ways and Means and the Committee on Appropriations of the House of Representatives and the Committee on Finance and the Committee on Appropriations of the Senate, or authorized subcommittees of these, shall, at the beginning of each regular session of the Congress, study the budget recommendations of the President and recommend to their respective Houses a legislative budget for the ensuing fiscal year. This report shall contain a recommendation for the maximum amount to be appropriated for expenditure in that year, which shall include such an amount to be reserved for deficiencies as may be deemed necessary by the joint committee. If the estimated receipts should exceed the estimated expenditures, the report shall contain a recommendation for a reduction in the public debt. The report is due on or before February 15.

The law further directs that a concurrent resolution by which the report would be adopted and fixing the maximum amount to be appropriated for expenditure in that year shall accompany the report. If the estimated expenditures exceed the estimated receipts, the concurrent resolution shall include a section stating the amount by which the public debt shall be increased.

Thus, in brief, the legislative budget calls for an estimate of Federal receipts and revenues, an estimate of recommended expenditures, the maximum amount recommended to be appropriated, a recommended reserve for deficiencies, and a recommendation regarding an increase or reduction in the public debt.

DIFFICULTIES IN MAKING A LEGISLATIVE BUDGET

At the time of its passage we of the Congress recognized this as a well-intentioned and beneficial piece of legislation. We recognized the merits of determining a budget goal by which the Congress could guide itself in its studies of appropriations, expenditures, and revenues. But we were not blinded to the inherent difficulties attendant upon such a determination. In theory we looked upon the legislative budget as a step forward. In practice we wondered if, in its present form at least, it would work satisfactorily.

As the act is now written, I do not believe that the legislative budget will ever be more than a pregame guess at the final score, for it asks the Joint Budget Committee to give its estimate of a multitude of new facts, figures, conditions, and requests with which it has had no time to become acquainted.

EARLY REPORTING DATE PRECLUDES THOROUGH
ANALYSIS

On or about February 15, according to law, the Joint Committee on the Legislative Budget is required to report to the Congress its recommendations regarding the budget of the Federal Government for the ensuing fiscal year. This is accompanied by a resolution adopting the budget. Thus, approximately 1 month after the presentation of the President's budget, the Congress is asked to go on public record as to what it will do-generally speaking-about a 1,500-page Budget on which it has held, as yet, few hearings. Thousands of people spent up to 6 months preparing this budget, comprising hundreds of thousands of individual items. We are asked to provide a sum-total estimate as to the validity, necessity, and advisability of their functions and their requests without having at this time heard from any of the witnesses and without having had more than a cursory opportunity to review their detailed budget justifications.

This obviously does not allow the joint committee sufficient time in which to consider the budget estimates carefully before making its recommendations. Actually, long and detailed hearings are necessary if we are to have a realistic picture of the proper relationship between revenues, appropriations, expenditures, and debt reduction. This is impossible in the time allowed.

Furthermore, since the departments and agencies start to prepare their individual budgets as long as 6 months in advance of the President's budget, many changes have taken place and are taking place in their demands and requirements. These are not reflected in the President's budget. In many instances the Congress has no knowledge of these

requested changes at this time. In fact, in some instances the Congress will not become apprised of them until late in the spring or early in the summer. Yet the Congress is asked to predict what these changes will be and what should be done about them.

Furthermore, frequently in direct contravention of the expressed direction of the Congress, the departments and agencies of the Government have requested in the past, and presumably will again request, deficiency and supplemental appropriations, of most of which we have no advance knowledge. I shall speak further about violations of the deficiency law later in my discussion. At the moment, I wish merely to point out that with huge sums of money involved, the Joint Committee on the Legislative Budget has no way of crystal gazing into the whims and extravagances of departments and agencies which choose to disregard the lawful limits of their appro-

AMENDMENT OF LAW URGED

For these reasons I restate my firm opinion that section 138 of the Legislative Reorganization Act, dealing with the legislative budget, should be amended as to the date of presentation. Only at a much later date, after hearings have been held after we of the Congress have had ample opportunity to weigh carefully the requests of the President's budget, can we in justice to the country, to the taxpayers, to the departments and agencies involved, and to ourselves, judiciously arrive at a sound estimate of the proper relationship between appropriations, expenditures, revenues, and debt reduction.

I strongly urge now that the law be amended so that the Committee on the Legislative Budget will not be called upon to make its decisions until a much later date. Many Members of Congress who have had to wrestle with the problem of preparing the legislative budget believe that such a change would make the budget a much more practical and valuable guide in properly balancing our Federal finances.

PRESENT LAW COMPLIED WITH

Since it was virtually impossible to amend the law prior to the reporting date, the Joint Committee on the Legislative Budget had no recourse but to comply with that law. It has done so in full awareness of its responsibilities. It has done so despite the paucity of detailed information which it has at hand. It has done so despite the certainty of harsh criticism by those who, refusing to seek economy in government, believe they will profit most this year by increased expenditures on the part of a free-spending Government.

The 102-man Joint Committee on the Legislative Budget met on January 22, 1948. This committee, as I have stated, was made up of the members of four committees—the House Committee on Appropriations, the House Committee on Ways and Means, the Senate Committee on Finance, and the Senate Committee on Appropriations.

I had the honor to be chosen chairman of the joint committee. A subcommittee, comprised of five members of each of the foregoing committees, was appointed by the chairman of each committee. This 20-man subcommittee submitted to the full committee its recommendations, which were adopted by a vote of 44 to 16.

REDUCTION OF \$2,500,000,000 RECOMMENDED

Mr. President, I submit herewith the report of recommendations of the Joint Committee on the Legislative Budget for the fiscal year 1949, beginning July 1, 1948, and ending June 30, 1949.

The committee has determined, as a result of its deliberations, that for the fiscal year 1949:

First. The estimate of receipts is \$47,-300,000,000.

Second. The estimate of recommended expenditures is \$37,200,000,000.

Third. (a) The maximum amount recommended to be appropriated against the Budget estimates of \$32,900,000,000 for fiscal year 1949 is \$30,900,000,000.

(b) The maximum amount recommended to be appropriated against the supplemental budget estimates for 1948 of \$8,700,000,000 is \$7,900,000,000.

Fourth. The reserve for deficiencies recommended is \$225,000,000.

Fifth. The public debt should be reduced by a portion of the excess of Federal receipts over expenditures, but in no event less than \$2,600,000,000.

The committee, in estimating receipts of \$47,300,000,000, was \$2,800,000,000 over the President's estimate of \$44,500,-000,000. In estimating expenditures of \$37,200,000,000, the committee was \$2,-500,000,000 under the President's estimate of \$39,700,000,000. Thus, while the President estimated an excess of receipts over expenditures of only \$4,800,000,000, the committee estimated the excess to \$10,100,000,000, or a difference of \$5,-300,000,000 in the committee's favor.

The committee's estimate of \$30,900,-000,000 for new appropriations for 1949 was just \$2,000,000,000 under the President's estimate of \$32,900,000,000, while the committee's estimate of \$7,900,000,-000 for supplemental appropriations, 1948—including the large aid-to-Europe item—was \$800,000,000 under the President's \$8,700,000,000 figure. Thus, the savings in appropriations for the two items would run to \$2,800,000,000.

REASONS FOR ACTION STATED

Some of the reasons which impelled the committee to make the determinations which it did are as follows—and I now quote from the report:

- 1. This is the highest peacetime budget that has ever been submitted for congressional consideration.
- The spending program, as outlined in the budget document, contemplates little or no reduction in the number of Federal employees.
- 3. This budget recommends a total of \$5,735,000,000 in new expenditures for 1949 for which there exists at the moment no authorizing legislation.
- 4. This Nation is admittedly in grave danger of runaway inflation which, if historical precedents are any guide, might, if unchecked, result in serious economic upheavals. Under such conditions, our present revenues would decline markedly, resulting in an increased debt and increased taxation unless present spending policies are curtailed. Since Federal, State, and local expenditures constitute the single greatest inflationary

force in our economy, these expenditures should be curtailed wherever possible.

- 5. For the same reason, large-scale expansion and acceleration of public-works projects should be limited to such projects as are deemed urgently necessary to the public interest.
- 6. It is obvious that the taxpayers of this Nation should be relieved somewhat of the burden of wartime taxation. This cannot be done if Federal commitments are widely expanded and expenditures are needlessly increased.
- 7 World conditions make imperative heavy expenditures for foreign aid and national defense. Under such circumstances, discretion cautions us to conserve our financial resources.

The committee wishes to direct attention to the fact that appropriations for expenditure are substantially less in amount than are the estimated expenditures as contemplated by the President's budget. The difference between these two lies in the fact, as stated in the report, that expenditures recommended by the President for the fiscal year 1949 include not only the new appropriations which are requested of the Congress for this fiscal year, but also funds which are available for expenditure from appropriations which were made in prior years or in the current year from appropriations which are anticipated.

CONCURRENT RESOLUTION QUOTED

Because of the vast difference between proposed appropriations and the amounts available for expenditure, the draft of the concurrent resolution, presented in compliance with the law, was worded as follows:

Resolved by the Senate (the House of Representatives concurring), That it is the judgment of the Congress, based upon presently available information, that revenues during the period of the fiscal year 1949 will approximate \$47,300,000,000 and that expenditures during such fiscal year should not exceed \$37,200,000,000, of which latter amount not more than \$26,600,000,000 would be in consequence of appropriations hereafter made available for obligations in such fiscal year.

APPROPRIATION CUTS NOT ENOUGH

It is obvious to all that as long as the departments and agencies of the Federal Government have vast sums of money appropriated in previous years to use for current expenditures, then the present action of the Congress in limiting appropriations will not have as salutary an effect on Government spending as might be desirable. In recent years, the record shows expenditures are outrunning appropriations by about 20 percent.

This condition, unless checked, will continue so long as the agencies of the Government have these vast reservoirs of unexpended balances to tap for their present uses. Since, as of November 1, 1947, there was almost \$17,000,000,000 available to the agencies in unexpended balances, it is evident that reductions in appropriations will not for some years vitally affect the total expenditure pic-Obviously, then, a curb on expenditures is necessary. The accompanying recommended concurrent resolution, with its wording, "and that expenditures during such fiscal year should not exceed \$37,200,000,000, of which latter amount not more than \$26,600,000,000 would be in consequence of appropriations hereafter made available for obligation in such fiscal year," recognizes this problem and attempts to deal with it. But there can be no guarantee of reduced expenditures unless and until the Congress drastically reduces the unexpended balances now available to the Federal establishments.

PERSONAL THOUGHTS ON EXPENDITURE CUTS

At this time, when the financial condition of the Federal Government is so precarious, I personally favor more drastic reductions than those recommended by the Joint Committee on the Legislative Budget. Yet, in the deliberations of the committee, I have had to extend consideration to what cuts are likely in view of the handicaps under which economy-minded Members of Congress must work.

I personally believe that the need for economy now is so vital that I would support the reduction of Federal expenditures everywhere a reduction can be justified, and let the chips fall where they may.

COMPARISON WITH 1933

Perhaps it would be well to remind ourselves of the road the National Government has traveled in the past 15 years, a road of multiplied appropriations, multiplied costs, multiplied taxes, multiplied personnel, multiplied bureaus, multiplied controls, and multiplied hand-outs. It may come as a shock to some of us of an older generation to realize that there are millions of taxpayers in their midthirties who since they became voters have never seen economy practiced by the departments and agencies of the Government.

Let us be reminded of the position in which we find ourselves by observing a few markers down the road which we are traveling

In 1933 Federal expenditures were \$4,325,000,000. For 1949 the President estimates they will reach \$39,669,000,000 an increase of 817 percent.

In 1933 Federal revenues were \$2,079,-000,000. For 1949 the Joint Committee on Internal Revenue Taxation estimates that revenues will amount to \$47,300,-000,000, an increase in excess of 2,000 percent.

In 1933 individual income taxes and corporation taxes totaled \$746,000,000. For 1949 the President estimates these Federal taxes at about \$33,000,000,000, an increase of 4,300 percent.

In 1933 our public debt was \$22,000,-000,000. Today it is two hundred and fifty-eight billion, an increase of 1,073 percent.

In 1933 there were 572,000 Federal employees. Today there are over two million, an increase of 250 percent.

In 1933 these employees earned \$972,-000,000 annual wage. Today the pay roll for Federal employees approximates \$6,000,000,000, an increase of more than 500 percent.

In 1933 the executive branch of the Federal Government was a relatively small and closely knit organization. I might add it was also efficient. As of the latest count, there are now more

than 1,000 bureaus and more than 45,000 individual offices.

I wish that it were possible, when people ask for new legislation involving large appropriations, to flash these figures before their eyes. The resulting effect on expenditures and taxation would be beneficial. Many times, I am afraid, people forget that each dollar appropriated is a dollar which must be paid in taxes, taxes which should be reduced to relieve the strain on taxpayers, taxes which could be reduced if extravagance were eliminated from Government.

CAN WE AFFORD IT?

It is popular nowadays for the self-styled liberals in Government to use the terms "reactionary" and "conservative" in referring to those who wish to see the budget balanced, payments made on the national debt, and Federal expenditures curbed to an extent agreeable with sane fiscal policies. Unless there is a national emergency, the proponents of a sound fiscal policy believe that the Federal Government should be able to pay as it goes.

We prefer not to borrow for deficit financing from the people of the Nation, particularly when it is the taxpayers themselves who must ultimately pay the bill, plus interest.

To those who believe in a sound government each appropriations bill ultimately raises the following question: "In the light of our present financial and economic condition, can we afford this particular item?" Each item must be judged on the grounds of necessity and benefits to be derived in relation to overall ability to pay. It must be remembered that waste, extravagance, duplication, and perpetuation of self are everywhere about us.

Of course, we all see the need for an adequate national defense. But there are 14,000,000 veterans who can witness to the waste within the armed services. The Congress authorized the unification of the armed services. Extensive savings should already be realized from that unification. If savings are not realized, then of course there is something radically wrong with the administration of the defense departments.

Of course, the American people want to do their part toward world recovery. We all know the need. I saw it with my own eyes this past fall. I also saw with my own eyes the inefficiency, the almost criminal waste of American tax dollars and equipment American tax dollars paid for, the lack of full intelligence in our approach to recovery problems.

Of course we all want to see the development of needed power projects. But we want to see them undertaken as a part of a sound program as the people, the taxpayers, can afford them. We do not want to see them pushed ahead by the whims and fancies of a willful administrator.

Of course, we want the Federal Government to extend proper aid to the States and local communities. But we know that it makes good sense to extend such aid within the ability of the people to pay. We have seen such aid sky-

rocket to more than \$30,000,000,000 since 1933, and we have seen Federal agencies advertising for business with these dollars. It is very interesting to note, as perhaps many Senators have noted, that Federal agencies actually advertise for business.

Of course, an expanded population and an enlarged Government will require additional Federal employees. But I refuse to believe that we need double the number of employees we had in 1939 and between three and four times as many as we had in 1933. Federal agencies justified increases in employment during the war years as necessary for war work. Yet, over half of the agencies of the Government have actually increased their employment since the war peak.

Of course, we are all in favor of a finer America; an America with improved schools, hospitals, and roadways; an America which will not be threatened by floods or droughts, hunger or deprivation; an America with cheap electricity for our homes, cheap power for our industries, cheap nutrition for our farm lands; an America which will provide for the needy, both at home and abroad, which, if called upon, will be ever ready to defend itself against all aggressors; an America which will proudly show its gratitude to its veterans and provide jobs for all, veteran and nonveteran alike.

No patriotic citizen will deny that these are our goals. But we cannot accomplish these worth-while measures by unjustified Federal control of our markets. by oversubsidizing, by excessive grantsin-aid to States, municipalities, and individual citizens, by providing public works beyond our capacity to pay, by giving our resources beyond the needs of foreign countries or beyond their ability to distribute them so that waste makes us a laughingstock of other nations, by using our power to purchase food commodities in such a way that we encourage inflationary procedures, or by buying surplus goods and then destroying them while other nations desperately cry for

If we must continue huge expenditures for national defense in a time when the world is threatened, then other expenditures must be watered down. And there must be no water in defense expenditures, either.

We have been requested to give aid to foreign nations totaling \$9,300,000,000. It is said that the amount of this aid must not be reduced if the program is to be successful. This may be so; I do not know as yet. But I do know that every Member of the Congress will do well to examine every dollar of that proposed aid if he wants to avoid the possibility of waste and needless expenditure of funds.

I say this with conviction. Only 2 months ago we were called together in special session to legislate on an interimaid-to-Europe program calling for an appropriation of \$597,000,000. It was prepared in large measure by the same persons who prepared the present aid program. On examination, the Senate Appropriations Committee found inex-

cusable irresponsibility in the preparation of the European-aid program. For example, within 2 weeks of submitting the bill to the Congress, the administration altered the allocations to Italy and Austria more than \$16,000,000, not because the food situation had changed, but because the draftsmen of the bill had improperly tabulated the resources of Austria.

In another instance the Appropriations Committee was able to cut more than \$1,000,000 from the program by the simple expedient of rerouting shipments of coal. In yet another instance approximately \$12,000,000 was stricken from the bill without changing its intent in any degree. This was caused by the State Department's listing the price of grain as \$7.50 above the list price. The committee noted and corrected other price discrepancies.

Certainly, with such inexcusable errors in mind, the Congress would be unwise indeed in taking at face value any estimates for the present aid program. The sacrifice that the American citizen is making in terms of heavy taxes alone will make close supervision of these requested appropriations an absolute necessity. Every Member who votes for this program has an obligation to post a

watch against maladministration and inefficiency.

We must strive, therefore, to eliminate every last vestige of waste, inefficiency, and duplication of effort if we are to carry the tremendous financial loads of the future. We must eliminate the frills and extravagances of government. It is not even a question of whether we are securing full value for the money we spend. The measuring stick must be, except in emergencies, "Can we afford to do this? Is this essential to the welfare of the Nation?"

The Federal Government, the Members of Congress, cannot alone accomplish the tremendous task. We must have the cooperation of the States and municipalities. We must have the cooperation of the departments and agencies. Above all, we must have the sup-

port of the taxpayers.

Let me say a brief word about each. During and since the war most of the States have improved their financial status markedly, broadly as much as 33 percent in a few years. Some of the financial load should in the future fall to their lot. Much of the burden of financing State projects has in late years been taken over by the Federal Government. For example, a recent study made by the Senate Appropriations Committee reveals that the cost of operating the State governments is relatively small when compared with the burden of supporting the Federal Government. The President proposes to spend \$39,700,000,-000 for Federal Government purposes in 1949. The cost of all State governments combined in the latest year available, 1947, was only \$5,800,000,000-only oneseventh as much.

The cost of grants-in-aid to States and local governments, including shared revenues, for 1949 has been estimated by the President at \$2,250,000,000.

State and local governments must assume some of the financial load and must scale down their demands for Federal projects if we are to reduce expenditures.

Mr. President, in this portion of my remarks, rather than take the time to read it at this time, I ask unanimous consent to insert a statement which I prepared, as chairman of the Committee on Appropriations, regarding the cost of Federal and State Governments.

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

WASHINGTON, D. C., February 3.—Senator STYLES BRIDGES, chairman of the Senate Appropriations Committee, released a study today which reduces President Truman's 1949 Federal budget request of \$39,669,000,000 to terms the man back home can more readily understand. "This study," Senator Bridges explained, "shows State by State the pro rata cost of the President's budget compared with the cost of operating each State's own government." In every case the pro rata cost of the Federal Government is several times the cost of the State government. "For example, in my own State of New Hampshire," Senator BRIDGES declared, "this study indicates that our State government cost about \$18,000,000 but that our share of the burden of President Truman's Federal budget amounts to \$95,000,000, or over five times the local costs. For the country as a whole the Federal costs are seven times the combined costs of all State governments."

In California their State government costs about \$532,000,000, but their share of the Federal costs amounts to \$3,368,000,000. means," said Senator BRIDGES, "that just a 10 percent cut in the Federal spending program would save the taxpayers of California \$337,000,000. A 10 percent cut at the Federal level would mean \$846,000,000 to the taxpayers of New York State; \$250,000,000 to the people of Ohio, and so on. If we are to make any real progress in achieving economy in government at the Federal level," Senator BRIDGES declared, "the people must take an active interest in the affairs of the Federal Government and be as concerned with its efficiency as they have been with their own State and local governments. Remember, from the standpoint of dollars and cents the Federal Government spends seven times as much as the States," BRIDGES concluded.

STATEMENT OF HON. STYLES BRIDGES, CHAIRMAN, SENATE COMMITTEE ON APPROPRIATIONS, ON COST OF FEDERAL AND STATE GOVERNMENTS, JANUARY 28, 1948

The cost of operating the Federal Government at the level recommended by President Truman exceeds the combined costs of all our State governments by about seven times. In other words, for every dollar the taxpayer pays to his State government, about \$7 must go to support the Federal operation. This ratio varies with the State, but in every case the taxpayers' pro rata cost of the Federal burden exceeds greatly the cost of the State's own government.

While individuals and local groups interested in economy in government should continue to scrutinize local and State expenses, the lion's share of the spending occurs at the Federal level. This fact is often difficult to appreciate due to the inability to comprehend the significance of a national budget

involving billions of dollars.

The accompanying tabulation brings the President's 1949 budget down to terms that can be more readily understood by the average taxpayer. In this table, the 1949 budget proposal of \$39,669,000,000 is distributed among the States in proportion to all Fed-

eral income taxes paid in each State in 1947—the latest year for which such data are available. These figures represent a reasonable approximation of the cost of the President's spending program to the taxpayers of each State. To give the reader some basis for comparison, the cost of the State's own government is also indicated.

A casual glance at this table will reveal that the cost of operating the State government is a relatively small item compared to the burden of supporting the Federal Government. This table also makes it possible to calculate the approximate savings to the citizens of each State resulting from reductions in the Federal budget. For example, a 10-percent cut in the Federal spending program would mean a saving of \$337,000,000 to Californians—or an amount equal to more than half of the total cost of operating the California State government. To the people of New Jersey a 10-percent cut in the Federal budget would save \$133,000,000—an amount equivalent to over 80 percent of the cost of their own State government.

These facts suggest that taxpayers should place more emphasis upon achieving economy in government at the Federal level. While Washington seems far removed from most communities, the fact is that the spending program of the Federal Government has a very real effect on each and every one of us. Despite the enormous size of the Federal budget, the average person is surprisingly apathetic toward any effort to achieve economy. This apathy is due in part to the fact that the Federal Government climbed to its huge spending program in relatively recent years. Just 20 years ago Federal taxes did not amount to much compared to State and local taxes. Many of us do not appreciate the change that has taken place.

The Federal spending program recommended by President Truman for 1949 is four and one-half times Federal expenditures in 1933—just 10 years ago. It is hard for us to appreciate the magnitude of this increase and adjust our thinking to the new scheme of things. The current cost of all government (Federal, State, city, county, etc.) is over \$50,000,000,000 annually. This is more than one-fourth of our national income and more than we spend for food.

While it is recognized that some increase in Federal spending over prewar levels is justified, it is certainly time to raise the over-all question of "How much can we, as a Nation, wisely afford to spend for government?"

Cost of Federal and State Governments (Federal cost based on President's budget proposal for 1949 prorated among the States on the basis of Federal income-tax collections in 1947)

[In millions

| State | Cost of | Cost of | Federal |
|---------|---|--|---|
| | Federal | State | exceed |
| | Govern- | govern- | State |
| | ment ¹ | ment 2 | costs by— |
| Alabama | 127 3, 368 710 710 417 460 444 75 2, 546 730 401 357 329 329 329 3143 543 1, 710 | \$85 37 66 582 65 14 1222 99 24 319 136 60 108 75 83 128 66 193 293 119 | Times 314 214 214 215 314 414 31 11 514 414 414 414 414 414 414 414 414 |

Footnotes at end of table.

Cost of Federal and State Governments (Federal cost based on President's budget proposal for 1949 prorated among the States on the basis of Federal income-tax collections in 1947)—Continued

| | | 200 | |
|---|----|-----|----|
| m | mi | Hio | ns |

| State | Cost of Federal Govern- ment ¹ | Cost of State govern- ment 2 | Federal exceed State costs by— |
|---|--|--|---|
| Missouri Montana Nebraska Nevada New Hampshire New Jersey New Hampshire New Jersey New Makloo New York North Carolina North Dakota Ohio Oklahoma Oregon Pennsylvania Rhode Island South Carolina South Carolina South Dakota Tennessee Texas Utah Vermont Virginia Washington West Virginia Wisconsin Wyoming | 48 95 1, 333 56 8, 457 520 63 2, 495 2, 290 337 2, 809 1, 214 91 488 488 567 226 | \$121 19 35 7 18 163 32 32 32 32 30 77 75 20 22 30 73 73 73 73 73 73 74 75 79 79 22 88 79 79 64 91 163 75 75 75 75 75 75 75 75 76 76 76 76 76 76 76 76 76 76 76 76 76 | Times 954 4 8 7 514 4 8 8 7 514 134 134 135 252 555 555 555 555 555 356 356 356 356 356 |
| Total States District of Columbia Hawaii Puerto Rico and Alaska | 38, 932 590 127 20 | 5, 798 | |
| Grand total | 39, 669 | 5, 798 | 7 |

Based on Federal expenditures requested by President Truman for fiscal year 1949. The total of \$39,669,000,000 was prorated by States according to the proportion of all Federal income taxes paid in the fiscal year 1947.

year 1947.

² State taxes collected in fiscal year 1947 excluding unemployment taxes as reported by the Bureau of the Census. While actual expenditures by each State may be more or less than tax collections, it is considered that these collections reflect a normal expenditure level in most research.

SAVINGS ACCOMPLISHED BY EIGHTIETH CONGRESS

Mr. BRIDGES. Mr. President, it might be well for a moment to look into what was done by the first session of the Eightieth Congress. In that session the Congress achieved a rather enviable economy record. To date this Congress has accomplished savings amounting to \$3,367,550,803 in reductions from the President's budget estimates for appropriations. These include reductions in regular, permanent, and supplementary and deficiency appropriations. They do not include rescissions of appropriations previously made amounting to an additional \$4,017,332,946. Together, these would amount to \$7,384,883,749 in savings. Nor does this include \$830,380,811 impairment of capital in the Commodity Credit Corporation which was not replaced by appropriations. It is an impressive savings of which all economyminded Members of Congress may well be proud.

FACTORS LIMITING SAVINGS

I need not remind the Senate that it was not easily accomplished. We did this despite the necessity for maintaining a stronger military arm than we had anticipated, despite the necessity for granting large-scale appropriations for foreign aid, despite the interest payment of \$5,000,000,000 on the public debt, despite our unequaled payments of over \$7,000,000,000 for veterans' aid, despite

our payments to support the functions of one of the largest peacetime Federal Governments our country has ever known, functions which we of the Appropriations Committee could not legally eliminate.

PROPAGANDA CAMPAIGN BY AGENCIES

In addition to this, we were faced with the arrogant refusal of many of the Federal agencies to cooperate with the Congress in effecting an efficient and economical government. In their struggle to maintain their swollen size, they used every lawful and many unlawful methods of attempting to coerce the Congress into appropriating larger sums of public funds than the Congress, after careful investigation, believed either necessary or desirable.

These efforts have been so outrageous that the agencies have had the temerity not only to seek higher appropriations than were approved by the Bureau of the Budget, but have so mismanaged their apportionments of funds as to place the Congress in a position either of giving the agencies what they want or of refusing additional appropriations toward the end of a year and thus curtailing necessary functions to the detriment of the American people. One agency, in fact, has had the effrontery to tell the Congress that it had no right to limit its appropriations.

Various methods were employed during the appropriations hearings to coerce the Congress through public pressure to accept agency estimates of proposed appropriations. Federal employees were in some instances organized in groups as soon as House cuts were announced. Each group was given specific objectives designed geographically to exert the maximum pressure on the Congress. Newspaper aid was sought, not only through news channels but through importuned editorials, which, through no fault of the press, but because Government officials deliberately exaggerated effects of curtailment of services, alarmed the public. Not content with this, attempts were made to elicit support of civic groups, State and local officials, chambers of commerce, labor organizations, business houses, veterans organizations, brokers, farmers, and railroad executives.

One favorite method was to announce in the press that House cuts necessitated the firing of a large number of employees. Dismissal notices were then sent to employees-preferably veterans-in a number far in excess of the number actually to be released. This was done knowingly and deliberately by the agency, which subsequently rehired large numbers of these employees without publicity. The most audacious of these propaganda stunts was that perpetrated by a group of public officials-in widely scattered parts of the country and all at approximately the same time-blaming the Congress in press releases for employee layoffs which were not occasioned by appropriation cuts but by administrative financial errors within the department over which the Congress had no control or knowledge.

These attempts to pressure the Congress into submission to departmental

dictates were not the work of a few disgruntled employees. In most instances they were instigated with the full connivance or knowledge of highly placed officials with a full comprehension and an utter disregard of their responsibilities. Furthermore, they were carried on at Government expense, on Government time, using Government vehicles and Government equipment, including the use of the Government free-mailing privilege. At no time in our history has Federal money been so widely used to circumvent the will of the elected representatives of the people.

DEFICIENCY ABUSE MISUSES PUBLIC FUNDS

I believe that this is an appropriate occasion to call again to the attention of the Senate one other condition which has limited our economy efforts in the past, and which undoubtedly will adversely affect our plans this year. I refer to the continued refusal of certain departments and agencies to live within their appropriations as granted by the Congress.

Most Americans who are unfamiliar with the appropriations process believe that when the appropriations bills are passed for the ensuing fiscal year, that is the end of it. Unfortunately, this is by no means the case. Instead, a steady stream of deficiency and supplemental measures comes to the Congress while it is in session, swelling the total appropriation, except when the Congress refuses the requests.

Since 1931, 488 of these measures, involving 4,426 items, and costing the taxpayers more than \$150,000,000,000, have been sent to the Congress. During the sessions of the present Eightieth Congress, 11 measures, involving 777 items and costing in excess of \$6,000,000,000, have been sent to the Congress. Many of these measures, particularly those submitted during the war, have been the result of emergencies growing out of the conflict. At other times new legislation, such as pay raises, has necessitated additional appropriations. These instances are no fault of the departments and agencies.

But on many other occasions deficiency and supplemental appropriation requests are the direct result of the failure or refusal of Federal establishments to apportion their appropriations properly, as required by the antideficiency law. Such agencies, instead of dividing their appropriations properly over the four quarters of the year, have, with and without the approval of the Bureau of the Budget, arbitrarily decided that they, and not the Congress, are the best judges of how much should be spent. Having once taken this illegal step, they apportion their funds so that they inevitably find themselves without sufficient funds to complete the fiscal year. That is a favorite trick.

I have examined this condition carefully, and I am of the opinion that legis-islation strengthening the antideficiency law is needed to correct the abuse. It is the only way by which control of the public purse can be regained by the Congress.

The Congress cannot effect economies as far-reaching as would otherwise be the case if the establishments of the executive branch adamantly refuse to cooperate, if they are allowed to continue their propaganda on the effects of reductions in appropriations, if they are allowed deficiency appropriations after willfully refusing to heed the limitations set by the Congress.

ECONOMY PROGRAM NEEDS PUBLIC SUPPORT

I stated previously that we of the Congress must have the support of the States and the cooperation of the executive branch if we are to accomplish as much in savings as we need to accomplish. I said there was one other group which must, above all others, help the Congress. That is the people of the country. Economy over an extended period, such as we need now for the long haul out of the morass of debt, can only be practiced successfully if the people, the taxpayers, the grass-roots voters, not only vigorously support economy moves, but take the initiative themselves and become champions of the cause.

We can balance the budget, we can reduce the debt, we can reduce taxes, and we can meet our commitments both at home and abroad; but we can accom-plish these results only if expenditures are pared to the bone, if special interests refrain from asking the Government to build, maintain, grant, or subsidize projects which are either not vitally necessary, or which can be done by agencies other than the Federal Government. Nearly one-third of every dollar earned by the American people goes for some We have a debt the form of taxation. interest on which is equal to the entire cost of government back in the thirties. We have one of the largest peacetime budgets in history, every dollar of which, if spent, encourages inflation. Yet there are new demands for new legislation involving additional billions of dollars.

The people of our Nation, for their own sakes, must unselfishly wrench from before their eyes the blindfolds of greenbacks with which they have been deluded. They must remember that the Federal Government never does anything for nothing, that someone, someday, must pay, and pay with interest. That someone is the American citizen, the American taxpayer, the wage earner. That someday is now, and every day in the future.

The economy-minded Members of Congress need all the support which the people can give them. With such support, economy can and must be restored to the Government. Without it, we may well face a continued inflation leading to economic chaos, deficit spending, renewed controls, and an irreparable break-down of our domestic process.

The PRESIDENT pro tempore. The

The PRESIDENT pro tempore. The question is on agreeing to the concurrent resolution.

Mr. GEORGE. Mr. President, I shall support the concurrent resolution, but I wish to make it clear that I very much doubt—and I am stating merely my own personal view—whether the Government's revenues for the fiscal year 1949 will run as high as is indicated in the concurrent resolution.

Mr. President, in my opinion the time has arrived when we should take from our expenditure budget and revenue budget certain vast sums of money to which we are being committed presently, and for a period of years ahead of us. I think the matter should be handled by a special bond issue, let us say bonds for the winning of the peace, as we issued bonds for the winning of the war. Let the issue, as a mere illustration, be, let us say, twenty or twenty-five billion dollars, running over a period of 20 or 30 years.

My feeling is that the bonds could be sold, because the transaction incident to the sale of a bond and the purchase of a bond becomes a business proposition, business considerations control it, and with a suitable provision permitting the bonds to be purchased against estate taxes, at a very reasonable rate of interest, all our outside foreign financing during the next 4 years could be lifted out of current expenditure and income budgets, except for the interest upon the bonds, if payable annually, as I presume would be the case. Whether or not the Treasury Department would look with favor upon the suggestion I do not know. But it is undoubtedly of the highest importance that we should do something to take out of our expenditure budgets, and therefore out of our income budget, except for the item of interest, the vast new expenditures which in all good faith we feel we are called upon to make.

What I am saying is not in opposition to those expenditures wherever they may be properly made, after due and proper consideration, as in the case of the European aid program, which, I presume, will be reported to the Senate during the week.

In my judgment, we will not be able to have a very sensible fiscal policy or program so long as these extraordinary expenditures are thrown into our annual budgets. They could be eliminated from them by a sensible arrangement for a bond issue which would be inviting to businessmen and to other citizens who are able to purchase them if we would be willing to make very reasonable concessions respecting estate taxes in the statutes providing for the bond issue.

Mr. President, I have watched the Federal budgets and, as I have contemplated what we must of necessity do, or what we will do by way of extraordinary expenditures, I have come to the conclusion that if the Treasury continues to move in the direction in which it is now going, we will have an expenditure of \$45,000,000,-000 by 1951. The way the Treasury is now traveling the expenditures are not going to be reduced. While we may deplore it and may on occasion speak against it, as certainly as we are convened in the Senate Chamber today, we are headed toward a forty-five-billion- or forty-six-billion- or forty-seven-billiondollar budget by 1951 or 1952. That burden on the American people, plus an additional ten billion to twelve billion dollars for State, county, and local governments, will one day break down the productive power of America. So, in order to enable us to visualize the budget as we should, it seems to me the wisest course is to authorize a special bond issue, sell it to the American people, and use the proceeds to take the extraordinary expenditures out of the annual budgets, so that we may face cold facts as they are, with some possibility of reducing the budget.

I shall vote for the concurrent resolution, but I most reluctantly subscribe to an estimated \$37,200,000,000 of expenditures for the next fiscal year. Yet I know very well that the budget is going to reach that figure. I have seen it climb too fast during the past several years to imagine that we will be able to pull it down, under existing conditions and under our present fiscal arrangements.

Mr. President, I sincerely hope that we may be able to remove the extraordinary expenditures from the annual budget, save for the item of interest to which I have referred, so that we may then see precisely what we, as a nation, are doing.

Mr. BARKLEY. Mr. President, I shall occupy only a few moments of the Senate's time to comment on the concurrent resolution and the proceedings which have resulted in its presentation.

First, I should like to advert for a moment to the suggestion made by the Senator from Georgia [Mr. George] in regard to taking the extraordinary expenses to which he has referred out of the annual budget, and providing for them by a bond issue. I should like to inquire of the Senator from Georgia whether he contemplates that if such action were taken there would be a corresponding reduction in the standing debt of the United States, or even a greater reduction than the amount the bonds to which he refers would aggregate. In other words, whether, in spite of the suggested bond issue, there might be a reduction in the over-all public debt of the United States?

Mr. GEORGE. I do, yes. I contemplate that we could still reduce our present fixed debt.

Mr. BARKLEY. Of course, if we did not do that, the special bonds would merely add that much more to the public debt, and it would be greater by reason of the bond issue than it is now. The Senator's suggestion is worthy of consideration.

Mr. President, I wish to comment briefly on the date, namely February 15, on which a report on the legislative budget is required to be made to the two Houses of Congress under the Reorganization Act. I am convinced now, and I think the joint committee were convinced, that that date ought to be moved forward, because it is very difficult to arrive at any dependable figure or any dependable opinion or judgment within 6 weeks after Congress meets. Before single appropriation bill has been passed or even introduced it is difficult to estimate how much we are going to spend and how much we are going to have to appropriate during the following months of the Congress after the 15th of February. It is not so hard to estimate the revenues of the Government, because we have the figures furnished us by the Treasury, we have the President's budget, we have the esti-mates of the Joint Committee on Internal Revenue Taxation. They frequently do not agree in their estimates, but they come sufficiently close to enable us to

arrive at some judgment. It was based upon these figures more or less that the President estimated—and his estimate has been accepted substantially-there would be a revenue for 1949 of \$47,200,-000,000. Of course, that estimate is based on present tax laws, and it is based upon present national income.

The national income of 1947, as reported recently by the Department of Commerce, was approximately \$197,000,-000,000. I think that is the highest national income in the history of the United States. So, based upon a similar income for 1949, which may be exceeded—or it may be an overestimation, depending upon conditions in the country, depending upon our commerce, our industry, our wages, profits, and all factors that enter into the making of an over-all national income-and based upon present taxes, it was estimated that there would be \$47,200,000,000 revenue to the Treasury in the fiscal year 1949.

If the tax-reduction bill which has passed the House of Representatives should be adopted by the Senate and become a law, either by the signature of the President-and it has been announced rather authoritatively that the President could not approve such a measure-or if it should be enacted over a veto, that would take six and one-half billion dollars from the estimated income of the Treasury or \$47,200,000,000, which would reduce the estimated income for the fiscal year 1949 to approximately \$40,000,000,000.

The joint committee set up in the Reorganization Act met, as the law required, organized, and discussed in one meeting, at least, whether the committee should try to comply with the law by making a report to the two Houses by the 15th of February, or whether it should try to amend the law to postpone that date to some later date in March, April, or May. The committee felt that it could not justify what happened last year, when a stalemate existed as between the figure of the House, a six and one-half billion-dollar reduction in the budget, and the figure of the Senate, calling for a reduction of four and one-half billion dollars. The result was that nothing whatever was done. The two Houses could not get together, and no further meetings were held.

This time we met and organized. We had no information before the joint committee. No one appeared, and no one was asked to appear. Last year the Director of the Budget came before us, and for a day or two we inquired about various items in the budget of the President, which had been made up originally by the Bureau of the Budget and reduced by the President himself by approximately \$5,000,000,000. This time we had no information whatever. Perhaps there was not sufficient time, but I felt, and still feel, that it would not have been out of place to have invited witnesses to appear before the joint committee-including the Director of the Budget-to give us a little information about some of the items in the budget.

The joint committee adopted a resolution to reduce the budget by two and one-half billion dollars, whether or no. It simply reached up and pulled down

that figure. As I have said, we estimated \$47,000,000,000-plus in revenue. That action was a leap in the dark-at least a step in the dark. Perhaps it was not a leap. It may have been an orderly step, but whether it was a step or a leap, it was in the dark, because we do not know whether we can reduce the budget by two and one-half billion dollars. Personally I should be glad if we could reduce it by even more than two and one-half billion dollars, because I recognize the necessity for our Government to get down to a permanent basis of expenditure which, over a period of years, may be regarded as normal. But we cannot do that at this time, as I see it. I do not know how long it will be before we can do it, because whether we want to do it or not, or whether we would like to do it or not, we are bedeviled by obligations which we cannot escape unless we are willing to abandon all efforts to restore and reconstruct the economy of the world, and take our chances on having that economy collapse entirely and go down with it. I do not see how we can suffer the complete collapse of the economy of the world without taking a great chance that ours might also go down, just as Samson pulled the temple down on himself in order to destroy the enemy.

How long that situation may exist, no one is prophet enough to foresee. No one can tell what may happen within the next year. We are supposed to have a surplus of \$7,500,000,000 at the end of this fiscal year. That is, according to the budget estimate, there will be in the Treasury unexpended a surplus of seven and one-half billion dollars on the first day of July. We have already reduced that, or are about to do so, by \$3,000,-000,000, by reason of the bill which will be reported from the Committee on Foreign Relations within a few days, involving the European recovery program. We have said that as a bookkeeping transaction the expenditure of \$3,000,000,000 of the \$5,300,000,000 proposed to be appropriated shall be credited to the fiscal year 1948. So we must reduce the seven and one-half billion surplus on July 1 by \$3,000,000,000, which will be taken out of it, which ordinarily would not come out of it because it would not normally be an expenditure for the fiscal year 1948. That leaves a surplus of \$4,500,000,000 on the 1st of July.

In the joint committee the Senator from Colorado [Mr. MILLIKIN]-very appropriately, it seemed to me-as chairman of the Committee on Finance and as a Senator on his own responsibility, moved that not less than \$2,600,000,000 should be paid on the public debt. So when we subtract \$2,600,000,000, which we decided should be paid on the public debt, from \$4,500,000,000, we have \$1,-900,000,000 as a figure around which appropriations which may be contingent upon the action of Congress may fluctuate. So if we advance from the ordinary budget of 1949, \$3,000,000,000 paid out of the surplus of 1948 by the creation of a trust fund in the Treasury, and then reduce our public debt by \$2,600,000,000, we shall have the figure which I mentioned. I believe that \$2,600,000,000 is as little as we ought to reduce the public debt.

because we cannot hand all that debt down to future generations. I am very sincere in the view that while we have a national income of nearly \$200,000,000,-000, and have an income of \$47,000,000,-000 placed in the Treasury, and have a surplus of \$7,500,000,000, we ought to pay even more than \$2,600,000,000 on the huge debt which has been created as a result of the war.
Mr. MILLIKIN. Mr. President, will

the Senator yield?

Mr. BARKLEY. I yield.

Mr. MILLIKIN. I am not at all disagreeing with the Senator's last statement: but I believe that the present general situation calls for a certain amount of caution regarding the extent to which we reduce the debt. Obviously the reduction of the debt is a contraction of credit: and an extravagant reduction might pull the plug on our economy and cause very devastating results. A cautionary note has come into the Treasury's own opinions on that subject.

Mr. BARKLEY. I appreciate that viewpoint; yet a reduction of the debt makes more money for expenditure available to those to whom payments are made in the debt reduction. It also involves an element of inflation. We cannot separate that subject from the question of taxes. The release of \$6,500,000,-000 in taxes to the American people would create that much more spending power and that much more inflation. So what the Senator says about the payment of too large an amount upon the public debt has its relationship to the release to the American people for expenditure of the enormous sums contemplated by the tax bill passed by the House. So if the payment on our public debt of more than \$2,600,000,000 would release certain forces of credit or price inflation. certainly too large a tax reduction would do the same thing.

Mr. MILLIKIN. Mr. President, will the Senator further yield?

Mr. BARKLEY. I yield. Mr. MILLIKIN. I merely wish to suggest that in a situation of some economic flux with possibility of recession, such as the situation in which we find ourselves at the present time, there is strong support for the theory that that is the time to start tax reduction, for a part of the reason relating to mass spending power which the Senator suggests. It does put more spending power in the hands of the people, and thus supports the spending economy, preventing the economy from taking what might otherwise be a more precipitous decline.

Mr. BARKLEY. All those things are double-edged swords. You meet yourself coming back when you argue expenditures and taxes and debt reduction; and it creates the impression which is created by the old adage with which the Senator from Colorado is as familiar in Colorado as we are in Kentuckythat it is impossible to tell from the rattler's track whether he was going or coming back.

Mr. MILLIKIN. Yes. Mr. BARKLEY. That is largely true in the case of some of these intricate, complicated transactions.

The point I undertake to make is that if we take \$3,000,000,000 out of next

year's expenses and add it to this year's expenses, and \$2,600,000,000 out of this year's expenses or next year's expensesthe \$2,600,000,000 is in 1949, but a corresponding figure is supposed to be related to 1948-we might wind up the fiscal year with a deficit, instead of with a surplus of any kind, especially in view of the demands upon us which are difficult to escape, such, for instance, European aid, to which I have referred, and also aid to China. We cannot escape them, even if we wished to. But by such bookkeeping juggling we might wind up with a deficit, rather than with a surplus.

For that reason I think we are proceeding without information which is adequate. Perhaps the committee could not have gotten it, but it did not try to get it.

All of that makes me believe that for the next fiscal year we should proceed in such a way that the committee could have no excuse for not getting information, so that we may proceed with some light on the subject.

Mr. MILLIKIN. Mr. President, under the Treasury's figures and under those of the Joint Committee on Taxation, there seems to be no possible doubt that for this fiscal year there will be a surplus of at least \$7,500,000,000. The joint committee estimates it, as I recall, at \$8,700,000,000. There is nothing in the present market situation that could disturb that result.

I think that there at least we have a reasonably stable set of figures on which we can work. If we take \$2,600,000,000 for debt retirement in this fiscal year and if we transfer \$3,000,000,000 for actual ultimate expenditure next year, we still have a pretty good margin this year for, let us call them, contingencies.

Mr. BARKLEY. I tried to point out that the Senator by his ingenicus device-I do not mean the word "device" in any invidious sense, but that is what it is-has reduced the \$7,500,000,000 surplus to \$4,500,000,000.

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

Mr. BARKLEY. I yield.

Mr. MILLIKIN. And by the same token, it gives the opportunity for an equal amount of surplus-depending on how we spend-in the fiscal year 1949.

Mr. BARKLEY. No; I am not so certain about that, in view of the background that motivated this ingenious device or maneuver or bookkeeping arrangement to which the Senator from Colorado has lent his great influence and his powerful intellectual ability.

Mr. MILLIKIN. I stated that it would give the opportunity.

Mr. BARKLEY. Yes; but the opportunity may be vitiated by what might happen in the Congress hereafter.

I wish conditions were such that we could reduce the budget even more than that, Mr. President. The Senator from Maine [Mr. Brewster] makes frequent reference to a speech I made in New York a year and a half ago, in which I said that after conditions leveled off, after discharging the obligations the war had imposed upon us. I thought we could get down to an annual budget of about \$25,000,000 or \$26,000,000. thought so then. Of course, we had no

000.0

way of knowing then what would come up for mandatory consideration.

I certainly hope the prediction by the Senator from Georgia [Mr. George] of an annual budget of \$45,000,000,000 or \$46,000,000,000, or \$47,000,000,000 in the future will not come true

That is all I have to say, Mr. President. The PRESIDENT pro tempore. The question is on agreeing to the concurrent resolution.

Mr. MYERS. Mr. President, in view of the discussion and debate which took place in both Houses of Congress last year on the legislative budget, and in view of what actually happened to the budget in both Houses of Congress, and in view of what the Congress did to the President's budget recommendations, I am wondering whether the resolution now presented to us is even worth the trouble of writing or printing.

In that regard, I desire to invite attention to but one item which was discussed last year in connection with the legislative budget. It was discussed in the House of Representatives and it was discussed on the floor of the Senate when we were considering the President's budget. The Treasury Department recently announced some statistics on tax refunds in the fiscal year which ended last June 30. They are very interesting statistics, and I am sure many Members of the Senate gave them the attention they deserved.

The statistics show, Mr. President, that in the fiscal year 1947, the Treasury Department refunded a total of nearly \$3,-000,000,000, the actual total being \$2,-897,000,000. This includes both Internal Revenue Bureau refunds and Customs Bureau refunds. On income taxes alone, in the fiscal year ending last June 30, the 1947 fiscal year, the Treasury refunded \$2,882,735,904. This compares with the Budget Bureau-Treasury Department estimates, beforehand, of such refunds of \$2,108,000,000, a difference of about \$700,000,000. Originally, in January of 1946, when the first estimate of probable fiscal 1947 tax refunds was made, the Budget Bureau and Treasury estimated them at \$1,570,000,000, but subsequently revised the figure upward to \$2,108,000,000. This was still, as I have said, about \$700,000,000 less than the actual refund made in the 1947 fiscal year.

Of course, Mr. President, the Senate knows what makes these figures on the 1947 fiscal year experience noteworthy today. I think, Mr. President, all of us remember the fight we had here less than a year ago, after a similar battle in the House, over the amount which the Congress should provide for the current fiscal year, the 1948 fiscal year, for Bureau of Internal Revenue to cover this item of income-tax refunds.

As you know, Mr. President, the Republican majority in Congress donned its shining armor, polished and shined its sword and lance, leaped astride an eager and impatient steed, a noble charger called Economy, and galloped to tilt against a wicked monster known as Governmental Extravagance, and known more particularly as a \$37,500,000,000 Federal budget for the fiscal year 1948.

This shining knight, this defiant warthis Republican majority, had roundly boasted it would seize you budget and smite it a mighty blow, to wit, a \$6,000,000,000 blow, which would amputate from said budget the extravagance and waste, the bloated profligacy, the boondoggling.

In this campaign against this monstrous budget, and in support of its proud boast that it would cut this \$6,000,000,000 neatly from the budget with battle-ax or meat-ax, the Republican majority, first in the House and then in the Senate, seized upon the item of income-tax refunds, and announced to a breathless Nation and a cheering press that it had scored a great triumph and had, in this one item alone, reduced the budget by the vast sum of \$800,000,000. At the rate it was going on this one appropriation bill, the first bill, as I recall, coming before the Eightieth Congress, carrying appropriations for the 1948 fiscal year, the Republican majority was very enthusiastic about its chances of carrying out the proud boast of amputating \$6,000,-000,000 from the budget.

When the bill containing the \$800,000,-000 cut on income-tax refunds came up in the House, the ranking minority member of the House Appropriations Committee described the reduction as a phoney reduction and warned his colleagues that in making the \$800,000,000 reduction on tax refunds, the Congress was not saving a thin dime, and that all overpayments of taxes would have to be refunded. But a majority party member of the House Appropriations Committee, apparently quite indignant over the suggestion that the Treasury and Budget Bureau estimates were reliable because they were based on experience, insisted that the Appropriations Committee of the House was not only allowed but qualified, to substitute its own estimate. The cut stood. When the bill came to the Senate, the cut stood, even though the minority members of the Senate Appropriations Committee clearly established in their minority views that the guess made by the majority in both the House and Senate committees was unrealistic and too low. The matter was further developed in the debate on the floor but, alas, all dissent was stifled, and the majority party rode off in triumph with its \$800,000,000 cut in the budget safely defended against attack.

Now, Mr. President, it is my understanding that the Treasury Department will soon be running out of money with which to pay off tax refunds due in the current fiscal year. The Congress allowed \$1,200,000,000 for this fiscal year. The Budget Bureau and the Treasury had asked for two billion one hundred and eight million. I warned the Senate. on July 11 last that the amount appropriated would probably be exhausted by April 1, and that unless the Congress provided additional money, the Government would begin paying 6 percent interest on all refunds it was not able to The 6 percent would continue until the additional funds were made available. Hence, instead of saving \$800 .-000,000, the Congress would actually be losing money for the Government by

tacking on unnecessary interest charges. It certainly is poor business to pay 6 percent interest on a debt merely for the purpose of doctoring up the books in order to make a good showing in 1 month or in one fiscal year, and with no consideration for the over-all net cost of such fiscal legerdemain, such budget sleight-of-hand. Regardless of the entertainment value of such a performance, it is strictly poor "box-office."

Mr. President, I have here an editorial from the Philadelphia Bulletin of a few days ago, commenting on the issue of tax refund and phony budget cuts. Pointing out how the Budget Bureau and the Treasury, even with the advantage of long experience in making estimates, substantially underestimated the amount of tax refunds which would have to be paid out in the fiscal year 1947, the Philadelphia Bulletin declared, in connection with the dispute last year over this item in the 1948 budget, that "the President's figure looks closer to probability than the committee's savings," meaning the Appropriations Committee.

Where, oh, where, Mr. President, are those \$800,000,000? What has happened to the knight in shining armor, mounted on his steed Economy, who rode out last year on his crusade against the bloated budget, and whose first triumph was the \$800,000,000 savings on tax refunds?

Mr. President, I ask unanimous consent to have inserted in the Record as a part of my remarks the editorial to which I have just referred, from the Philadelphia Bulletin, entitled "Playing at Saving."

The PRESIDENT pro tempore. Is there objection?

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

PLAYING AT SAVING

Refunds close to three billion dollars (\$2,-897,000,000) are due persons and corporations who overpaid their income taxes in the fiscal year 1947, ending June 30 last, according to a Treasury report.

This big sum recalls one of the budgetcutting controversies of last year. The President asked in his budget for the fiscal year 1948 the sum of \$2,065,000,000 for tax refunds. The Republicans on the House Appropriations Committee, in their eager hunt for cuts to make up the promised \$6,000,000,000 of savings, lopped off \$800,000,000 of this sum.

Their Democratic colleagues rudely said this particular saving was phony, since the sum asked for by the President was based on past experience with refunds in proportion to collections.

Now it appears that the President's own refunds estimate was some \$800,000,000 less than the refunds actually allowed for the fiscal year 1947. Tax collections for 1948 are running ahead of 1947. The President's figure looks closer to probability than the committee's savings.

The PRESIDENT prc tempore. The question is on agreeing to the concurrent resolution.

The concurrent resolution (S. Con. Res. 42)* was agreed to.

MATERNITY RELIEF FOR GOVERNMENT EMPLOYEES

Mr. LANGER. Mr. President, approximately 1 year ago I offered an amendment to a bill then pending to provide maternity relief for Government employees. Several Senators who did not

vote for the amendment at that time came to me afterward and said that if a separate bill were introduced they would support it. I wish to say that this afternoon the subcommittee of the Committee on Post Office and Civil Service is reporting to the full committee. In order that Senators may be fully advised as to exactly what the situation is relative to maternity relief for Federal employees, I wish very briefly to state the foreign countries in which such relief is already provided.

In Argentina, Cuba, the Netherlands, Poland, and Spain, a leave period is allowed of 6 weeks before childbirth, and 6 weeks after, with full pay.

The leave period allowed in Belgium, Chile, Colombia, Costa Rica, Estonia, and France, is 1 month before childbirth, and 1 month after, with full pay.

The total period of leave allowed, di-

The total period of leave allowed, divided before and after childbirth as required for individual cases, with full pay, is, in Greece, 4 months; Brazil, 3 months; Czechoslovakia, 3 months; Norway, 3 months; Sweden, 3 months; Bulgaria, 2 months; Great Britain, varying, but about 2 months; Denmark, 6 weeks, with half pay; Switzerland, 6 weeks, with full pay; and in Yugoslavia, 6 weeks, with full pay. In other countries, particularly Italy, Japan, Peru, Portugal, and Russia, the leave period allowed varies all the way from 1 month to 2 months.

Of all the countries on the face of the globe, it is found that Russia has the most liberal laws dealing with maternity relief for government employees. order that Members of the Senate may fairly familiarize themselves with the subject before it comes to a vote on the floor of the Senate, which I hope will be soon, I ask unanimous consent to have printed in the RECORD the statement of Frieda S. Miller, Chief of the Women's Bureau of the Department of Labor, in favor of the bill (S. 784) to provide maternity leave to Federal employees, which statement was made before the Committee on Post Office and Civil Service.

The PRESIDENT pro tempore. Is there objection?

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

STATEMENT OF FRIEDA S. MILLER IN FAVOR OF S. 784, TO PROVIDE MATERNITY LEAVE TO FED-ERAL EMPLOYEES, BEFORE THE CIVIL SERVICE COMMITTEE, FEBRUARY 18, 1948

The Women's Bureau of the United States Department of Labor favors the principle of S. 784, which would grant married women in the Federal service 60 days' maternity leave on doctor's certificate, in addition to sick leave and annual leave provided for Federal workers generally.

The Women's Bureau has long been concerned with promotion of standards and policies to safeguard the physical and economic well-being of the Nation's women workers, now nearly 17,000,000 in number. That task was made the continuing function of the Bureau by congressional mandate in 1920, and quite naturally it has included the development of standards for the protection of employed women. In 1942 the Women's Bureau and Children's Bureau issued a joint statement of recommended standards for maternity care and employment of mothers in industry, in consultation with an advisory committee of physicians, industrial hygienists, and women labor leaders. Those

standards, which constitute the present Women's Bureau recommendations, include as one of their recommendations a provision for maternity leave on presentation of a doctor's certificate, one of the standards which would be established by S. 784.

In order to be adequate for the purpose of safeguarding women's employment at childbirth, maternity legislation should meet certain basic needs. One is the need to protect the worker's health. A woman worker should have enough time off before childbirth to prevent undue strain in the latter part of pregnancy and permit her to be in a rested state at the time of delivery. The mother should have sufficient time after delivery to regain her strength before returning to work. The welfare of the new infant and its need for care by the mother during the early period of adjustment is also important. second urgent need of women workers at this time is that of income maintenance, so that the woman worker can pay her regular running expenses and in addition help meet the extra expenses of medical and hospital care.

The proposed bill, S. 784, would accomplish both of these objectives. By providing a full 60 days' maternity leave in addition to the 15 days' sick leave now allowed all Federal workers, the bill would enable married women workers to take a 14 weeks' leave of absence at childbirth. This conforms to the Women's Bureau standard, which calls for a leave peri-od of 6 weeks before childbirth and 2 months after childbirth. S. 784 would provide income maintenance during the entire period, likewise made possible by combining the proposed maternity leave with existing sick-leave provision. An additional advantage of S. 784 results from the fact that it does not set up new or special machinery for administration. It would be administered in conjunction with existing sick-leave provisions, which would reduce administrative costs to a minimum.

As of December 1947, 400,287 women were employed in the Federal service. This was about half the number employed in the peak war period, when Federal employment included roughly 1,000,000 women. It is unlikely, of course, that the peacetime figure will ever reach the wartime total. However, Women's Bureau study published in 1941, Employment of Women in the Federal Government, 1923 to 1939, Women's Bureau Bulletin 182, shows a continued growth in such employment, as new services and increased opportunities continue to be open to women. In the 16-year period from 1923 to 1939 the proportion of women to all Government employees advanced from 14.9 percent to 18.8 percent. Moreover, the study showed that women in the Government service are an older group than those in general employ-ment. While in 1930 almost one-third of all women at work throughout the country were 18 but under 25, only about 12 percent of women Government workers in 1938 were that young. The study shows that as of December 1938 the average age for all women in the Federal service was 36.9 years. suming that the Federal Government employs as large a proportion of married women as is the case for the country as a whole, it is apparent that S. 784 would benefit a large group of Federal workers of childbearing age.

The problem of protecting married women before and after childbirth is becoming more and more urgent in the United States as an increasing number of such workers enter paid employment outside their homes. Over the past half century the proportion of married women to single women in the labor force has been constantly increasing. In 1900 married women constituted 15 percent of the woman labor force. In 1940 married women were 35 percent of such women. In 1947 the most recent figures available show that almost half of all women in the labor force, 46 percent, were married as compared with 38 percent single women and 16 perwind the shown of the single women and 16 perwind the shown of the

cent widowed or divorced. While figures are not available to show the proportionate increase of married women in the Federal service, it is reasonable to suppose that the pronounced trend toward increasing employment of married women which characterizes the population as a whole also prevails for that segment of the woman population employed in the Federal service.

Protection of employed women at child-birth is of such importance that the ILO established one of its earliest conventions on this subject. ILO Convention No. 3, adopted in 1919, provides for a rest period of 12 weeks at childbirth, payment of medical benefits adequate to maintain the health of the woman worker and her child, and guaranty of job security. Many countries have adopted similar provisions, either through maternity legislation or a nation-wide system of social insurance. The ILO convention does not cover public workers. However, a number of countries with maternity legislation have included such workers in coverage.

The influence of the ILO standards appears in the laws of most countries for the period following 1919 to 1938. No recent general report for all governments is available, due to war's upheaval in so many countries. But as of 1938, when the ILO reported on maternity leave for public workers, most of the governments in the then League of Nations made maternity provisions for their women employees. Some of the general provisions are noted, as follows:

"LEAVE PERIOD ALLOWED

"I. Six weeks before childbirth, 6 weeks after; full pay: Argentina, Cuba, Netherlands, Poland, Spain.

"H. One month before, 1 month after childbirth; full pay: Belgium, Chile, Colombia, Costa Rica, Estonia, France,

"III. A total period of leave allowed, divided before and after childbirth as required for individual cases; full pay: Greece, 4 months; Brazil, 3 months; Czechoslovakia, 3 months; Norway, 3 months; Sweden, 3 months; Bulgaria, 2 months; Great Britain, varied; Denmark, 6 weeks, half pay; Switzerland, 6 weeks, full pay; Yugoslavia, 6 weeks, full pay;

weeks, full pay.

"IV. Varying periods and provisions: Italy,
Japan, Peru, Portugal, U. S. S. R."

The Women's Bureau looks forward to the time when standards for maternity protection will be established by law for women workers in all types of employment. In rewomen cent years, several proposals have been made for a Nation-wide system of health insurance, which would include maternity protection for women. It is noteworthy, how-ever, that following the usual line of separation between public and private employment, proposals for general insurance programs are limited to private employment and do not cover workers in the Federal service. Should a general Nation-wide health-insurance plan be adopted, separate legislation would doubtless still be necessary to give maternity protection to women Government employees

S. 784 affords the Government an opportunity to take the lead toward accomplishment of the ultimate objective of maternity protection for all employed women by adopting such legislation for its own women workers. Such pace setting by the Federal Government is not entirely without precedent. The Government was among the first to recognize the principle of equal pay for equal work for women when the Civil Service Commission adopted the Classification Act of 1923. S. 784 affords an opportunity to take similar progressive action in the field of maternity legislation. The Women's Bureau favors the adoption of S. 784.

Mr. LANGER. Mr. President, I ask unanimous consent to have printed at

this point in my remarks the testimony of Dr. Martha M. Eliot, Associate Chief, Children's Bureau, Social Security Administration, Federal Security Agency. There being no objection, the testi-

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

TESTIMONY ON S. 784, A BILL TO PROVIDE MATERNITY LEAVE FOR GOVERNMENT EMPLOYEES, BY MARTHA M. ELIOT, M. D., ASSOCIATE CHIEF, CHILDREN'S BUREAU, SOCIAL SECURITY ADMINISTRATION, FEDERAL SECURITY AGENCY, BEFORE THE SENATE COMMITTEE ON CIVIL SERVICE, FEBRUARY 18, 1948

I am glad to appear before your committee in support of S. 784, a bill to provide maternity leave for Government employees. I should make it clear that I am speaking for myself and not for the Administration nor for the Federal Security Agency. The Federal Security Agency has as yet taken no position with respect to this bill.

The Children's Bureau has always been concerned with questions related to the protection of maternity from the point of view of the welfare of the infant as well as that of the mother. Questions as to the wisdom of employment away from home for a woman when she is pregnant have been raised repeatedly. There are indeed different views as to whether a woman who is pregnant should or should not undertake such work. In general, it may be said that a woman who is expecting a child should give first consideration to her own health and the welfare of her child. If, however, circumstances are such that employment is necessary, special plans should be made to safeguard both the mother and child. One of these safeguards has been found to be the establishment of a general policy calling for the granting of a period of maternity leave both before and after the birth of the child. The basis for such a policy is to be found in investigations of the effect of employment of the mother on the infant mortality rates and on the duration of pregnancy.

In its early studies of infant mortality, the Children's Bureau found that employment of mothers away from their homes during pregnancy was associated with a high neo natal infant mortality rate (infant death rate during the first month of life), with a high percentage of premature births, and with a high stillbirth rate. Furthermore, it was found that the influence of such employment during pregnancy on the infant death rate was greater the shorter the in-terval of rest before confinement. When there was no interval between cessation of the mother's work and her confinement, the death rate of infants under 1 month was nearly double that when there was an interval of 1 month or more. These same studies also showed that if the mothers went back to work before the baby was 2 months old the infant mortality rate was three times the average rate.

In the 30 years since these studies were made, the death rates of infants in the second to the twelfth months of life have been reduced greatly; death rates in the first month of life very much less. Today more than half of all infant deaths occur in the first month of life and, of these, half are the result of premature birth. Much of our present day effort to lower infant mortality, therefore, must be directed toward overcoming any adverse conditions that are the cause of premature delivery.

It is the consensus of opinion among obstetricians that fatigue must be avoided in the last few weeks of pregnancy. Studies have been made showing that the duration of pregnancy depends upon the extent to which the patient can spare herself during the last months of pregnancy. One such study concludes that hard work in poorly nourished women predisposes to the prema-

ture ending of pregnancy. Other studies corroborate this, showing that women who can rest during the last 6 to 8 weeks of pregnancy are less likely to have a premature termination of pregnancy. As has been pointed out already, premature birth is one of the major causes of death of the baby in the neonatal period. Any factor which contributes to premature birth must be avoided if at all possible so that the baby will have a better chance of survival. Dr. Stewart Clifford, a leading pediatrician, of Boston, has made the statement that because of the rapid gain in weight of the fetus in these last weeks of pregnancy even a slight prolongation makes the outlook for the infant more favorable.

It is well known to obstetricians also that fatigue and anxiety can contribute to the pain and fatigue of labor itself, and that women who are relaxed and rested are more likely to have a short and easy labor and a satisfactory period of convalescence.

The pelvic organs require about 6 weeks to return to normal after the birth of a child. Although it is no longer the practice for women to be kept in bed for the long periods formerly considered necessary after child-birth, obstetricians recommend that normal activities be resumed gradually. It usually takes from 6 weeks to 2 months after childbirth for a woman to become as active as she was before. The demands on her for the care of her baby are particularly intensive during this time, and the emotional security of the young baby depends a great deal on the consistent attention and care of his mother. If a mother is breast-feeding her child she contributes both physically and emotionally to his well-being, and physicians have strongly urged that breast-feeding be continued for at least the first 2 months of the baby's life, even if, under special circumstances, it cannot be continued longer. Studies of the effect of a mother's employment on her ability to breast-feed her child indicate that employment during pregnancy has little effect on whether or not she will be able to breastfeed her child, but it is well known that mothers who must return to employment early tend to wean their babies early.

When a mother is wholly or partly dependent on her own earnings for her livelihood and that of her children she is apt to be anxious and upset when she must give up her work because of pregnancy or at the time of confinement. This is not conducive to normal childbirth; it may result in premature delivery or interfere with successful breast-feeding. If such a mother can be assured of a period of rest and financial security during the latter part of pregnancy and the first few weeks after the birth of her child the likelihood of a successful outcome in terms of a healthy baby and of her own health is greater.

During the recent war there was a very considerable increase in the number of women employed in industry and by Government. Many of these women were married, and inquiries came to the Children's Bureau and to the Women's Bureau of the Department of Labor concerning types of work suitable for pregnant women and the policy of these Bureaus with respect to maternity leave.

In July 1942, after consultation with representatives of labor and with obstetricians and an expert in industrial hygiene, the Children's Bureau and Women's Bureau together issued a statement of standards for maternity care and employment of mothers, including maternity leave. Though it was found impossible to lay down hard-and-fast rules that would fit every situation, a general policy was agreed upon. The standards included provision for prenatal care, limitation of hours of work, rest periods, and exclusion from employment involving certain hazardous occupations.

A period of 14 weeks (98 days) maternity leave was recommended, 6 weeks before de-livery and 8 weeks after, with extension beyond these periods on presentation of a physician's certificate that complications of pregnancy or the postpartum period made continued employment prejudicial to the health of mother or child.

The bill that is before us provides for maternity leave with pay for 60 days within any period of 12 consecutive calendar months and does not require that an applicant for maternity leave shall use sick leave or annual

leave for this purpose.

Except that the period of 60 days is shorter than the period recommended by the Children's Bureau and the Women's Bureau, the provisions of this bill would appear to be satisfactory from a health point of view. The continuation of full pay during the period of maternity leave would give assurance of financial security and relief from anxiety that is so important for mothers who find it necessary to work during pregnancy. The preservation of sick leave and annual leave to meet the needs of the mother if she is sick early in pregnancy or in case of prolonged incapacity after the expiration of the maternity leave would appear to be in the interests of returning the mother to good health before she must take up her work again.

Some difference of opinion may arise as to whether the period of maternity leave with pay for Government workers who are allowed 26 days of annual leave and 15 days of sick leave should be the same length as the period recommended for workers in industry. If the mother working for the Government is expected to use her sick and annual leave for maternity leave, she would have only 8 weeks in all for this purpose. This not only falls short of the recommended amount, but deprives her of any additional leave in case of other sickness, either her own or that of her child. It is our opinion that 60 days of maternity leave with pay for Government workers is a minimum provision; it would be preferable to allow 90 days if the health of both mother and child is to be assured.

Finally, in considering the length of maternity leave that should be available to women workers, I would like to bring to the attention of this committee the recommendations of a committee on the health of women in industry of the section on obstetrics and gynecology of the American Medi-cal Association, appointed in 1942 to study these and other questions relating to the employment of women. This committee was composed of leading obstetricians of the country. As a result of their study, some conclusions were reached which were presented to the Fifth Annual Congress on Industrial Health in 1943. The recommenda-tions of this committee state, in part:

"Normal pregnant women need reasonable activity, but when employment is necessary, and strains should be eliminated. Continuance of employment is common practice in the first half of pregnancy or perhaps longer, depending on the woman's physical tolerance to the type of work.

"The pregnant employee should not be employed after the thirty-second week of preg-nancy (that is, within 6 weeks of term). It is believed that the discontinuance of employment in the last trimester would benefit many prospective mothers, if economic circumstances permit.

"The patient should not return to work until 6 weeks after delivery and then only when her physician notifies the employer that she may return. If her return to work at 6 weeks is inadvisable because of her own condition or because her baby actually needs her at home, she should request further extension of time."

Mr. LANGER. Mr. President, I was impelled to say what I have said this afternoon by reason of the almost unanimous testimony of the following persons in favor of the bill:

Rear Adm. Paul B. Niebecker, director of industrial relations for the Navy; Judge Fay Bentley; Miss Gehri, superintendent of the House of Mercy: Col. Charles I. Stengle, representative, American Federation of Government Employees; the United Public Workers of America; Dr. John W. Cronin, chief of Federal Employment Section, Public Health Service of Federal Security Agency; Miss Linda Woods, Columbia Hospital; Dr. J. Bay Jacobs, clinic director of obstetrics, Bureau of Maternal and Child Welfare, District Health Department; Dr. H. J. Davis, clinic director of pediatrics, Bureau of Maternal and Child Welfare, District Health Department; Mrs. R. M. Kendrick, executive secretary, National Association of Colored Women; Miss Plunkett, Women's Bureau, Department of Labor; Miss Fairchild, International Labor Organization: Dr. Martha Elliott, Children's Bureau, Federal Security Agency; Mr. Mason, American Federation of Labor; Mrs. Delia Maulding, Department of the Interior; Maj. Humber L. Rivas, chief of obstetrics, Office of the Surgeon General; Dr. Goldstein, group health.

I may say, Mr. President, that at quarter of 2 today, the President's personal physician at the White House, Dr. Graham, began testifying, and I understand that his testimony is in favor of the passage of the bill.

I repeat, Mr. President, that I am tak-

ing this rather unusual step so that all Members of the Senate may have an opportunity to familiarize themselves with the subject by reading the testimony of two witnesses who I consider are among the most able of those who have testified. Both pieces of testimony are very short.

EXECUTIVE SESSION

Mr. TAFT. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

The following favorable reports of nominations were submitted:

By Mr. TOBEY:

From the Committee on Banking and Cur-

rency:
M. S. Szymczak, of Illinois, to be a member
of the Board of Governors of the Federal
Constant for a term of 14 years from Reserve System for a term of 14 years from February 1, 1948 (reappointment).

From the Committee on Interstate and

Foreign Commerce:

Isaac N. P. Stokes, of the District of Columbia, to the position of Solicitor, Department of Commerce.

The PRESIDENT pro tempore. there be no further reports of committees, the clerk will state the nominations on the calendar.

UNITED NATIONS

The legislative clerk read the nomination of Mai. Gen. Hubert Reilly Harmon. Air Force of the United States, to be senior Air Force member of the Military and Naval Staff Committee of the United Nations, with the rank of lieutenant general, under the provisions of section 504 of the Officer Personnel Act of 1947.

The PRESIDENT pro tempore. Without objection, the nomination is con-

firmed.

ADVISORY AND PLANNING GROUP IN GREECE

The legislative clerk read the nomination of Maj. Gen. James Alward Van Fleet, O3847, United States Army, to be Director, Joint United States Military Advisory and Planning Group in Greece, with the rank of lieutenant general, under the provisions of section 504 of the Officer Personnel Act of 1947.

The PRESIDENT pro tempore. Without objection, the nomination is con-

firmed.

DEPARTMENT OF THE NAVY

The legislative clerk read the nomination of Rear Adm. Edwin D. Foster to be Paymaster General and Chief of the Bureau of Supplies and Accounts.

The PRESIDENT pro tempore. Without objection, the nomination is con-

firmed.

THE ARMY

The legislative clerk proceeded to read sundry nominations in the Army.

Mr. TAFT. I ask that the Army nominations be confirmed en bloc.

The PRESIDENT pro tempore. Without objection, the Army nominations are confirmed en bloc.

THE AIR FORCE

The legislative clerk proceeded to read sundry nominations in the Air Force.

Mr. TAFT. I ask that the nominations in the Air Force be confirmed en bloc.

The PRESIDENT pro tempore. Without objection, the Air Force nominations are confirmed en bloc.

THE NAVY

The legislative clerk proceeded to read sundry nominations in the Navy.

Mr. TAFT. I ask that the nominations in the Navy be confirmed en bloc.

The PRESIDENT pro tempore. Without objection, the nominations in the Navy are confirmed en bloc.

THE MARINE CORPS

The legislative clerk proceeded to read

sundry nominations in the Marine Corps. Mr. TAFT. I ask that the nomina-tions in the Marine Corps be confirmed en bloc.

The PRESIDENT pro tempore. Without objection, the Marine Corps nominations are confirmed en bloc.

Mr. TAFT. I ask that the President be immediately notified of all nominations confirmed today.

The PRESIDENT pro tempore. Without objection, the President will be immediately notified.

¹ Journal of the American Medical Asso-

RECESS TO FRIDAY

Mr. TAFT. Mr. President, as in legislative session, I move that the Senate take a recess until next Friday at noon.

The motion was agreed to; and (at 1 o'clock and 53 minutes p. m.) the Senate took a recess until Friday, February 20, 1948, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate February 18 (legislative day of February 2), 1948:

DIPLOMATIC AND FOREIGN SERVICE

R. Borden Reams, of Pennsylvania, for appointment as a Foreign Service officer of class 2, a consul, and a secretary in the diplo-matic service of the United States of Amer-

The following-named persons for appointment as Foreign Service officers of class 3, consuls, and secretaries in the diplomatic service of the United States of America:

Myron L. Black, of Pennsylvania. Charles P. O'Donnell, of Illinois. Thomas K. Wright, of Rhode Island.

The following-named persons for appointment as Foreign Service officers of class 4, consuls, and secretaries in the diplomatic

Frederick H. Awalt, of Maine.

Neill M. Coney, Jr., of Georgia.

The following-named persons for appointment as Foreign Service officers of class 6, vice consuls of career, and secretaries in the diplomatic service of the United States of America:

Ralph A. Jones, of Pennsylvania. Robert J. MacQuaid, of Pennsylvania.

PUBLIC HOUSING COMMISSIONER

John Taylor Egan, of New York, to be Public Housing Commissioner.

UNITED STATES PUBLIC HEALTH SERVICE

The following-named candidates for promotion in the Regular Corps of the Public Health Service:

ASSISTANT SURGEONS TO BE TEMPORARY SENIOR
ASSISTANT SURGEONS (EQUIVALENT TO THE ARMY RANK OF CAPTAIN)

Daniel Shapiro Robert B. Neu John P. Lombardi Clyde H. Dabbs, Jr. Edmund V. Cowdry,

IN THE MARINE CORPS

James J. Gorman, a citizen of Pennsylvania, to be a second lieutenant in the Marine Corps.

CONFIRMATIONS

Executive nominations confirmed by the Senate February 18 (legislative day of February 2), 1948:

UNITED NATIONS

Maj. Gen. Hubert Reilly Harmon, Air Force of the United States, to be senior Air Force member of the Military and Naval Staff Com-mittee of the United Nations, with the rank of lieutenant general, under the provisions of section 504 of the Officer Personnel Act of

ADVISORY AND PLANNING GROUP IN GREECE

Maj. Gen. James Alward Van Fleet, O3847, United States Army, to be Director, Joint United States Military Advisory and Planning Group in Greece, with the rank of lieutenant general, under the provisions of section 504 of the Officer Personnel Act of 1947.

DEPARTMENT OF THE NAVY

Rear Adm. Edwin D. Foster to be Paymas-ter General and Chief of the Bureau of Supplies and Accounts in the Department of the

Navy, with the rank of rear admiral, for a term of 4 years.

IN THE ARMY

APPOINTMENTS IN THE NATIONAL GUARD OF THE UNITED STATES OF THE ARMY OF THE UNITED

To be brigadier generals of the line Frank Allen George Griffin Finch Leonard Ewing Thomas

AIR FORCE

APPOINTMENTS IN THE UNITED STATES AIR FORCE TO THE GRADES INDICATED, UNDER THE PRO-VISIONS OF TITLE V OF THE OFFICER PERSON-NEL ACT OF 1947, WITH DATE OF RANK TO BE AS ESTABLISHED UNDER THE PROVISIONS OF THE AFORE-MENTIONED TITLE

To be major generals

William E. Kepner St. Clair Streett Muir Stephen Fairchild Ennis Clement Whitehead Nathan Farragut Twining Idwal Hubert Edwards Grandison Gardner Franklin Otis Carroll Charles Carl Chauncey Kenneth Bonner Wolfe Clements McMullen Howard Arnold Craig Hubert Reilly Harmon Willis Henry Hale James Pratt Hodges Robert Morris Webster Thomas Dresser White Benjamin Wiley Chidlaw Frederick William Evans Paul Langdon Williams Lauris Norstad Curtis Emerson LeMay Edward Michael Powers

To be brigadier generals

Edwin Bowman Lyon Adlai Howard Gilkeson Harold Mark McClelland Thomas James Hanley, Jr. Robert LeGrow Walsh Eugene Lowry Eubank Caleb Vance Haynes Fred Sidney Borum Frederick Mercer Hopkins, Jr. Orvil Arson Anderson Robert Wilkins Douglass, Jr. Leo Andrew Walton Gordon Philip Saville John Edwin Upston Earle Everard Partridge Lyman Perley Whitten Elwood Richard Quesada Alvan Cleveland Kincaid Bob Edward Nowland William Donald Old Robert Wells Harper Glen Clifford Jamison Earl Seeley Hoag Richard Emmel Nugent Ralph Francis Stearley Albert Francis Hegenberger Laurence Carbee Craigle
David Myron Schlatter
Otto Paul Weyland
Orval Ray Cook Alden Rudyard Crawford Charles Trovilla Myers Carl Brown McDaniel Charles Bertody Stone 3d Earl Walter Barnes Arthur Thomas George Clement McDonald George Pearré Cabell John DeForest Barker Charles White Lawrence James Somers Stowell Howard McMath Turner Tom Christopher Rives Hugo Peoples Rush

Fay Roscoe Upthegrove Edmund Clayton Lynch James Frederick Phillips Frederick von Harten Kimble Dale Vincent Gaffney

APPOINTMENTS IN THE UNITED STATES AIR FORCE RESERVE OF THE AIR FÖRCE OF THE UNITED STATES, UNDER THE PROVISIONS OF SECTION 37 OF THE NATIONAL DEFENSE ACT, AS AMENDED

To be brigadier generals

Erik Henning Nelson Henry Lee Badham, Jr. John Mirza Bennett, Jr. Joseph Francis Carroll Robert Emmet Condon Everett Richard Cook Robert Lynn Copsey Bradley Johnson Gaylord John Philip Henebry Theron Baldwin Herndon James Howell Howard William Chesley Lewis Chester E. McCarthy Arthur Lee McCullough Dick Royal Petty William Leroy Plummer Franklin Rose Robert James Smith Ray James Stecker Luther Wallace Sweetser, Jr. Joseph Lafeton Whitney

TEMPORARY APPOINTMENTS IN THE AIR FORCE OF THE UNITED STATES, UNDER THE PROVISIONS OF SECTION 515, OFFICER PERSONNEL ACT OF 1947

To be major generals

Edwin Bowman Lyon Leo Andrew Walton Alvan Cleveland Kincaid Earl Seeley Hoag Fred Sidney Borum John Edwin Upston Bob Edward Nowland Caleb Vance Haynes Lucas Victor Beau Frederick Mercer Hopkins, Jr. John DeForest Barker Lyman Perley Whitten Patrick Weston Timberlake Charles White Lawrence Alden Rudyard Crawford Charles Trovilla Myers John Maurice Weikert Richard Emmel Nugent James Somers Stowell Charles Pearré Cabell Earl Walter Barnes Glenn Oscar Barcus Francis LeRoy Ankenbrandt Leon William Johnson Gordon Philip Saville Walter Edwin Todd Roger Maxwell Ramey Frederic Harrison Smith, Jr. William Fulton McKee Richard Clark Lindsay Robert Merrill Lee

IN THE NAVY

Rear Adm. Oscar C. Badger, United States Navy, to have the grade, rank, pay, and allow-

ances of a vice admiral while serving as Com-mander, Naval Forces, Western Pacific. Rear Adm. Cato D. Glover, Jr., for perma-nent appointment to the grade of rear admiral in the Navy.

Rear Adm. Henry R. Oster, for permanent appointment to the grade of rear admiral in the Navy.

IN THE MARINE CORPS

APPOINTMENTS TO THE PERMANENT GRADE IN THE MARINE CORPS

To be major generals

Alfred H. Noble Graves B. Erskine

To be brigadier generals

Edward A. Craig Thomas J. Cushman