

1435. By the SPEAKER: Petition of Northwest Public Power Association, petitioning consideration of their resolution with reference to a sound Federal power policy; to the Committee on Interstate and Foreign Commerce.

SENATE

WEDNESDAY, FEBRUARY 25, 1948

(Legislative day of Monday, February 2, 1948)

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

Rev. Bernard Braskamp, D. D., pastor of the Gunton-Temple Memorial Presbyterian Church, Washington, D. C., offered the following prayer:

Most merciful and gracious God, in this moment of prayer, wilt Thou make our minds and hearts the sanctuaries of Thy presence, Thy peace, and Thy power.

May our groping and faltering spirits be brought into a glad and willing obedience to Thy spirit to be transformed and touched to finer issues.

Create within us those desires which Thou dost delight to satisfy. Make us more sensitive and responsive to the pulsations of the higher life which Thou hast implanted within our souls.

Grant that as God-fearing men we may be loyal partners with all who are seeking to build a social order in which peace and prosperity shall be the joyous possessions of all the members of the human family.

In Christ's name we offer our prayers and petitions. Amen.

THE JOURNAL

On request of Mr. KNOWLAND, and by unanimous consent, the reading of the Journal of the proceedings of Tuesday, February 24, 1948, was dispensed with, and the Journal was approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was 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 the following bills, in which it requested the concurrence of the Senate:

H. R. 4739. An act to amend paragraph 1629 of the Tariff Act of 1930 so as to provide for the free importation of exposed X-ray film;

H. R. 4938. An act to amend the Tariff Act of 1930 with reference to platinum foxes and platinum-fox furs, and for other purposes;

H. R. 5275. An act to amend the Tariff Act of 1930 to provide for the free importation of limestone to be used in the manufacture of fertilizer;

H. R. 5328. An act to amend paragraph 1803 (2) of the Tariff Act of 1930 relating to firewood and other woods;

H. R. 5390. An act to continue for a temporary period certain provisions of the Housing and Rent Act of 1947;

H. R. 5391. An act to continue for a temporary period certain powers, authority, and

discretion conferred on the President by the Second Decontrol Act of 1947; and

H. R. 5525. An act making appropriations to supply urgent deficiencies in certain appropriations for the fiscal year ending June 30, 1948, and for other purposes.

REPORT OF NATIONAL ADVISORY COMMITTEE FOR AERONAUTICS

The PRESIDENT pro tempore laid before the Senate a message from the President of the United States, which was read and referred to the Committee on Interstate and Foreign Commerce.

(For President's message, see today's proceedings of the House of Representatives on p. 1766.)

EXECUTIVE COMMUNICATIONS, ETC.

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

SUSPENSION OF DEPORTATION OF ALIENS—WITHDRAWAL OF NAME

A letter from the Attorney General, withdrawing the name of Tsuimon Tse from a report relating to aliens whose deportation he suspended more than 6 months ago, transmitted by him to the Senate on January 15, 1948; to the Committee on the Judiciary.

REPORT OF GENERAL ACCOUNTING OFFICE UNDER CONTRACT SETTLEMENT ACT OF 1944

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report of the operations of that Office under section 16 of the Contract Settlement Act of 1944 (with an accompanying report); to the Committee on the Judiciary and ordered to be printed.

REPORTS OF PROCEEDINGS AND ACTIVITIES, ETC., OF NAVY CLUB OF UNITED STATES

A letter from the national commandant and national shipwriter of the Navy Club of the United States of America, Rockford, Ill., transmitting, pursuant to law, reports of the proceedings and activities and statement of receipts and expenditures of that club, 1947 (with accompanying papers); to the Committee on the Judiciary.

PETITIONS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the PRESIDENT pro tempore:

A declaration and petition of the Northwest Public Power Association, Inc., Vancouver, Wash., relating to the Federal power policy; to the Committee on Interstate and Foreign Commerce.

By Mr. COOPER:

A resolution of the House of Representatives of the General Assembly of the Commonwealth of Kentucky; to the Committee on Agriculture and Forestry:

"Resolution requesting the Secretary of Agriculture, Clinton P. Anderson, to rescind the order directing a 10-percent reduction in burley-tobacco acreage

"Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

"SECTION 1. That the Secretary of Agriculture, Clinton P. Anderson, be, and he hereby is, requested, by virtue of his authority, to rescind the order directing a 10-percent reduction in burley-tobacco acreage.

"SEC. 2. The Clerk of the House of Representatives is hereby directed to send copies of this resolution to Clinton P. Anderson, Secretary of Agriculture, and United States Senators A. W. BARKLEY and JOHN S. COOPER, and Congressmen FRANK L. CHELF, VIRGIL CHAPMAN, NOBLE GREGORY, BRENT SPENCE, JOE BATES, HOWES MEADE, and THRUSTON MORTON."

A concurrent resolution of the General Assembly of the Commonwealth of Kentucky; to the Committee on Interstate and Foreign Commerce:

"Resolution upon the proposed elimination of the veterans' flight training program

"Whereas this general assembly is charged with the duty of fostering and regulating those undertakings considered by it to be progressive and advantageous to the people, welfare and prosperity of the Commonwealth of Kentucky, and to the people and welfare of the whole of the United States; and

"Whereas the veterans' flight training program carried out by the United States Government by authority of Public Law No. 346 is considered by this general assembly as a program that is advantageous to the people of this Commonwealth, to their prosperity, and to their general welfare; and

"Whereas there is an effort being made by a Member of the United States Congress and members of the United States Veterans' Administration to have enacted by the United States Congress legislation designed to eliminate the veterans' flight training program; and

"Whereas this general assembly is convinced that the veterans participating and receiving instruction in the said flight training program are greatly benefited in their general education thereby and will be and are a backlog of trained pilots ready for immediate call to duty as pilots in the United States Air Corps in case of national emergency; and

"Whereas it is believed by this general assembly that the elimination of said program will seriously affect the prosperity, security, and welfare of the people of this Commonwealth and of the country as a whole; and

"Whereas the enactment of such legislation will cause over 50 percent of the fixed based operators in Kentucky to cease operations, thereby eliminating a public utility provided to many of their communities: Therefore, be it

"Resolved by the Senate and House of Representatives of the Commonwealth of Kentucky, That they voice their approval of the veterans' flight training program carried out by the United States Veterans' Administration under the provisions of Public Law No. 346 as being a vital aid in the progress and advancement of aviation, an educational program contributing to the welfare and prosperity of our people and a system whereby the United States has in store a well-trained group of pilots ready and able to man the air forces of our country in case of national emergency; and be it further

"Resolved by the Senate and House of Representatives of the Commonwealth of Kentucky, That they voice their disapproval of any and all efforts of any and all persons to eliminate the veterans' flight training program; and be it further

"Resolved by the said senate and house of representatives, That the United States Senators and Representatives from Kentucky be requested to exert all efforts and influences that they and each of them may have, in a concerted effort to defeat any and all attempts that are made to have the United States Congress enact legislation designed to eliminate the veterans' flight training program; and be it further

"Resolved, That this resolution be spread at large on the journals of both the senate and house of representatives and that copies thereof be sent to the President of these United States of America and to the United States Senators and Representatives from this Commonwealth."

REPORTS OF COMMITTEES

The following reports of committees were submitted:

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

S. 69. A bill for the relief of Mrs. Florence Benolken; with an amendment (Rept. No. 920);

S. 148. A bill for the relief of Charles G. Meyers; with an amendment (Rept. No. 921);

S. 576. A bill for the relief of Dan C. Rodgers; without amendment (Rept. No. 922);

S. 1164. A bill for the relief of Doris D. Chrisman; without amendment (Rept. No. 908);

S. 1263. A bill for the relief of Fire District No. 1 of the town of Colchester, Vt.; without amendment (Rept. No. 909);

S. 1588. A bill for the relief of E. W. Strong; without amendment (Rept. No. 923);

S. 1654. A bill for the relief of John E. Peterson and Guy F. Allen; without amendment (Rept. No. 910);

S. 1875. A bill for the relief of the estate of Francis D. Shoemaker; without amendment (Rept. No. 924);

H. R. 697. A bill for the relief of Mrs. Essie N. Fannin, Miss Helen Hicks, Miss Marie Hicks, Miss Frances Fannin, William O. Thompson, and Mrs. W. D. Thompson; without amendment (Rept. No. 925);

H. R. 1131. A bill to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim or claims of Charles L. Baker; without amendment (Rept. No. 911);

H. R. 1293. A bill for the relief of Anastasios Panage Ioannatos (known as Anastasios Panage Ionnatos or Tom Panage Yanatos); without amendment (Rept. No. 912);

H. R. 1654. A bill for the relief of the estate of Mrs. Elizabeth Campbell; without amendment (Rept. No. 926);

H. R. 1864. A bill for the relief of Mrs. Raiford D. Smith; without amendment (Rept. No. 927);

H. R. 2012. A bill for the relief of Mrs. Pearl Cole; without amendment (Rept. No. 913);

H. R. 2373. A bill for the relief of Stanley-Yelverton, Inc.; without amendment (Rept. No. 914);

H. R. 2374. A bill for the relief of Nita H. Stanley; without amendment (Rept. No. 915);

H. R. 4331. A bill for the relief of Bertha M. Rogers; without amendment (Rept. No. 916);

H. R. 4541. A bill for the relief of Jesse F. Cannon, Jackson Jones, and the estate of John Halstadt; without amendment (Rept. No. 917);

H. R. 4570. A bill for the relief of Howard A. Yeager; without amendment (Rept. No. 918); and

H. R. 4838. A bill to extend the period of validity of the act to facilitate the admission into the United States of the alien fiancées or fiancés of members of the armed forces of the United States; with an amendment (Rept. No. 919).

By Mr. BUTLER, from the Committee on Interior and Insular Affairs:

H. R. 3175. A bill to add certain public and other lands to the Shasta National Forest, Calif.; without amendment (Rept. No. 928);

H. R. 3936. A bill to authorize the United States Park Police to make arrests within Federal reservations in the environs of the District of Columbia, and for other purposes; without amendment (Rept. No. 929);

H. R. 3973. A bill relating to the compensation of Commissioners for the Territory of Alaska; without amendment (Rept. No. 930); and

H. R. 4980. A bill relating to the acquisition by the United States of State-owned lands within Glacier National Park, in the State of Montana, and for other purposes; without amendment (Rept. No. 931).

By Mr. WATKINS, from the Committee on Interior and Insular Affairs:

S. 1468. A bill providing for payment of \$50 to each enrolled member of the Mescalero Apache Indian Tribe from funds standing to their credit in the Treasury of the United

States; without amendment (Rept. No. 932); and

H. R. 2502. A bill to provide for the general welfare and advancement of the Klamath Indians in Oregon; with an amendment (Rept. No. 933).

EXTENSION OF TIME FOR FILING REPORT ON INVESTIGATION OF THE RFC

Mr. BUCK. Mr. President, from the Committee on Banking and Currency, I ask unanimous consent to report favorably without amendment Senate Resolution 203, to extend for 1 month the time for filing the report on the investigation of the operations of the Reconstruction Finance Corporation and its subsidiaries, submitted by me on February 20, 1948, and I request its immediate consideration.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Delaware?

There being no objection, the resolution was considered and agreed to, as follows:

Resolved, That section 2 of Senate Resolution 132, Eightieth Congress, agreed to July 23, 1947, to investigate the operations of the Reconstruction Finance Corporation and its subsidiaries, is amended by striking out "March 1, 1948," and inserting in lieu thereof "April 1, 1948."

BILLS AND JOINT RESOLUTIONS INTRODUCED

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

By Mr. WILEY:

S. 2214. A bill for the acquisition of additional land adjoining the Federal building in Chippewa Falls, Wis.; to the Committee on Public Works.

By Mr. BRIDGES (for himself, Mr. PEPPER, Mr. IVES, and Mr. MURRAY):

S. 2215. A bill to provide for research and control relating to diseases of the heart and circulation; to the Committee on Labor and Public Welfare.

By Mr. REED:

S. 2216. A bill to amend section 205 of the Interstate Commerce Act, relating to joint boards; to the Committee on Interstate and Foreign Commerce.

By Mr. McCARRAN:

S. 2217. A bill conferring jurisdiction upon the Court of Claims of the United States to hear, determine, and render judgment upon the joint claims of Silas Mason Co., Inc., Walsh Construction Co., and Atkinson-Kier Co.;

S. 2218. A bill to provide for the settlement of claims of persons employed in Federal penal and correctional institutions for damage to or loss or destruction of personal property occurring incident to their service; and

S. 2219. A bill to provide for the settlement of claims of military personnel and civilian employees of the Federal Government for damage, loss, or destruction of their personal property occurring as an incident to their service; to the Committee on the Judiciary;

By Mr. MAGNUSON:

S. 2220. A bill for the relief of Albert J. Walch; and

S. 2221. A bill for the relief of Henry A. Ninemires; to the Committee on the Judiciary.

By Mr. BARKLEY:

S. 2222. A bill relating to the rights of the several States in lands beneath inland navigable waters and to the recognition of equities in submerged coastal lands adjacent to the shores of the United States, and for other purposes; to the Committee on Interior and Insular Affairs.

(Mr. HICKENLOOPER (for himself, Mr. VANDENBERG, Mr. JOHNSON of Colorado, Mr. RUSSELL, Mr. MILLIKIN, Mr. KNOWLAND, and Mr. BRICKER) introduced Senate bill 2223, to authorize the promotion of Lt. Gen. Leslie Richard Groves to the permanent grade of major general, United States Army, and for other purposes, which was referred to the Committee on Armed Services, and appears under a separate heading.)

(Mr. FERGUSON introduced Senate bill 2224, to amend the Veterans' Preference Act of 1941 with respect to the priority rights of veterans entitled to 10-point preference under such act, which was referred to the Committee on Post Office and Civil Service, and appears under a separate heading.)

By Mr. BALDWIN:

S. 2225. A bill to transfer administration of the Federal Credit Union Act to the Federal Security Agency; to the Committee on Banking and Currency.

By Mr. HOLLAND (for himself, Mr.

PEPPER, Mr. HILL, Mr. SPARKMAN, Mr. McCLELLAN, Mr. FULBRIGHT, Mr. MAYBANK, Mr. JOHNSTON of South Carolina, Mr. GEORGE, Mr. RUSSELL, Mr. TYDINGS, Mr. O'CONNOR, Mr. EASTLAND, Mr. STENNIS, Mr. McKELLAR, Mr. STEWART, Mr. CONNALLY, Mr. O'DANIEL, Mr. BYRD, Mr. ROBERTSON of Virginia, Mr. HOEY, Mr. UMSTEAD, Mr. BARKLEY, Mr. COOPER, Mr. THOMAS of Oklahoma, Mr. MOORE, Mr. OVERTON, Mr. ELLENDER, and Mr. KILGORE):

S. J. Res. 191. Joint resolution giving the consent of Congress to the compact on regional education entered into between the Southern States at Tallahassee, Fla., on February 8, 1948; to the Committee on the Judiciary.

By Mr. FERGUSON:

S. J. Res. 192. Joint resolution authorizing the President of the United States of America to proclaim October 11, 1948, General Pulaski's Memorial Day for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski; to the Committee on the Judiciary.

LT. GEN. LESLIE RICHARD GROVES

Mr. HICKENLOOPER. Mr. President, I ask unanimous consent to introduce for appropriate reference a bill, and to make a brief statement of about 2 minutes in connection with it, so that the statement may appear in the RECORD for the information of the Senate.

The bill is one proposing and authorizing the President of the United States to appoint Maj. Gen. Leslie Richard Groves as a permanent major general in the United States Army on the day prior to his retirement, so that he will be in fact a permanent major general of the United States Army at the time of his retirement.

General Groves has applied for retirement and, as I understand, according to present plans, will be retired from the Regular Army on next Sunday. I personally feel that substantial recognition of a public nature by the Congress is fully justified in connection with the unique and outstanding service of General Groves in connection with the Manhattan district operation. I shall express myself a little further on that subject at a later date, but I am sincerely hopeful that the Members of the Senate and the Congress generally will be unanimous in joining in agreement that his service has been outstanding, that extraordinary recognition therefore is due him, and that they will speedily consider and pass the proposed legislation.

For that reason, Mr. President, I am making this statement for the RECORD today, so that Senators may anticipate the proceedings on the bill.

There being no objection, the bill (S. 2223) to authorize the promotion of Lt. Gen. Leslie Richard Groves to the permanent grade of major general, United States Army, and for other purposes, introduced by Mr. HICKENLOOPER (for himself, Mr. VANDENBERG, Mr. JOHNSON of Colorado, Mr. RUSSELL, Mr. MILLIKIN, Mr. KNOWLAND, and Mr. BRICKER), was received, read twice by its title, and referred to the Committee on Armed Services.

PRIORITY RIGHTS OF VETERANS

Mr. FERGUSON. Mr. President, I ask unanimous consent to introduce for appropriate reference a bill to amend the Veterans' Preference Act of 1944 with respect to priority rights of veterans entitled to 10-point preference under the act, and I request that it be printed in full in the RECORD.

There being no objection, the bill (S. 2224) to amend the Veterans' Preference Act of 1944 with respect to the priority rights of veterans entitled to 10-point preference under such act, introduced by Mr. FERGUSON, was received, read twice by its title, referred to the Committee on Post Office and Civil Service, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That the first proviso in section 8 of the Veterans' Preference Act of 1944 is amended to read as follows: "Provided, That an appointing officer who passes over a 10-point preference veteran eligible and selects a 5-point preference veteran eligible or passes over any veteran eligible and selects a nonveteran shall file with the Civil Service Commission his reasons in writing for so doing, which shall become a part of the record of the veteran eligible passed over, and shall, upon request, be made available to him or his designated representative; the Civil Service Commission is directed to determine the sufficiency of such submitted reasons and, if found insufficient, shall require such appointing officer to submit more detailed information in support thereof; the findings of the Civil Service Commission as to the sufficiency or insufficiency of such reasons shall be transmitted to and considered by such appointing officer, and a copy thereof shall be sent to the veteran eligible passed over or to his designated representative upon request therefor."

CONTINUATION OF AUTHORITY OF MARITIME COMMISSION TO SELL, CHARTER, AND OPERATE VESSELS

Mr. KNOWLAND. Mr. President, I ask unanimous consent to submit a concurrent resolution which I send to the desk, and I request its immediate consideration.

The PRESIDENT pro tempore. The concurrent resolution will be read for the information of the Senate.

The concurrent resolution (S. Con. Res. 43) was read, as follows:

Resolved by the Senate (the House of Representatives concurring), That the Secretary of the Senate, in the enrollment of the joint resolution (S. J. Res. 173) to continue until July 1, 1949, the authority of the Maritime Commission to sell, charter, and operate vessels, and for other purposes, be, and he is hereby, authorized and directed to strike out, in the title of said joint resolution, the word "July" and insert "March", so that as

amended the title will read: Joint resolution to continue until March 1, 1949, the authority of the Maritime Commission to sell, charter, and operate vessels, and for other purposes."

Mr. KNOWLAND. Mr. President, in explanation of the concurrent resolution, I may say that in Senate Joint Resolution 173, which came before the Senate on yesterday for action on the House amendment, the date was changed from July to March, but the title of the joint resolution was not changed to conform. The concurrent resolution I am now submitting merely takes care of that situation.

The PRESIDENT pro tempore. Is there objection to the present consideration of the concurrent resolution?

There being no objection, the concurrent resolution was considered and agreed to.

REDUCTION OF INCOME-TAX PAYMENTS—AMENDMENT

Mr. O'MAHONEY submitted an amendment intended to be proposed by him to the bill (H. R. 4790) to reduce individual income-tax payments, and for other purposes, which was referred to the Committee on Finance, and ordered to be printed.

HOUSE BILLS REFERRED

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

H. R. 4739. An act to amend paragraph 1629 of the Tariff Act of 1930 so as to provide for the free importation of exposed X-ray film;

H. R. 4938. An act to amend the Tariff Act of 1930 with reference to platinum foxes and platinum fox furs, and for other purposes;

H. R. 5275. An act to amend the Tariff Act of 1930 to provide for the free importation of limestone to be used in the manufacture of fertilizer;

H. R. 5328. An act to amend paragraph 1803 (2) of the Tariff Act of 1930, relating to firewood and other woods; to the Committee on Finance; and

H. R. 5525. An act making appropriations to supply urgent deficiencies in certain appropriations for the fiscal year ending June 30, 1948, and for other purposes; to the Committee on Appropriations.

ADDRESS BY SENATOR BROOKS BEFORE PENNSYLVANIA MANUFACTURERS' ASSOCIATION

[Mr. MARTIN asked and obtained leave to have printed in the RECORD an address delivered by Senator Brooks before the thirtieth annual meeting of the Pennsylvania Manufacturers' Association and its casualty and fire insurance companies at Philadelphia, Pa., on February 24, 1948, which appears in the Appendix.]

GEORGE WASHINGTON AND THE YEAR 1948—ADDRESS BY GORDON GRAY

[Mr. MAYBANK asked and obtained leave to have printed in the RECORD an address on the subject, George Washington and the Year 1948, delivered by Hon. Gordon Gray, Under Secretary of the Army, at the one hundred and forty-first annual banquet of the Washington Light Infantry at Charleston, S. C., February 21, 1948, which appears in the Appendix.]

ADDRESS BY MOST REV. FRANCIS P. KEOUGH ON THE OCCASION OF HIS INSTALLATION AS ARCHBISHOP OF BALTIMORE

[Mr. O'CONOR asked and obtained leave to have printed in the RECORD an address delivered by the Most Rev. Francis P. Keough on the occasion of his installation as arch-

bishop of Baltimore February 24, 1948, which appears in the Appendix.]

THE NATION'S POWER SUPPLY—ARTICLE BY A. G. MEZERIK

[Mr. HILL asked and obtained leave to have printed in the RECORD an article entitled "Our Lights Are Going Out," by A. G. Mezerik, published in the February 1948 issue of Collier's magazine, which appears in the Appendix.]

FEDERAL AID TO EDUCATION—ARTICLE BY OSCAR R. EWING, FEDERAL SECURITY ADMINISTRATOR

[Mr. KILGORE asked and obtained leave to have printed in the RECORD an article entitled "We Are Cheating Our Children," by Oscar R. Ewing, Federal Security Administrator, published in the February 1948 issue of the American Magazine, which appears in the Appendix.]

THE INCREASE IN STEEL PRICES—EDITORIAL COMMENT

[Mr. SPARKMAN asked and obtained leave to have printed in the RECORD an editorial entitled "Steel Begg For Trouble," from the Washington Daily News for February 21, 1948; an editorial entitled "Steel Goes Up," from the Washington Post; and an editorial entitled "Industrial Statesmanship," from the Washington Evening Star of February 21, 1948, which appear in the Appendix.]

THE TEXTILE SITUATION—ARTICLE BY DOUGLAS COMER

[Mr. SPARKMAN asked and obtained leave to have printed in the RECORD an article written by Douglas Comer for the January 1948, textile edition of the New York Journal of Commerce, which appears in the Appendix.]

THE BUSINESS APPROACH—EDITORIAL FROM THE PEORIA JOURNAL-TRANSCRIPT

[Mr. CAPEHART asked and obtained leave to have printed in the RECORD an editorial entitled "The Business Approach," published in the February 10, 1948, issue of the Peoria (Ill.) Journal-Transcript, which appears in the Appendix.]

THE MARCH OF RUSSIA IN EUROPE

[Mr. BRIDGES asked and obtained leave to have printed in the RECORD an editorial entitled "Stalin's Step Toward War," published in the Washington News of February 25, 1948, which appears in the Appendix.]

THE FRATERNAL ORDER OF EAGLES—ARTICLE BY RICHARD S. DAVIS

[Mr. MAGNUSON asked and obtained leave to have printed in the RECORD an article commemorating the fiftieth anniversary of the founding of the Fraternal Order of Eagles, entitled "Fifty Years of Service," written by Richard S. Davis, and published in the magazine Eagle, which appears in the Appendix.]

LIVING WITH LINCOLN: A NEW IMPRESSION—ARTICLE BY J. G. RANDALL

[Mr. FERGUSON asked and obtained leave to have printed in the RECORD an article entitled "Living With Lincoln—A New Impression," by J. G. Randall, from the New York Times magazine of December 14, 1947, which appears in the Appendix.]

MARY SUNGDUK CHARR

The PRESIDENT pro tempore laid before the Senate the amendment of the House of Representatives to the bill (S. 316) for the relief of Mary Sungduk Charr, which was to strike out lines 9 to 14, inclusive.

Mr. DOWNEY. I have taken this amendment up with the Senator from

Wisconsin [Mr. WILEY] the chairman of the Committee on the Judiciary, and it is satisfactory to him. Therefore I move that the Senate concur in the amendment of the House.

The motion was agreed to.

SANG HUN SHIM

The PRESIDENT pro tempore laid before the Senate the amendment of the House of Representatives to the bill (S. 521) to permit the naturalization of Sang Hun Shim, which was, to amend the title so as to read: "An act for the relief of Sang Hun Shim."

Mr. McMAHON. I move that the Senate concur in the amendment of the House.

The motion was agreed to.

AUTHORIZATION TO COMMITTEE ON EXPENDITURES IN THE EXECUTIVE DEPARTMENTS—MOTION TO RECONSIDER

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the unfinished business be temporarily laid aside so that the Senate may proceed to consider the motion of the senior Senator from Illinois [Mr. LUCAS] that the vote by which Senate Resolution 189 was agreed to be reconsidered.

Mr. BARKLEY. I will ask the Senator to withhold the request temporarily. The Senator from Illinois is on his way to the Senate, and in the meantime we might have a quorum call.

Mr. KNOWLAND. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Hawkes	Moore
Baldwin	Hayden	Murray
Barkley	Hickenlooper	Myers
Brewster	Hill	O'Connor
Bricker	Hoey	O'Daniel
Bridges	Holland	O'Mahoney
Brooks	Ives	Overton
Buck	Jenner	Pepper
Bushfield	Johnson, Colo.	Reed
Butler	Johnston, S. C.	Revercomb
Byrd	Kem	Robertson, Va.
Cain	Kilgore	Russell
Capehart	Knowland	Saltonstall
Capper	Langer	Sparkman
Chavez	Lodge	Stennis
Connally	Lucas	Stewart
Cooper	McCarran	Taft
Cordon	McCarthy	Thomas, Okla.
Donnell	McClellan	Thomas, Utah
Downey	McFarland	Thye
Dwornshak	McGrath	Tobey
Ecton	McKellar	Vandenberg
Ferguson	McMahon	Watkins
Flanders	Magnuson	Wiley
Fulbright	Malone	Williams
George	Martin	Wilson
Green	Maybank	Young
Gurney	Millikin	

Mr. KNOWLAND. I announce that the Senator from Minnesota [Mr. BALL], the Senator from Oregon [Mr. MORSE], and the Senator from Wyoming [Mr. ROBERTSON] are necessarily absent.

The Senator from Nebraska [Mr. WHERRY] is absent on official business.

The Senator from New Jersey [Mr. SMITH] is absent because of illness.

Mr. BARKLEY. I announce that the Senator from Mississippi [Mr. EASTLAND] and the Senator from Maryland [Mr. TYDINGS] are absent because of illness.

The Senator from Louisiana [Mr. ELLENDER], the Senator from New Mexico [Mr. HATCH], and the Senator from

Idaho [Mr. TAYLOR] are absent on public business.

The Senator from North Carolina [Mr. UMSTEAD] and the Senator from New York [Mr. WAGNER] are necessarily absent.

The PRESIDENT pro tempore. Eighty-three Senators having answered to their names, a quorum is present.

CONTINUATION FOR 30 DAYS OF HOUSING AND RENT ACT OF 1947

Mr. TOBEY. Mr. President, I ask unanimous consent for the present consideration of House bill 5390, an act to continue for a temporary period certain provisions of the Housing and Rent Act of 1947. The reason for the request is the action of the House taken yesterday, in connection with which they pointed out that in their judgment they could not pass the rent-control bill which the Senate passed yesterday before the expiration of the Rent Control Act of 1947 on next Saturday. Therefore, the House yesterday passed House bill 5390 continuing certain provisions of the Housing and Rent Act for 1947 for 30 days. In the time between now and the 1st of April the House will have an opportunity to consider and act on the rent-control bill which the Senate passed yesterday. I now ask unanimous consent that the Senate at this time consider the bill which the House passed yesterday.

The PRESIDENT pro tempore. The bill will be read by title for the information of the Senate.

The CHIEF CLERK. A bill (H. R. 5390) to continue for a temporary period certain provisions of the Housing and Rent Act of 1947.

The PRESIDENT pro tempore. The Senator from New Hampshire asks unanimous consent for the present consideration of House bill 5390. Is there objection?

Mr. BARKLEY. Mr. President, reserving the right to object, I think it is extremely unfortunate that we are not prepared to enact legislation for the full period for which Congress is willing to extend rent control. I do not assess any blame at any particular point; but we have been in session for 2 months, and we have known all the time that there had to be an extension of rent control. Yesterday the Senate passed a bill extending rent control for 14 months. It is unfortunate that the Congress will not be able to complete action on that legislation this week, so as to avoid taking two or three bites at the cherry before we are through.

I should like to ask the Senator from New Hampshire if he is certain that the House will not be able before the expiration of the present law to act upon the bill which the Senate passed yesterday.

Mr. TOBEY. That is the advice which I have received from Members of the House, and also from the Senator from Ohio [Mr. TAFT] and the Senator from Washington [Mr. CAIN].

I may say to the Senator from Kentucky that I share his feelings. I deplore the habit of constantly passing continuing resolutions. In my judgment, that is not the way to legislate.

Mr. BARKLEY. The habit is deeper than that. The habit is to postpone

things until the last minute, when some law is about to expire, and then rush in with a continuing resolution extending the law for a month or so. I think that is unfortunate. However, in view of the situation, I certainly shall not object to the consideration of the bill. I hope that within the next 30 days Congress will be able to complete action on rent-control legislation.

Mr. TOBEY. The committee shares that hope.

Mr. TAFT. Mr. President, the House committee has given me every assurance that it will proceed immediately in good faith to consider the Senate bill which was passed yesterday. However, I am informed that action could not be completed by the end of February. I have every reason to hope that we shall have the proposed legislation back here long before the end of March.

Mr. BARKLEY. Under the circumstances, I shall not object.

The PRESIDENT pro tempore. Is there objection to the present consideration of House bill 5390?

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed.

WORK SHEET FOR FEDERAL BUDGET, 1949

Mr. Aiken. Mr. President, I wish to take 2 or 3 minutes to explain the blue-covered document on the desks of Senators. I assure the Senate that there is no particular significance in the selection of the color. A condensed version of the budget requests lies between the covers. This document is a budgetary working tool, prepared for the use of Members of Congress by the Committee on Expenditures in the Executive Departments.

Almost without exception, Members of Congress in consulting the President's budget are unable to find the complete information they desire, and sometimes become confused, annoyed, or completely frustrated. The President's latest budget which was submitted to the Congress contains 1,434 pages of fine print. The volume of detail and the multiplicity of tables make constant cross-reference necessary and lead to the state of mind I have just described.

In a preliminary effort, for the 1948 fiscal year, the Expenditures Committee prepared a small pocket budget summary which listed all the significant figures in the entire Federal budget. This year, because appropriations bills are yet to be voted on, we have devised an entirely new presentation of the budget. This document we call the Work Sheet for the Federal Budget. All the significant detail in the budget for the entire Federal Government is contained in 18 pages. With three exceptions, every department and large agency has its budget presented on a single page. Cross-reference is unnecessary and all the detail that most Senators and Representatives need is presented within the space of a few inches.

To give a comparison, we present the requests of the Department of Agriculture in one and one-quarter pages. In the President's budget this same Department is presented on 219 pages located

in 8 different portions of the book. If a Member simply must have the details of the budget request on a particular item, he may take a day or two off to thumb through the 1,434-page Budget, in the hope that he will be able to find what he is looking for.

So many details are provided in the President's budget that the main issues—how much money is on hand and how much is needed—are frequently obscured.

The President's budget, big as it is, still is not quite complete. It fails to present or it obscures funds available for obligation so that it appears that less money is being requested than is actually the case. This is true in "prior year" and "no year" appropriations and in authorizations to expend from special and operating funds. Table I of the work sheet shows that these funds amount to more than \$3,750,000,000. The President requested appropriations of \$39,652,000,000. If this were granted, the Government would have a total of \$43,443,000,000 to expend. This should make an important difference to Members of Congress and to taxpayers. Our committee wishes to lay especial emphasis on this fact. This is not a new condition, but it is one which is never sufficiently pointed up, and I doubt that many Members of Congress even realize that it exists.

In presenting this work sheet, the committee has not merely presented the budget requests for 1949 but has, for purposes of comparison, also set forth amounts approved in 1948 and provided a work-sheet space opposite each appropriation item where the Member may enter amounts which he deems desirable, the amounts approved in the House, in the Senate, in the final appropriation bill, deficiency appropriations, and the totals appropriated in 1949. If a Member is interested only in one department, he can cut that sheet out of the booklet and carry it around with him. The entire booklet can also be carried around with ease. In fact, if I were speaking in a lighter vein, I might have called our presentation the portable budget.

We hope that each Member of Congress will find these work sheets of use. We have provided a copy for each Member's desk and for his office. This project, which has involved a great deal of detailed work, has been entered into by the Committee on Expenditures in the Executive Departments as a service to the Congress in furtherance of what it considers to be its duty.

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

Mr. AIKEN. I yield.

Mr. HAYDEN. I wish to compliment the Senator on his work. I have read the letter of transmittal. I wish to raise a question about the text. In the second column it is stated:

Full information is provided relative to additional authorizations granted by Congress for the obligation of operating or special funds. Also, compilations have been prepared on the amount of carry-over funds available for obligations during both the 1948 and 1949 fiscal years from appropriations made in preceding years under multiple or no-year authorizations.

In the Senate Subcommittee on the Interior Department, of the Committee

on Appropriations, we spent approximately 6 weeks discussing what were carry-over funds. I wish to know if the Senator has clearly in mind the difference between an unexpended balance and an unobligated balance. In the last session of Congress we proceeded upon the assumption, with respect to public works in general, and particularly with respect to reclamation projects, that if money was available at the end of the fiscal year, it was also unobligated. On that basis there was a substantial cut of approximately one-third in the total of the budget estimates for public works of that character. Before we were through we discovered that the money may have been unexpended but obligated. The cuts which were made in the regular session had to be restored at the special session of Congress.

There is one other item which I should like to bring to the Senator's attention. In the third column of the letter of transmittal it is stated:

The appropriation acts for 1948 automatically include funds for carrying out approved contract authorizations for 1947 or prior years, and the 1949 budget requests include funds to implement approved 1948 contract authorizations.

I wish that were true, but it simply does not happen to be so, because if there were an automatic appropriation merely because the contract had been authorized, we would not have had to shut down projects as we did some months ago. So I think that statement is a little broad.

Mr. AIKEN. Let me say that this is an effort to clarify the budget requests, for the benefit of the Members of Congress; and of course there is much work to be done beyond this. For instance, the representatives of a department may come before a congressional committee and may say, "We are out of money. We have obligated all our money." I believe such statements have been made. The department's representatives may say, "We have to have \$30,000,000 more to carry on work which Congress wants us to do."

That may be true. Then the department gets the additional appropriation; but subsequently it is found, a month afterward, that the department has more money on hand than its representatives said they had. Evidently what happens is that they obligate the funds, but the contracts also carry provisions for unobligating them. So the representatives of such departments can come before the congressional committees and state that they are broke, and get further appropriations, and then subsequently have on hand for expenditure more money than the Congress appropriated. The only explanation for that is that they unobligate these funds after they get what they request from the Congress.

Mr. HAYDEN. Mr. President, I sympathize with what the Senator says, in this regard. I am not at all satisfied with the bookkeeping of various departments of the Government. An illustration of that situation is the case where there should have been ample notice that funds were not available, so that work would not have been discontinued. But the

Reclamation Service simply did not know it in time, so we were in trouble.

I wish to cooperate with the Senator in improving the bookkeeping in the departments. But certainly this statement cannot be true:

The appropriation acts for 1948 automatically include funds for carrying out approved contracts—

because there can be contracts which extend over 3 or 4 years; and, as a matter of fact, many of the contracts for public works do.

It is distinctly set out in the signed agreements that the contract is subject to appropriations made by Congress; and if Congress does not appropriate the money, the contractor cannot be paid for his work. So that statement needs further clarification, I am quite sure.

Again I wish to compliment the Senator upon the action he has taken in this regard. It is highly advantageous and will be very helpful to all Members of Congress.

Mr. AIKEN. Probably the word "automatically" is not the correct word to be used there. But there is a moral obligation to appropriate the funds, and the Congress cannot ignore that obligation.

Mr. HAYDEN. I am entirely in accord with that statement, too.

Mr. AIKEN. I agree with the Senator from Arizona that probably a better word than "automatically" could have been used in this statement.

THE ST. LAWRENCE SEAWAY AND THE IRON-ORE SITUATION

Mr. WILEY. Mr. President, one of the most serious elements in our entire national defense and industrial health picture is the rapid depletion of our commercial iron-ore resources, on which our entire military and civilian economy depend. In supporting the St. Lawrence seaway, the proponents have emphasized time and again the absolute necessity of building the seaway in order to permit the importation of proven resources of Labrador ore, once the Mesabi Range is exhausted.

Although the opposition has made an elaborate show of its sympathy with our problems of national defense, it has ignored this vital defense point. Last night the junior Senator from Massachusetts [Mr. LODGE], in debating with the senior Senator from Vermont [Mr. AIKEN], Representative MEADE, from Maryland, and myself, over the American Town Hall of the Air, contended that we should be looking to our national defense needs, rather than building this seaway.

It is not a matter of alternatives—either building the seaway or protecting the national defense. It is a matter of doing both, as we see it; because the St. Lawrence seaway, as was testified by authority after authority before the Senate Foreign Relations Committee, is a vital component of national defense.

Mr. President, I have here a rather extensive statement on this critical iron-ore situation. I shall not take the time of my colleagues to read it now, but I ask unanimous consent that it be printed at this point in the CONGRESSIONAL RECORD. I commend it to the serious attention of my colleagues. I commend it to

all elements of American industry, which, if they read it in full, will appreciate now, more than ever before, the vital need for backing up their legislators who are striving for the seaway.

Mr. President, if we do not enact the seaway legislation, we shall regret the day of its failure, as we have regretted other sad occasions when we manifested a lack of vision. We shall in effect be tying a noose around our own necks, and as the days go by the noose will be drawn tighter and tighter.

There being no objection, the statement prepared by Mr. WILEY was ordered to be printed in the RECORD, as follows:

IRON ORE

Mr. President, in connection with the St. Lawrence seaway project, I wish to undertake an analysis of the role it will play in the conservation of mineral resources and particularly its contribution toward replenishment of our exhausting iron ores. The junior Senator from Massachusetts dealt with this subject and left the impression that there was no need to be concerned about the exhaustion of iron ores in the United States.

Mr. President, there is a conflict of views and contradiction of facts in the record on this subject and I consider it of such overriding importance from the point of view of national welfare and future security that I would like to give a statement of the facts in evidence as to the situation of our iron ore resources and of the alternative solutions to this difficult and important problem.

The junior Senator from Massachusetts questioned the fact so often repeated by nearly every authority on the iron-ore situation in this country that our high-grade ore resources are being rapidly exhausted. In support of his contention he quoted a statement by Mr. Wilford Sykes, president of the Inland Steel Co., as follows (CONGRESSIONAL RECORD, January 28, p. 639):

"At the present time, in spite of the stories you hear, we have in sight or pretty close to sight—in fact, we are pretty sure of some of the things but we don't always want to find our ore—according to competent geologists, about 1,300,000,000 tons of high-grade easily mined ores, and that is not the total by a long way."

Mr. President, here is all the evidence we have that the iron-ore resources will be ample for a long time in the future, and it is based upon the statement of one person who says, that in addition, there are unrevealed, untapped, unexplored resources below ground which no one has proved by drilling and no one is willing to admit in public because of the tax laws. That is the evidence upon which we are urged to forget our fears and to put aside our concern for the future of our middle western steel industry.

Mr. President, this is a shallow basis upon which to take a chance on the future stability of our iron and steel industry, and the security of the country.

I am willing to accept this figure of 1,300,000,000 tons of high-grade ore lying in the Lake Superior region, but I am not willing to agree to the optimistic prediction that this ore will last for 30 years.

Last year, 1947, we extracted over 80,000,000 tons of ore from the Lake Superior region. The average rate of consumption during the war years—1941–45—was over 82,000,000 tons a year. Since 1941, we have used up from the Lake Superior district alone a total of nearly 560,000,000 tons. At this rate of extraction, which is likely to be maintained during the next 5 years, in the light of the European recovery program, the reserves the junior Senator from Massachusetts gives as evidence that we should not worry about the future of the steel industry in the Middle West would last only a matter of 16 years. If we added to this known reserve those not

yet disclosed, a highly optimistic potential of another 500,000,000 tons, the iron and steel industries in the Great Lakes area could have at the maximum, only a 22-year supply.

At this point I wish to insert in the RECORD the estimates of known iron-ore reserves given by the United States Bureau of Mines as of March 11, 1947:

Life of Lake Superior iron-ore ranges based on known reserves and the 1945 rate of output

[Data are in gross tons]

Range	Reserves	Production	Theoretical life-years
Mesabi.....	562,290,748	58,365,139	16
Vermillion.....	12,349,603	1,481,007	8
Cuyuna.....	59,659,627	2,971,288	20
State ore (nontaxable).....	19,865,715	-----	-----
Gogebic.....	37,828,392	4,395,653	9
Marquette.....	51,648,430	4,664,816	11
Menominee.....	48,260,784	4,140,239	12
Total.....	1,191,802,999	76,018,142	16

Mr. President, this 22-year outside limit of the iron-ore reserves in the Lake Superior region, including undisclosed reserves, though it implies a comfortable margin, is in fact of profound concern to individual steel producers in the Great Lakes area because a large portion of the high-grade ore reserves in the Mesabi Range is controlled by one of the principal steel producers (United States Steel). The other producers are increasingly dependent upon the dwindling supply in the control of those few fortunate producers who still have some of this precious metal in the soil.

These are the facts, Mr. President, and let us see what recognized authorities on the subject have to say about it. I have in my possession the January 1948 issue of Steelways, which is the publication of the American Iron and Steel Institute. The leading article in that issue is by Mr. John D. Green, who was specially assigned to investigate the iron-ore situation and the future of the steel industry. The article is entitled "There Is Plenty of Iron," but this is what he has to say about the exhaustion of high-grade iron ore:

"The curtain is falling upon open-pit mining of Lake Superior area ore, which can be shipped to steel plants and used as is. The end will come in different years for different companies—in less than 5 years for some, perhaps within 24 for the last.

"One steel concern controls about 42 percent of the remaining direct-shipping Minnesota ore. Another controls about 15 percent, and still another controls about 13 percent. That leaves 30 percent, control of which is divided unequally among 5 other major steel concerns. Some of the latter are due to run out of direct-shipping ore in the very near future. They are the ones which are under the most urgent pressure to find other sources of supply."

Later on in this article it is stated that the normal future demand of the steel industry may be around 80,000,000 tons of ore annually in the Great Lakes area. The article continues:

"When the open pits no longer produce the steel industry will have to get forty-five to fifty million annual tons elsewhere—and some of it soon."

Mr. President, there is general agreement between Mr. Sykes of the Inland Steel Co., whom the opponents of this project use in their behalf, and the estimates of the Bureau of Mines on the amount of ore still known to exist. One factor, however, which was not mentioned is that a much smaller portion of this ore is accessible open-pit ore. It is generally accepted that the available open-pit ores amount to about 500,000,000 tons at the present time. Since no more than 20,000,000 tons can be extracted from other

than open-pit sources, it is clear that the remainder of the annual requirements for the Great Lakes mills, anywhere from 45,000,000 to 60,000,000 tons a year, must be obtained from these open-pit sources. On that basis, the open-pit ores would last no longer than ten more years. Mr. C. M. White, president of the Republic Steel Corp., in a speech on the seventy-fifth anniversary of the American Institute of Mining and Metallurgical Engineers on March 17, 1947, spoke as follows (address by C. M. White, p. 23):

"But ore cannot be produced on the basis of mathematical averages. Some pits will be exhausted long before the computed average life of the reserves; others will persist much longer. The result will be that 55,000,000 tons a year of open-pit ore can be produced for perhaps half of the period of years indicated as the present life of the known reserves. Then the production will begin to decline. A year will come all too soon when the open pits will produce only 40,000,000 tons, then 35,000,000 tons, and progressively less."

Mr. White continued, and I wish to impress this upon my colleagues with all the force at my command (p. 23):

"I have used definite figures to illustrate my point. You may not agree with those definite figures. Whether you do or not is not important. It makes small difference whether the shortage comes in 5 years, 10 years, or even longer. The point is that, in a distressingly short period of years, Minnesota open-pit ores will be available in insufficient quantity, with all that other mines of Lake Superior can produce, to supply the needs of the steel industry dependent upon lake ore."

Mr. President, this is not a nightmare conjured by proponents of the seaway. The exhaustion of iron ores is recognized even by the opponents of this project. Mr. R. C. Allen, of the Reserve Mining Co., of Cleveland, Ohio, appeared before the subcommittee of the Senate Foreign Relations Committee in 1946 and stated:

"It is not that iron mining in Lake Superior shall cease in measurable time from exhaustion of ore that is of present concern, but that productive capacity of the mines will decline below needs. The open pits now supply two-thirds of the whole output. They cannot long maintain their present production, and when they begin to fail the underground mines will not be able to make up the shortage, although underground mining will continue long after the open-pit mines have ceased to dominate the industry. Declining production will be accompanied by rising cost, and eventually this cost will rise to the level of cost of production from taconite. This is foreseen by all ore producers" (p. 1363).

Prof. Marvin Barloon, of Western Reserve University, in Cleveland, Ohio, an authority on the iron and steel industry, confirms the statements of Mr. White and the Bureau of Mines and Steelways in a very profound article in Harper's magazine of August 1947. This is how he summarizes the situation:

"The steel industry faces a momentous change which will have a profound effect upon the future of the United States, and may in time touch the lives and fortunes of every one of us. Costly new processes are going to have to be added to steel making, and much of the industry is going to have to move to other parts of the country. These changes—which are already beginning—are not the result of the inventions of engineers or the discoveries of prospectors. The simple fact is that the iron ore is running out."

The knowledge of this impending exhaustion of our commercial iron-ore resources is not restricted to the experts of the industry, but on the contrary has been widely publicized and is a matter of accepted fact. Business Week magazine of April 19, 1947, under the caption "United States iron ore reserves low," had this to say about the situation:

"How long could United States ore deposits keep supplying the growing appetite of the steel industry? And what would happen if and when they failed? * * *

"The answers hinge on some important if's: If no new high-grade ores are discovered in the Midwest; or if low-grade ores cannot be used economically; or if—lack of a St. Lawrence waterway—insufficient ores can be imported by water, then: In perhaps a generation or two the Great Lakes will no longer be steel's heartland * * * steel men cannot operate on a hand-to-mouth basis when it comes to supplies. Their \$4,400,000,000 capital investment demands that they look 10 or 20 years ahead.

"ORE FOR THE FUTURE

"Thus they are searching now for new sources of ore. Among the numerous alternatives, the really important one is this: How economically can the low-grade ore still existing in large quantities in Minnesota's great Mesabi Range and elsewhere be utilized? Right now, the answer is not too cheering. Taconite, an iron-bearing rock, abounds in Minnesota * * * an economical means for treating (beneficiating) it to remove the iron has yet to be developed. Use of taconite entails long-range planning, extensive research, and a terrific capital investment for beneficiating plants. It means, in effect, the manufacture of usable grades of ore from material so low in iron content (about 30 percent or less) that it is now listed as potential ore reserve. There are almost incalculable quantities of taconite in the Mesabi Range, but about one-half of it is in a slaty rock formation which defies concentration by known methods. * * *

"LAKE SUPERIOR RESERVES

"Since economical beneficiation is a long way off, the steel man's immediate concern is the status of reserves which can be tapped at once with relative ease. The Mesabi Range, for 44 of its 55 years of operation, has supplied at least half the Nation's iron ore needs. During World War II the proportion reached 66 percent. Mesabi's huge deposits of open-pit, high-grade ore won't be exhausted 5 years from now, but they may well be within this generation (Business Week—May 11, 1946, p. 19).

"PEACETIME LEVEL

"Life of these ore deposits depends on the demand for ore. In 7 of the past 10 years shipments from Lake Superior mines have exceeded 60,000,000 tons annually. In four, 1941-44, they topped 80,000,000 tons. Barring a depression, ore demand in the years ahead is expected to remain at or near present levels. (Total United States shipments in 1946 approximated 71,500,000 tons.) For steel requirements in our expanding economy are growing (Business Week—September 28, 1946, p. 71), and the wartime armament level may well become the peacetime level.

"Figuring present known reserves against ore demand, steel men see an end to Mesabi's high-grade ore in from 20 to 27 years. * * *

"ST. LAWRENCE WATERWAY

"A St. Lawrence waterway, of course, might well alter matters. It would permit foreign ore, including that from Labrador's huge potential output, to reach Lake Erie docks."

Fortune magazine of December 1945 also confirmed this situation in an exhaustive study, from which I quote, as follows:

"IRON ORE DILEMMA

"In 1942 Director E. W. Davis of the University of Minnesota's Mines Experiment Station reported to WPB that, at the anticipated rate of wartime consumption, the Mesabi's best ores would be gone between 1950 and 1954. Other investigators have given them up to 20 years more, at the outside. Meantime angry champions of the district insist that it can and will continue to supply the major portion of United States iron ore for at least a century. * * *

"Thus the real issues in the current controversy are two. One is how long Lake Superior ores can continue to compete with those from Eastern States and foreign countries. The other is whether the United States can risk the prospect of another war without a large and quickly available stock pile of iron ore or pig iron. The first involves either a Bunyanesque industrial transformation of the Superior district or a conceivable major dislocation of United States industry through removal of midland steel mills to the Atlantic coast. The second involves the national existence. Requisite for an understanding of either issue is some knowledge of the Lake Superior district's geology and its mining and ore-processing methods. * * *

"If the supply of ore were inexhaustible, there would be no cause for alarm to anyone. But in the Mesabi, which holds all but 2 percent of the Superior district's reserve of this desirable ore, there are known to remain only about 500,000,000 tons.

"All told, there are 17 companies now operating on the Mesabi. One, United States Steel's Oliver, owns about 350,000,000 of the range's remaining 500,000,000 tons of open-pit, direct-shipping ores. That leaves all the rest of the steel and independent mining companies a meager 150,000,000 tons to divide before they are reduced to mining underground and lower-grade ore exclusively. That is the reason for the present rush of Superior mining companies into beneficiation research."

Mr. President, here is a true statement by an authority on the supply of metals in the United States, Mr. E. E. Thum, editor of Metal Progress Journal of the American Society for Metals, which appeared in the Chicago Journal of Commerce on August 14, 1946:

"During the last war the iron and steel industry entered a stage in its history that was experienced in World War I by the other important metallurgical branches, namely copper, zinc, lead, and silver.

"All of these have now mined out their bonanza deposits and their global position has changed from world leadership with exportable surplus to a dependence by the United States on imports of ore or metal and tariff subsidies to maintain the home industry. Iron and steel are approaching that phase.

"It will be characterized by the growth of steel plants located on tidewater to utilize cheap foreign ores, the gradual movement of inland steel industry toward the remaining large and cheap ore supplies (increase in relative importance of plants nearer the Minnesota, Alabama, and Utah deposits), and the increased costs in remaining plants because of higher costs of using or beneficiating low-grade ores and the steadily increasing costs of transportation."

Mr. President, it is a matter of surprise to me that with such ample evidence easily available to anyone who wants to see it that the junior Senator from Massachusetts chooses to ignore the precarious situation concerning our iron-ore supplies, and to lead the country into complacency about a critical situation, which threatens the very security of this country.

This is particularly surprising in view of the fact that this matter was aired at a meeting of the New England Council, and it was written up in the New England News of September-October 1947, a publication of the New England Council. I am sure Members of Congress from New England are on the mailing list of this publication.

Furthermore, Mr. Richard L. Bowditch, president of the New England Council, who is an ardent opponent of the St. Lawrence seaway project, only recently (January 12, 1948) presided before a large audience at a meeting in the Statler Hotel in Boston, the purpose of which was to present the views of the senior Senator from Massachusetts, who was one of the speakers against the St. Lawrence project because he felt it would

hurt the port of Boston. This same Mr. Bowditch is the author of the article in the New England News Letter in which he recognized clearly the impending exhaustion of iron ores in the Mesabi Range. I quote from Mr. Bowditch's article (New England News Letter, September-October 1947):

"Many New Englanders have long felt that our region has been missing the boat in the matter of heavy industry. The fact that New England consumes more than it produces, and is, therefore, greatly dependent upon other parts of the country, is a matter of concern to everyone interested in our economic progress and welfare.

"For some months I have been urging the establishment of a tidewater steel plant somewhere in New England. Our region is one of the great steel-consuming areas of the country, and with our increasing production of durable goods we can offer the steel industry an expanding market for its products. This is important.

"The principal steel-producing area of the United States extends west from central Pennsylvania to Chicago, and from the Lake States in the Upper Mississippi Valley south to Birmingham, Ala. Within this area most of the country's steel is produced and most of the country's heavy industries are located—for instance, the automobile industry, the locomotive industry, the manufacture of structural steel, farm equipment, mining and road-building equipment, and other major steel-consuming industries. Two-thirds of the country's high-grade iron ore—basic material for making steel—has been obtained from the Mesabi Range in northern Minnesota. Since the opening of the Mesabi mines in the 1880's a billion and a half tons of ore have been taken from a strip of ground some thirty-odd miles long and a mile or two across. * * *

"The Mesabi iron range, for so long our major source of ore, is playing out. During the war the rate of production of the mine was greatly increased, and the demand has carried on into the postwar period. If we continue mining the Mesabi Range as we are mining it today, it will be virtually exhausted by 1964. * * *

"Certain steel corporations have surveyed possible overseas sources of supply. Chile, Brazil, Labrador, and Mexico offer possibilities, but I believe it quite likely that America's future iron-ore supplies will come chiefly from overseas.

"The Bethlehem steel plant at Sparrows Point, Md., was originally built for the use of Cuban iron ore. As you know, that tidewater steel plant has been a success. And if one tidewater steel plant created to use imported ore can be made successful, why not locate another in New England? And why not do everything in our power to persuade the steel industry that, with respect to both market and transportation factors, New England offers a favorable location for a new plant?

"Our New England railroads are well equipped and well managed, but by the very nature of the region's economic life they haul three loaded freight cars into New England for every loaded freight car which goes out. With steel products manufactured within the area or even iron ore unloaded at New England ports, our railroads could go far toward balancing inbound and outbound carloads, thus assuring ourselves a more economic rail transportation system.

"New England ports are nearer Europe and nearer the east coast of South America than other Atlantic ports—nearer, also, the two most likely sources of iron ore for the future—Brazil and Labrador. This, too, is an important fact in our favor. It may well be that now it is New England's turn to play a major role in the development of this country's heavy industry.

"If we can demonstrate to the mining and steel-producing interests that New England offers a large and growing market, we can

be sure that they will give serious consideration to other factors favorable to the location of a new steel plant on our coast."

Thus while he opposes the seaway, Mr. Bowditch and the New England Council are making plans to invite the steel industry of the Great Lakes area to relocate in New England.

Incidentally, although the junior Senator from Massachusetts very graciously has disclaimed any regional or local interest in the seaway project, and has based his arguments on national issues, I am sure he must be aware of the line of arguments generally presented in Massachusetts and by the New England witnesses before the subcommittee of the Senate Foreign Relations Committee. There is no question, of course, but that the senior Senator from Massachusetts is well aware of this situation as he was present at that meeting in Boston on January 12, 1948. He, himself, testified before a Senate subcommittee that his principal worry about the St. Lawrence project was the effect it would have on the port of Boston and the New England railroads. (Hearings on S. J. Res. 104, pp. 701-703.)

I do not claim that there is a conspiracy to oppose the seaway on the one hand, whilst on the other to invite the steel industry to locate in New England. It is apparent, however, that if it is not a conspiracy it is an ambition backed by a logical plan.

In planning for the future of a major segment of our economy, such as the steel industry, one must take the long view and project a program several years into the future, because these major changes, such as development of new sources of ore, or relocation of industry, cannot be undertaken within the short span of a year or two.

The seaway project, which we are now considering, will take 6 years to complete from the time that the first spade is turned. As things stand now, even if the Senate should authorize this resolution at the present time, there are several other steps to be taken before any actual work can start, and therefore under the most optimistic circumstances the seaway could be opened to traffic at the earliest in 1955.

Let us then anticipate what may happen to iron ore and the steel industry in that period of time. From all the evidence that has been adduced above, it is obvious that many of the middlewestern steel companies now dependent upon Mesabi ore will be cut from ore supplies within that period. Certainly there will be a scarcity because the open-pit ores will have been depleted further to the vanishing point, and underground mining cannot be expanded materially. This scarcity will, of course, mean increasing prices for middlewestern ore. In the meantime the higher price of ore, and consequently of steel, will invite greater imports of ore from abroad to the east coast. This imported ore cannot very well be shipped by rail over the Appalachians into the steel district because of high cost of transportation. Consequently the middlewestern steel industry will be squeezed between the rising cost of ore in their present location, and the competition of lower-priced ores from Brazil, Chile, and perhaps Labrador on the east coast. Under these conditions the steel industry will be in Washington asking either for a subsidy for the beneficiation of low-grade ores, or a tariff on the importation of low-priced ores on the east coast and the Gulf. Either one of these courses would, of course, mean an out-of-pocket cost of perhaps \$2 or \$3 per ton for ore or \$6 a ton for steel to the consumer of steel products, if a tariff is imposed, and to the taxpayer, if a subsidy is granted.

If neither one of these two courses is undertaken, the economic pressure of lower-priced foreign ores on the east coast will inevitably tend to pull segments of the steel industry to tidewater.

I recognize that some of the steel companies' executives, though they realize this situation, still hope that some means will be found to make this country self-sufficient in ore by beneficiation of low-grade taconite.

I am in favor of this program to the extent that low-grade taconite ores can be made available economically, but with the best intention and all the assistance that the Government may give in the development of low-grade ores, there are still two limiting factors which the industry has not adequately taken into account; namely, the physical limitations and the higher costs in providing for the total supply of ore needed from this source.

I stated above that the annual requirements of ore in the Great Lakes area are likely to remain around 80,000,000 tons a year, of which about 20,000,000 tons will come from underground ore and sources other than open-pit mines on the Mesabi Range, and the remainder, 50 or 60 million tons, open-pit ores which must be replaced by beneficiating taconite ores.

The question therefore is, Can we depend upon this beneficiating system for an amount up to 60,000,000 tons a year? There are technical questions, financial problems, and cost problems involved in this program which have not yet been solved.

It is stated as a matter of record that the overhead investment required in beneficiating plants is between \$10 and \$15 a ton of annual output. For 60,000,000 tons of beneficiated ore, therefore, we would need between \$600,000,000 and \$900,000,000 of investment in plant. Three tons of hard iron rock must be processed to obtain 1 ton of concentrated ore rich enough to smelt in a blast furnace.

Mr. R. C. Allen, president of the Reserve Mining Co., appearing before the subcommittee of the Senate Foreign Relations Committee in 1946, stated the difficulties in the extraction of taconite ores as follows (hearings on S. J. Res. 104, p. 1363):

"The property of Reserve Mining Co. contains a large tonnage of taconite, 3 tons of which contain enough iron to make 1 ton of concentrated ore rich enough to smelt in a blast furnace. For each ton of high-grade commercial ore thus produced 2 tons of rock waste must be discarded. The ton of concentrated ore recovered is flour-fine as it comes from the mill, and must be sintered or in some way agglomerated into pieces large enough and strong enough to prevent excessive losses in transportation and smelting. Thus treated, the finished ore contains 62 to 65 percent metallic iron. * * * The taconite, or iron-bearing rock, is very hard, and although it will be mined in quarries or in open pits, like most of the softer natural ore is now being mined, the cost of mining will be greater, and to this must be added the cost of concentration and agglomeration. Although the product will be much richer than the average natural ore and will work better in the furnace, these advantages are outweighed by the lower operating and capital costs of natural ore. The capital investment per ton required to produce ore from such a property as that of Reserve Mining Co. will be several times that required per ton of natural ore. It will be about \$10 per ton of annual production. And to attain lowest cost of production it will be necessary to operate on a large scale, which is to say that anyone contemplating production of ore from taconite should prepare to invest a large sum of money in plant and equipment."

The laborious character of this process of extracting taconite is given in Iron Age, issue of August 1947, and the labor force required will be at least five times as much as the extraction of open-pit ores at the present time.

"The proposed plant (Reserve Mining Co.'s plant) will be located north of Beaver Bay on Lake Superior. The plant will be capable of producing 2,500,000 tons of taconite con-

centrate annually, and it is estimated that the cost of the plant will be about \$15 per annual ton of output. After the plant is in operation 'taconite will be fed directly from railroad car to primary crusher which will handle pieces up to 4½ feet in diameter. Material will then pass through additional secondary crushers in the rod mills, over magnetic separators, wash boxes, classifiers; then to ball mills, classifiers, magnetic separators, wash boxes, surge tanks, filters, and then to the agglomeration plant.' As a result of this highly complicated operation, 1 ton of concentrate will be obtained from about 3 tons of taconite; it is apparently planned to dump the remaining 2 tons of waste material into the lake.

"In addition to an enormous capital investment in plant, the operation will require, it is estimated, 40 tons of water to produce a ton of concentrate and 70 kilowatts to produce each ton of sinter or agglomerated material. Besides requiring vast amounts of water and power, the plant will also entail a labor force now estimated at 1,200.

"Plans for the complete operation include a crushing plant, a mill and agglomerating plant, oil-storage tanks, a power plant, harbor and docking facilities, and a railroad. On the basis of this description, it is apparent that at the present state of technology, the process of converting taconite into high-grade ore is going to be extremely expensive, raising the cost of refined ore far above the cost at which open-pit ore is now available in the Lake Superior region."

Operating expenses also would be higher than at the present time because evidence shows that you need four or five times as much labor to beneficiate a ton of taconite ore as you do now to extract the open-pit ores. As a result, it is estimated that the cost of beneficiating ore will be \$2 or \$3 more per ton and the cost of steel from such ore will be about 10 percent more than the present mill price, or \$6 a ton more. That is the economic picture.

There is some doubt also that sufficient capacity can be built to supply ultimately all of the 60,000,000 tons from this source. The best authorities on the subject anticipate the total amount of ore obtained from taconite to reach 20,000,000 tons by 1964—18 years from now, when the replacement need is likely to be 60,000,000 tons. This is what W. A. Lloyd, Cleveland regional editor of Iron Age, has to report on the prospects in the January 1948 issue (beginning p. 213):

"Based on the projection of Oglebay Norton & Co., 4,000,000 tons of concentrates will be coming down the Lakes in 1953; 5,000,000 tons in 1954; and by 1964 about 19,000,000 tons of concentrates will be taking up some of the slack in high-grade open-pit reserves."

Even assuming that as much as 20,000,000 tons a year may be secured from beneficiation of taconite, there will still be a deficiency of 40,000,000 tons of ore which must be made up from other sources. Where is this to come from? The superficial analysis of the opponents of the seaway is silent on this vital issue.

Mr. C. M. White, president of the Republic Steel Corp., stated in an address before the American Institute of Mining and Metallurgical Engineers on the occasion of the society's seventy-fifth anniversary last March 17, 1947:

"As long, therefore, as the steel industry continues to cluster about the lower Great Lakes, its ore supply should come by lake from the Lake Superior district (or by lake from Labrador, Newfoundland, or elsewhere, if that be possible), and, to a lesser degree, from the northeastern district. This is the future of about 80 percent of our present steel industry."

Falling in this effort to supply the steel industry of the Midwest with reasonably priced ore, up to 80,000,000 tons a year, the steel industry will be forced to migrate to the east and Gulf coasts. I make this assertion not on my own authority, but on that

of the third largest steel company in this country. This is what Mr. White said:

"FUTURE OF OUR STEEL PLANTS

"The prosperity of the United States is based upon a plentiful supply of high-grade, cheap furnace feed, convenient to ample reserves of coking coal and both near markets for the finished product—steel.

"When any one of these three factors gets out of balance, our economy will suffer. It is because of this fact that the iron-ore situation in the Lake Superior region is of paramount importance not only to the great industrial centers in the lower Lakes region but to the Nation and to the world as a whole.

"Should the ore production of the Lake Superior region be seriously decreased, and if abundant ores from elsewhere were not made available in the lower Lakes area, it would mean that much of our steel industry eventually would be forced to migrate to the eastern seaboard—and perhaps to the Gulf to utilize sea-borne imported ores. There would be nothing to attract any appreciable percentage of the steel industry westward from the Lakes. Such a migration to the seaboard would effect vast changes, of far-reaching consequences, not only in what we now regard as the industrial heart of America but in the entire Nation and its economy. There is, of course, the possibility that the recent discoveries in the Labrador Peninsula ultimately may reveal very large reserves which might provide ore for the Lakes furnaces as well as to the eastern seaboard. But, regardless of that possibility, within relatively few years, the lake-based steel industry must begin to equip itself with plants capable of concentrating low-grade ores—either in the Lake Superior or the eastern district, or in both districts—into material usable in its furnaces. Otherwise it must resign itself to a declining steel production when the lake ore supply begins to be insufficient and elect to watch its present plants gradually become of secondary importance as they yield to expansion of plants elsewhere in this country."

The problem before the country, then, is how to save the steel industry and the stability and security of this Nation.

If it were proved to the satisfaction of technicians, businessmen, and the Congress that we could depend upon taconite sources to supply 60,000,000 tons a year by 1964, I should desist from making this argument, but this is not proved. The opponents of the St. Lawrence seaway are basing their case upon two unfounded assumptions:

1. That there are unknown, undiscovered, and undeclared high-grade ore supplies, and
2. That we shall be able to supply our future ore requirements from low-grade ores.

Both of these are unsubstantiated and very questionable bases upon which to gamble the future of our steel industry.

The force of economic circumstances will gradually lead to greater importations of foreign ore to our tidewater ports, and the movement of the steel industry to the east and Gulf coasts will proceed apace. The opponents of the St. Lawrence seaway assert that we must not depend upon offshore sources of ore because in case of war our supplies will be threatened and cut by sea warfare, but without the construction of the St. Lawrence seaway we are still likely to end up depending on foreign ore, the only difference being that we have caused the dislocation of the steel industry from the Middle West to tidewater. The refusal to construct the seaway, therefore, does not solve that problem of security.

What will solve the problem of security is to find a source of iron ore in continental North America. To the extent that we can develop taconite ores, I say to the steel industry—"Godspeed to you!" But since we are not assured that we can supply all of our steel from that source, we must take other steps to bring ores into the Middle West.

Mr. President, it is a fortunate circumstance, a providential gift, that the people of North America can look forward to the development of high-grade ore resources within this continent—on the North Shore of the St. Lawrence River, in Quebec and Labrador. This is the ore that Mr. Bowditch of Boston would like to bring into New England ports and deny to the Middle West. Although my friend from Massachusetts considers this discovery hypothetical, it is not too hypothetical for certain Boston business interests to plan to benefit by it.

Let me give you the facts, Mr. President, as derived from official reports from our Embassy in Ottawa and from the Canadian Government to our Government, as to the extent of ore deposits discovered in Quebec and Labrador, and the plans now being made for its extraction.

A report of the Bureau of Mines, Department of Mines and Resources, Ottawa, May 1946, gives the available data up to that time. This report states:

"A new iron-ore region that promises to be of considerable importance is now being developed in the central part of the Labrador Peninsula. The deposits of hematite discovered so far lie astride the Labrador-Quebec boundary, 300 to 400 miles north of the Gulf of St. Lawrence. The iron-bearing rocks are several hundred miles in length and the ore deposits have been found to outcrop in the southern part of this area for a length of over 100 miles and for a width of 15 or 20 miles."

The report continues:

"The grade of the ore is high and deposits are large, as illustrated by the following table from the 1945 report of Labrador Mining and Exploration Co."

The tabulation shows that the iron ore discovered ranges from 58 percent to 63 percent in ore and manganese content, and the iron ore estimated per vertical foot drilled in 11 locations revealed 660,000 tons. This, Mr. President, is per vertical foot; in one mine. Two hundred and twenty feet had been drilled and it was still in iron. The overburden is light so the cost of stripping should be low, in fact, this report states, much less than in the Lake Superior region. Even winter operations are considered favorable in open-pit mining, because climatic conditions are no worse than in the iron mines of Norway and Sweden. Exceptional supplies of water power are available at low cost. The contemplated railroad will follow the valley of the Moisie River and will be 350 miles in length. The cost of constructing the railroad is considered relatively advantageous and the harbor at Seven Islands on the Gulf of St. Lawrence is a natural port and can be kept open, if necessary, all year round.

The Bureau of Mines of Canada concluded its study as follows:

1. The Labrador ore is of exceptional quality, can be mined at unusually low cost, and can be transported to a St. Lawrence port at moderate cost.
2. There is an immediate market of important dimensions along the Atlantic seaboard of the United States and Canada where the short voyage and return cargoes of coal will give it an advantage.
3. In Britain and western Europe the Labrador ore will meet keen competition from Swedish ore.
4. The largest potential market is in the area served by the Lake Superior mines. It may be possible to serve this to some extent by means of the small vessels that now can use the St. Lawrence canals. When the St. Lawrence deep waterway is completed, the cost of delivering Labrador ore to buyers in Pennsylvania and Ohio should not be greatly different from the cost of delivering Lake Superior ores.

Mr. President, I wish to place the full report in the RECORD to follow my remarks.

We have Mr. President, a more recent statement of the work being done in Labrador just received from the Canadian Government. This document, which I place in the RECORD in full, states that 150,000,000 tons are already proved and that by next summer 300,000,000 tons will have been proved. Then they will be ready to begin construction of the railroad and loading facilities. The railroad is surveyed and the necessary charters have been obtained from the Dominion and Provincial governments, as well as Newfoundland. It is the expectation that ore will be delivered by 1952 or 1953. That is a significant date, Mr. President. Even if we authorize this project, it is doubtful whether it will be open to traffic before 1955, whereas in Labrador, beginning their actual excavations next summer, they will be able to deliver ore by 1952—3 years before the completion of the seaway.

Let me read you from the January 5, 1948, issue of the New York Herald Tribune. Their story is accurate; we have verified it:

"A new iron-ore development is under way along the Quebec-Labrador border that appears destined to add new pages to Canada's mineral history. Six hundred miles north-east of Quebec city iron-ore deposits are being proved that may be several times greater and of composition equal to the richest ore ever found in the Mesabi Range of the Middle West.

"While only a small area of these deposits has been explored so far, Canadian mining men believe that here is one of the world's greatest iron deposits—a development that is bound to have economic implications for all North America and especially the steel industry.

"Much of this new iron ore appears likely to go to an expanding steel industry along the United States Atlantic seaboard. It may even be the forerunner of a new steel industry along the New England coast.

"Hollinger Consolidated Mines and the M. A. Hanna Co., through their subsidiary, North Shore Exploration Co., Ltd., proved 45,000,000 tons of the ore in 1946 and by the end of 1947 had proved more than 150,000,000 tons. The present objective is to prove 300,000,000 tons (a 30-year supply). When that is done the owners may float a bond issue covering the entire development.

"Meanwhile a charter has been secured from Quebec North Shore & Labrador Railway to extend 350 miles from the Seven Islands Bay on the Gulf of St. Lawrence to the heart of the new iron-ore district. Along with completion of the railroad, the movement of ore to lake ports would be further aided should the proposed St. Lawrence waterway be undertaken. Although there is ice in the St. Lawrence during the winter, the movement of ore could continue.

"The Hollinger interests, it is understood, had spent approximately \$1,000,000 by the end of 1947 in exploration work, using more than 1,000 engineers and technicians. Engineers are surveying the course for the railroad which, it has been estimated, will cost upward of \$60,000,000 without including dock facilities. * * * It would appear that the development, including the railroad, may easily cost two hundred to three hundred million dollars.

"The possibility of harnessing hydroelectric power to provide low mining and transportation costs is one of the key factors which make ore mining feasible in such a remote area. One of the greatest undeveloped water-power sites in North America is located at Great Falls on the Hamilton River. The power resources available at this site probably surpass any foreseeable requirement. * * *

"The new deposits may have importance from the standpoint of national defense. Canadian writers have pointed out recently that Labrador ore may possess advantages over that of Latin-American competitors. Shipping routes to South America were

found quite difficult to defend in World War II. Not only are the water routes for shipment of Labrador-Quebec ore shorter, they are more easily defended. In times of emergency the ores could be sent by one of several alternative routes.

"The distance from Fort Chimo, Quebec, to the Sparrows Point plant of the Bethlehem Steel Corp., on Chesapeake Bay, is no greater than the distance Brazilian ores must travel to reach the same port.

"Quebec City municipal officials are in hopes that eventually a steel mill and blast furnaces will be erected between Seven Islands and Quebec to use some of the new ore. The nearest coal deposits are in Nova Scotia, which has relatively high cost mining, but there is an ample supply of electricity halfway between Quebec and Seven Islands.

"The eventual production goal of the new field, according to I. W. Jones, chief geologist of the Province, is 40,000 tons a day, which means 40 trains leaving the property each 24 hours. Quebec officials believe that the cheapest way to market the ore initially might be to transport it from the bay by steamer to Baltimore or through the St. Lawrence to the Middle West.

"The mining, it is understood, will be done in open cuts to a depth of approximately 300 feet, similar to that in the Mesabi Range.

"Some mining authorities believe that sizable quantities of the ore can be made available within the next 3 years. Others say it will be 5 to 8 years before trains or ocean steamers laden with ore will be leaving Seven Islands on a regular schedule."

It is strange, Mr. President, that the junior Senator from Massachusetts quoted from this issue of the Herald Tribune to the effect that steep rock mines in Ontario promise large shipments of ore, but completely overlooked the most important iron-ore story in that issue on the front page.

The conclusion is inescapable, Mr. President, that we need the St. Lawrence seaway to preserve our steel industry. It is not too early to authorize it now. By the time the Eighty-first Congress assembles, we shall know whether actual development has begun in Labrador. Then, on the basis of industrial requirements and the fiscal position of the Government, we can decide whether to proceed with the necessary appropriations.

THE ST. LAWRENCE SEAWAY AND COMPARATIVE TRANSPORTATION COSTS

Mr. WILEY. Mr. President, one of the most interesting communications which I have received in the course of the St. Lawrence seaway debate came from Mr. Walter Olen, president of the Four-Wheel Drive Auto Co., of Clintonville, Wis.

As my colleagues will recall, I have previously referred to Mr. Olen's great work and research on behalf of the St. Lawrence seaway. In pioneering for this great objective, he has set a pattern of farsighted business leadership. Mr. Olen's statement covers very tersely the matter of comparative transportation costs by various means of transportation, particularly insofar as this subject affects the St. Lawrence seaway debate. I commend his brief comments to my colleagues' attention, and ask that they be printed at this point in the RECORD.

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

COMPARATIVE COSTS

Several years ago I secured from the research department of the University of Wisconsin their complete file on transportation and I had it in my possession and studied it for more than 4 months, and the classification of transportation as I get it hereafter is

based upon that research. It was used by Herbert Hoover in several lectures and I think can be verified again and again.

While prices change somewhat that affect the figures, substantially the difference between the different kinds of transportation remains the same. You can transport a ton by horse team or caterpillar tractors on an average from 4 to 10 miles for \$1. You can transport that ton by motortruck, tractor, and semitrailer from 20 to 40 miles for \$1 but the average is more nearly 20. You can transport that ton by railroad in the United States in long-distance hauling 100 miles for \$1. Throughout England and Europe the cost of transportation by railroad is from 54 to 56 miles for \$1. You can transport a ton by river transportation, but that means rivers like the Mississippi from the Gulf to New Orleans, the Amazon, the Rhine, and other rivers where deep-going vessels can navigate, 750 miles for \$1. A river like the Mississippi and Missouri when you get up around St. Louis probably does not run over 200 or 300 miles for \$1 and the interference of floods, low waters, sand bars, all affect this transportation, so it is never considered very stable or very reliable.

The transportation of a ton by lake transportation, if there are no locks to go through, is averaged 1,250 miles for \$1, and if there are locks to go through then the average is about 1,000 miles for \$1. In the Mesabi Range, the railroads used to get 89 cents a ton to haul the ore from the mine to the dock, a distance of 83 miles, and the boats received for hauling that ton from Duluth to Toledo and Erie, ranging from 1,000 to 1,100 miles, 90 cents a ton. I think they now get \$1.05 a ton and the railroads get something over 90 cents. The deep-draft vessels in ocean transportation will move the ton for 2,000 miles for \$1.

We, in the interior of the United States, have to haul our raw materials from the center of the United States to the ocean and that was the reason for our heavy railroads. The average is 1,300 miles. The distance from Chicago to New Orleans is about 2,300 miles and from Chicago to San Francisco 2,400 miles. When we have to pay the railroad rate from here to New York and then get the benefit of ocean transportation, you can see the saving that can be made by a combination of lake transportation and ocean transportation.

If you take your railroad classification in the booklet Railroad Facts, you will find that the average freight train amounts to about 54 cars and a tonnage of about 1,100 tons and the average speed is 15½ miles per hour. Compare that with the *Queen Elizabeth* that carries 84,000 tons and plows across the billowy sea without stopping at an average speed of 30 miles per hour. There you have the reason why ocean transportation must be through transportation in order to get the economical rate.

I do not find in the CONGRESSIONAL RECORD that it has been revealed that there are 600 lake boats carrying iron ore, coal and pulp and oil, that range from 24 to 27 feet in draft and from 500 to 600 feet in length. None of them get out through the St. Lawrence waterway, and the Dominion of Canada has 200 similar boats. These, in themselves, would be a contributing factor to national defense. We have some very fine shipyards that could be used more effectively, situated in a steel and timber area, that could be utilized in the case of national defense if there was some way of getting their boats out to sea.

THE AMERICAN LEGION'S FREEDOM BOOKLETS

Mr. SPARKMAN. Mr. President, we hear a great deal these days, from time to time, about subversive activities in this country. Much is being done toward uncovering those subversive activities and

criticizing the various persons who are responsible for them. Sometimes the thought occurs, "Why does not someone do something positive about the epidemic of subversive infections in America? Why does not someone start some kind of program that will serve as a backfire against such activities?"

Our largest organization of war veterans is about to make this question obsolete. The American Legion is going to do a job of revitalizing positive Americanism on a scale and in a manner which has never before been attempted in this country.

In April the American Legion will launch distribution by mail of the first of a series of 12 freedom booklets containing graphic presentations of the meaning and superiority of the American way of life. The booklets will be received free of charge by more than 1,000,000 Americans during the first month. It is hoped that the number may increase month by month.

This is a nonprofit operation by a nonprofit organization. Its purpose is to build a stronger appreciation of America based on a better understanding of America's blessings. It will not only remind our citizens of the priceless heritage of freedom which is ours, but it will also enable and encourage them to rebut the alien philosophies of communism and its kin. It is the American Legion's way of carrying the fight to those who would destroy all that we hold dear.

The national commander of the American Legion, Mr. James F. O'Neil, has identified this new Americanism program as a dividends-from-democracy campaign. He anticipates eventual peak distribution of 10,000,000 freedom booklets a month.

The program already has been endorsed by President Truman and many other national figures. Those include Gen. Dwight Eisenhower; AFL President William Green; Earl Bunting, president of the National Association of Manufacturers; CIO President Philip Murray; Eric Johnson, president of the Motion Picture Association of America, Inc.; Dr. Daniel Poling, editor of the Christian Herald; His Eminence Francis Cardinal Spellman, archbishop of New York; and Rabbi William Franklin Rosenblum, president of the Synagogue Council of America, as well as many other outstanding and distinguished Americans.

AUTHORIZATION TO THE COMMITTEE ON EXPENDITURES IN THE EXECUTIVE DEPARTMENTS—MOTION TO RECONSIDER

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the unfinished business be temporarily laid aside so that the Senate may proceed immediately to the consideration of the motion heretofore entered by the senior Senator from Illinois [Mr. LUCAS] to reconsider Senate Resolution 189.

The PRESIDENT pro tempore. Is there objection to the request? The Chair hears none, and the order is made. The clerk will again read the resolution.

The Chief Clerk read the resolution (S. Res. 189), as follows:

Resolved, That in carrying out the duties imposed upon it by subsection (g) (2) (B)

of rule XXV of the Standing Rules of the Senate, or any other duties imposed upon it, the Committee on Expenditures in the Executive Departments, or any duly authorized subcommittee thereof, is authorized during the sessions, recesses, and adjourned periods of the Eightieth Congress to make such expenditures, and to employ upon a temporary basis such investigators and such technical, clerical, and other assistants, as it deems advisable.

SEC. 2. The expenses of the committee under this resolution, which shall not exceed \$125,000, in addition to any unexpended balance under Senate Resolution 75, Eightieth Congress, agreed to February 21, 1947, which is hereby made available for the purposes of this resolution, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee or subcommittee as the case may be.

Mr. KNOWLAND. Mr. President, for the information of the Senate I merely wish to say that when consideration of this motion is concluded, it is the intention then to call the calendar from the beginning. I make that statement so that Senators may have due notice.

The PRESIDENT pro tempore. The question is on the motion of the Senator from Illinois to reconsider the vote by which Senate Resolution 189 was adopted.

Mr. LUCAS. Mr. President, sometime ago Senate Resolution 189 was adopted by the Senate at a late hour during the day, when very few Members were on the floor of the Senate. On the day following, the Senator from Illinois moved to reconsider the resolution, and that motion has been pending on the calendar since that time.

Mr. President, since the shift in the control of the Congress from the Democratic Party to the Republican Party, which took place in January a year ago, the air has been filled with cries for economy in spending the taxpayer's money.

The majority party earnestly voted to cut the budget submitted by the President last January. The House and the Senate differed in the amount by which they resolved to cut the budget, but the cut was to be substantial. This year, the majority party is not quite so confident of its ability to cut the President's budget, and has voted for a cut of only \$2,500,000,000, as contrasted with the optimistic estimates of last year when the House resolved to cut the 1948 budget by \$6,000,000,000 and the Senate by \$4,500,000,000. The returns are not yet all in on the 1948 budget, but it is already clear from what we know that the President's 1948 budget will not have been cut by a single dollar. It was the realization of this fact that provoked so much modesty this year and kept the promised budget reduction to a measly \$2,500,000,000 dollars.

When the members of the majority party have been asked why they have not done a better job of trimming Federal expenditures, they have had a ready answer, simple and satisfying. They tell you that the officials of the executive department from the President on down are not cooperating with the Congress in trying to cut the budget. This answer, of course, completely ignores the cold facts of the situation; namely, that the Congress has the control of the purse strings of the Federal Government in

its own hands. Not a single dollar can be spent unless the Congress authorizes that expenditure by an appropriation. When Congress alone has the unchallengeable control over the spending of money, no matter how uncooperative the executive departments are, Congress has the absolute responsibility and cannot be heard to complain of a lack of cooperation. I shall not comment on the truth or falsity of the charge of lack of cooperation. The facts speak for themselves on that subject.

When it comes to the matter of appropriations for the legislative branch of the Government—the expenditures of the Congress for the running of Congress itself—obviously no one can accuse the executive departments of failing to cooperate. They have nothing to do or say about that subject. We in the Congress are the only ones concerned with the question of how much money shall be spent for running the Congress.

On the last day of the regular session last July, I commented on the fact that, while Congress was so bitterly condemning what it called the wasteful and extravagant practices of the executive departments, this very same Congress had become the most expensive law-making body in the whole history of the United States. I suggested that one place to look for waste and extravagance was right here in the Halls of the Congress. I suggested that we were spending enormous amounts for investigations and other matters with little constructive result. I showed the increased amounts we were spending right here in the Senate over the amounts spent in the preceding fiscal years, for the purpose of conducting investigations. In 1940, the Senate spent approximately \$138,000 for that purpose. For the fiscal year 1948, which ends next June 30, we have already spent in excess of \$551,000, with 4 months of the fiscal year still to come, and apparently many other resolutions asking for appropriations of money are still to be submitted to the Senate.

I ask unanimous consent to have inserted in the RECORD at this point in my remarks, a table showing by fiscal years the expenses of investigations conducted by the Senate.

The PRESIDENT pro tempore. Is there objection?

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

Expenses of investigations by fiscal years, Senate

Fiscal year—	
1939.....	\$257,569.52
1940.....	138,474.75
1941.....	146,462.91
1942.....	211,777.66
1943.....	327,528.05
1944.....	349,876.68
1945.....	375,838.00
1946.....	530,997.72
1947.....	639,783.02
1948 ¹	551,324.94

¹ As of Jan. 31, 1948.

Authorized to be spent during the Eightieth Congress, including standing committees, special investigating committees and Joint Committee on Atomic Energy, \$1,689,256.08.

Resolutions on Senate Calendar (calendar day, Monday, February 23, 1948) authoriz-

ing expenditures from the contingent fund, \$162,500.

Mr. LUCAS. I have some personal experience with this kind of expenditure because, as chairman of the Committee to Audit and Control the Contingent Expenses of the Senate, it was my responsibility for several years to pass on requests for the expenditure of money for investigations. I tried to be as conscientious as I knew how to be in seeing to it that money appropriated for that purpose would be wisely spent—would be spent in getting the facts we needed so that we could legislate intelligently. During that time certain minority Members were consistently aiding me in attempting to save money for the taxpayers when the Democrats were in control. How times have changed since the Republicans have taken control. There is, of course, a wholly natural desire on the part of committee chairmen to have made available to them funds for the conduct of investigations. But it is our obligation to see to it that the taxpayers' money is not expended unwisely, but only to serve a useful legislative purpose.

While on the subject of the expenses of the Senate, I think it will interest the country and some of the Members of the Senate to find out how we have increased the amount for the pay roll for employees of the Senate.

On December 31, 1946, just before the control of the Congress was shifted to the present majority party, the Senate was spending for employees a total annual amount of \$3,297,510. As of last February 20 the Senate was spending for employees a total annual amount of \$4,743,708, an increase of almost \$1,500,000 in the total pay roll.

I understand that a similar increase has taken place in the House of Representatives.

That, Mr. President, is approximately 43 percent more than was spent while the Democratic Party was in control. This fact should interest those who are really economy minded, especially those who are so outraged by the so-called extravagance in the executive branch of the Government.

I have gone into this background of expenditures so that the Senate may have a clear perspective on the proposal which we are now discussing. Senate Resolution 189 provides for making available to the Committee on Expenditures in the Executive Departments the sum of \$125,000, plus the unexpended balance under Senate Resolution 75. The Financial Clerk of the Senate reports that the unexpended balance in the account which was appropriated for use of the surplus-property subcommittee of the Committee on Expenditures in the Executive Departments is \$44,434.

I think, Mr. President, it is interesting to know just what has happened with the spending of the approximately \$66,000 which the subcommittee has been handling in connection with surplus property.

In January 1947 the Senate by majority vote agreed to continue the Senate War Investigating Committee for 1 year. At that time the committee's jurisdiction

was severely limited. The Senator from New Mexico [Mr. HATCH] announced that the committee, under its new jurisdiction, could no longer investigate the disposal of surplus property. He pointed out that the disposal of surplus property was a very serious matter and that those who backed the continuation of the Senate War Investigating Committee should reconsider what they had done and should study the advisability of requesting the Senate to place surplus-property disposal within the jurisdiction of the committee.

The senior Senator from Vermont [Mr. AIKEN] replied with the announcement that the Committee on Expenditures in the Executive Departments had already made arrangements to make a comprehensive investigation of disposal of surplus property, "and the able junior Senator from Michigan [Mr. FERGUSON] is the chairman of the group which will make the investigation"—CONGRESSIONAL RECORD, page 585, January 24, 1947. The Senator from Michigan stated at the same time that—

I wish to advise the Senator from New Mexico [Mr. HATCH] that it is the purpose of the Subcommittee of the Committee on Expenditures in the Executive Departments to cooperate with the House Committee on Executive Expenditures, so there will not be a duplication, but the work will be done jointly, as if by one committee.

The disposal of surplus property was, in January 1947, a current and serious problem. Large quantities of wartime surplus of all categories still had to be sold. It was a proper subject of investigation by a Senate committee to insure the use of efficient, prompt, and economical administrative methods to prevent favoritism or discrimination and to detect as well as to deter fraud and incompetence. The disposal of surplus property is still a problem on which the Senate should be kept currently advised.

To implement the Surplus Property Subcommittee appointed by the Committee on Expenditures in the Executive Departments, the Senate on February 21, 1947, adopted without objection Senate Resolution 75, which made available to that subcommittee \$100,000—CONGRESSIONAL RECORD, page 1284.

During the calendar year 1947, \$54,972 of this \$100,000 was spent by the Subcommittee on War Surplus—CONGRESSIONAL RECORD, January 16, 1948, page 234. I think the Senate should stop and consider just what it has received for the money spent by the Subcommittee on War Surplus under the chairmanship of the gentleman from Michigan, Senator FERGUSON.

First of all, the subcommittee has filed no reports with the Senate. Therefore, the Senate and the public have not been advised in the normal manner how this large governmental program is progressing. The committee, specially chosen to investigate the disposal of war surplus, has either not functioned, found nothing to criticize in the program, or neglected or failed to inform the Senate of any inadequacies or irregularities it may have discovered. No reports have been filed with the Senate, even though, at the request of the chairman of the subcommittee, the gentleman from Michigan [Mr.

FERGUSON], the Senate adopted Senate Resolution 162 on July 26, 1947—CONGRESSIONAL RECORD, page 10400. This resolution authorized the committee to file reports with the Secretary of the Senate during recesses and adjourned periods of the Eightieth Congress.

In addition to committee reports, printed committee hearings are very often valuable to the Senate and the public. Therefore the printed hearings of the War Surplus Committee have been examined. They reveal that the committee has held hearings on only three subjects out of the vast field of war surplus. Furthermore, hearings which have been printed were held on only seven different days. The chairman of the committee [Mr. FERGUSON] attended only two sessions of hearings. The three subjects investigated by the committee were the disposal of tournapulls by the Navy Department, the disposal of the basic magnesium plant at Henderson, Nev., and the disposal of the Reno, Nev., Army air base. The following list shows the dates the hearings were held by this committee and the subject matter:

PRINTED HEARINGS OF SURPLUS PROPERTY SUBCOMMITTEE

DATE, SUBJECT, AND PLACE OF HEARING

May 29, 1947; basic magnesium plant, Henderson, Nev.; Washington, D. C.
June 17, 1947; tournapulls, war reserve program of the Navy Department; Washington, D. C.
June 24, 1947; basic magnesium plant; Washington, D. C.
June 25, 1947; basic magnesium plant; Washington, D. C.
August 21, 1947; basic magnesium plant; Las Vegas, Nev.
August 22, 1947; basic magnesium plant; Las Vegas, Nev.
August 25, 1947; Reno Army air base, Reno, Nev.; Reno, Nev.

It is interesting to note that two of the three subjects investigated were real property located in Nevada and that hearings were held only in Washington, D. C., and Nevada. It seems hardly necessary to say that any Senate committee seriously interested in investigating the disposal of war surplus property would have held far more public hearings on a great variety of subjects and over a wide geographical area. The disposal of overseas war surplus seems to have been completely ignored.

It is also interesting to note that the Surplus Property Committee's investigation of the two properties in Nevada was a joint investigation. However, it was not a joint investigation with the House Committee on Expenditures in the Executive Departments, as promised by the Senator from Michigan in January 1947, but was a joint investigation with the Senate War Investigating Committee, whose jurisdiction over the disposal of surplus property was questioned by the Senator from New Mexico [Mr. HATCH] in January 1947. At that time the Senator from New Mexico prophesied that the Senate War Investigating Committee would go into the subject of surplus property even though it had no jurisdiction over the subject, but he was assured by the Senator from Vermont

¹ Joint hearings with a subcommittee of the Senate War Investigating Committee.

[Mr. AIKEN] that there would be "no need whatsoever for any other committee to undertake to duplicate the work which our committee is going to do."

In final analysis, the Senate War Surplus Committee, after a year's work, has produced nothing of value to the Senate, but has spent over \$54,000. The record indicates that the committee was, during 1947, both incompetent and wasteful. The committee was under the chairmanship of the junior Senator from Michigan.

The point I make, Mr. President, and the reason that I discuss the sum of \$55,000 which has been spent, is that it seems to me nothing has been accomplished. There is still \$45,000 in the war-surplus fund, and another \$125,000 is being asked in the resolution to augment the \$45,000 already there. So we are asked by this resolution to approve an appropriation, not of \$125,000, but of \$169,434. The resolution asks that the surplus-property fund be included with the \$125,000.

Mr. President, this is an enormous sum for such a purpose, and it would be useful if we could find out from the committee how they propose to spend the money. I earnestly hope that before the debate is concluded, my able friend, the Senator from Vermont [Mr. AIKEN], who is chairman of the committee, will tell the Senate and the country exactly what the committee proposes to do with \$165,000 between now and January 3d next. We are entitled to know.

When we examine the budget that has been submitted, this is what we find:

Estimated budget for the period February 1, 1948, to February 1, 1949, for the subcommittee of the Committee on Expenditures in the Executive Departments:

Field investigation expenses of staff members for per diem and travel, \$12,000.

Office expenses for telephone, telegraph, supplies and postage, and so forth, \$4,000.

Recording proceedings — reporting hearings in the field and in Washington, D. C., \$3,000.

Witnesses—per diem and travel, \$6,000.

Miscellaneous expenses—clippings, amplifying system for hearings, photostats, newspapers, books, and so forth, \$2,000.

Pay roll, \$138,000.

Those items make a total of \$165,000.

Mr. President, that is all the information the Senate now has as to how the committee will expend this \$165,000. We would like to know what they propose to investigate. The country is entitled to know that.

In listing the expense for salaries of the staff the budget estimate says they are to have one chief counsel, one chief assistant counsel, six assistant counsels, six investigators, and one editor, at a total cost of \$93,000.

What are those employees going to do, Mr. President? The Senate is entitled to know from the chairman of the committee, or the chairman of the subcommittee, exactly what they propose to do with this money.

I call attention to the fact that an editor is provided for in the estimate. I distinctly recall that the able senior Senator

from Florida [Mr. PEPPER] had a similar resolution before the Committee To Audit and Control the Contingent Expenses of the Senate when I was chairman of the committee, and he asked for funds to pay an editor. He was sharply questioned by my colleague the junior Senator from Illinois [Mr. BROOKS] and by the junior Senator from Nebraska [Mr. WHERRY] about that expenditure. The net result of the questioning was that the Senator from Florida did not get very much in connection with his resolution, as I recall.

Now, it seems, provision for an editor can be obtained without any question. I do not know what this editor is to do, but we should know about that. Perhaps it is proper. Perhaps we should have an editor to issue the publicity releases which will come out from day to day. Perhaps that is a thing that should be done, but at least before we vote \$165,000 someone should give us in detail what the committee expects to do with the money. I think we are entitled to know that.

Mr. AIKEN. Mr. President—

The PRESIDING OFFICER (Mr. KEM in the chair). Does the Senator from Illinois yield to the Senator from Vermont?

Mr. LUCAS. I yield.

Mr. AIKEN. Would it make any difference in the attitude of the Senator from Illinois if he knew just what was to be investigated?

Mr. LUCAS. It certainly would. I do not want the Senator to misunderstand me. I am absolutely for any legitimate investigation the Senator desires to make. I am not objecting to his making any investigation, so long as the investigation is a worthy one and as a result of it we can ultimately perhaps pass legislation to correct some evil. That should be the basis for all investigations. But to tell the Senate and the country that the committee is to spend \$165,000 for 26 new employees, without anything in the estimate which was filed, to show exactly what the committee is going to do, does not seem to me to be right. It seems to me we are entitled to know what is to be investigated, and I think the Senator will agree with me about that.

Mr. AIKEN. I should like to advise the Senator from Illinois that we shall investigate whatever the committee decides to investigate. The Committee on Expenditures in the Executive Departments has 13 members. We have worked in harmony during the past year. We have never had a partisan vote on any matter coming before the committee. It is my intention to appoint a subcommittee to handle certain types of investigations where criminal negligence, or criminal action may be involved, because that calls for a certain type of investigation. There has been no decision on the part of the committee as to what would be investigated. We have not had the money with which to investigate anything, and we do not take anything for granted. However, I stated that I would appoint a subcommittee to handle the type of investigation involving criminal charges against a member of any executive department. Such a case would be investigated and prepared by competent counsel.

I call the Senator's attention to the fact that under the Reorganization Act of 1946 every committee is required to hold an executive hearing at least once a month, and four times a month, if the committee so decides. The Committee on Expenditures holds its executive hearing on the first Thursday of every month, and the action of any subcommittee, or the action of the chairman himself, can be overruled in any executive committee meeting by a vote of seven members of the committee.

Mr. President, these are the reasons why I say that we intend to continue to operate as a committee of 13 members. We do not know what we are going to investigate. We have had no money with which to make investigations, other than surplus property investigations.

Mr. LUCAS. I thank the Senator for that frank admission. He has asked for \$165,000, and he does not know a single subject he is going to investigate.

Mr. AIKEN. If we knew, we would not publicize the information, giving the people to be investigated notice that they were under surveillance. Any notice of an investigation will be given when the subpoenas are issued. No prosecuting attorney, no investigating officer, who knows his business, will announce 2 months beforehand whom he is going to investigate.

Mr. LUCAS. I am very happy to know that the Senator wants \$165,000 to investigate nothing at this time. He does not know whom he is going to investigate, he does not have any agenda, he does not have any program, but he is going fishing, to find out if there is something that should be investigated. He wants \$165,000 to do that.

Mr. AIKEN. We have, I suppose, a hundred complaints on hand now, but we have not decided what we are going to investigate.

Mr. BARKLEY. Mr. President, will the Senator from Illinois yield?

Mr. LUCAS. I yield.

Mr. BARKLEY. I should like to ask the Senator from Vermont whether the matters which are to be investigated, whatever they may be—and I have no idea what they may be—will be decided upon by the full committee, some particular thing in some particular department to be investigated, or will any subcommittee appointed by the chairman, independent of any instructions from the full committee, determine what it will investigate?

Mr. AIKEN. It is my expectation that, as provided by law, the full committee will have control of any matters which may properly come within the jurisdiction of the committee, whether they are being handled by the chairman, by a subcommittee, or in any other manner.

Mr. BARKLEY. I imagine there may be more than one subcommittee of the committee.

Mr. AIKEN. We have two subcommittees now.

Mr. BARKLEY. There are two subcommittees now. Is it not true that the mere appointment of a subcommittee does not give the subcommittee the power to decide what it will investigate? The full committee has to decide that?

Mr. AIKEN. Only as the subcommittee may be granted the authority by a vote of the full committee.

Mr. BARKLEY. On the particular subject which is to be investigated.

Mr. AIKEN. Yes. So far as minor investigations go, we are following up leads. I do not think the full committee would be interested in authorizing the running down of every individual complaint.

Mr. BARKLEY. I suppose there is a standing subcommittee.

Mr. AIKEN. I would say that major investigations would be undertaken with the knowledge and consent of the full committee.

Mr. BARKLEY. Therefore the full committee would have to be consulted about running down evidence with respect to investigations which it had already previously authorized?

Mr. AIKEN. That is correct.

Mr. BARKLEY. But, if I understand the Senator correctly, any major investigation of any department or a complaint that might be regarded as major, would be authorized first by the full committee, and then referred to the appropriate subcommittee which the Senator proposes to appoint?

Mr. AIKEN. If the subcommittee undertook any investigation which the full committee thought not proper, or which it had not been given authority to conduct, I am sure the full committee would take the situation in hand.

I should like to inform the Senators from Illinois and Kentucky that I have no belief at all that if this work of continuing the so-called Truman committee investigations is given to the Committee on Expenditures in Executive Departments—and it is under that assumption that we have requested funds to carry out that purpose—there will be any witch-hunting, if that is what is worrying some of my colleagues.

Mr. LUCAS. No. I have all the confidence in the world in the able Senator from Vermont, and I know that as chairman of the committee he will do an honest, conscientious, and efficient job. But I remind him that times have changed since the Republicans took control in the Senate a year ago last January. If any Senator came before the Committee to Audit and Control Contingent Expenses of the Senate and asked for a \$165,000 appropriation and could not tell the members of that committee what was to be done with the money or give the committee any explanation at all, the Senate can rest assured that the minority members of that committee would have asked many many questions as to what the money was to be used for, and unless a more satisfactory explanation were given than has been given in the present case, the request would have been cut at least 50 percent, and perhaps more.

Since we are referring to the Truman committee, it is well to remember that at no time during the Truman committee's investigations did the committee ever ask for more than \$100,000, and the request was always granted, because the committee always came in with a program and were able to tell the Committee To

Audit and Control the Contingent Expenses of the Senate exactly what they were going to do with the money they requested.

During the time that former Senator Mead and the Senator from West Virginia [Mr. KILGORE] were, respectively, chairmen of that committee they never asked for more money than that. Yet, last March, we authorized the War Investigating Committee to expend \$150,000, and in July we authorized an additional \$25,000, and that committee has expended in the year \$166,083.

I merely point out to the Senate that we are asked to appropriate \$165,000 on the theory that 26 new employees are going to various places in the country to find something derogatory to somebody. That is about the sum and substance of it. That would make 55 employees who would be attached to the committee headed by the able Senator from Vermont, as I understand from the records which have been submitted to the Senate.

Mr. AIKEN. Mr. President, I might inform the Senator from Illinois that, so far as I know, there have been employed by the committee, including subcommittees, at no time more than 29 employees, including per diem employees. We have 10 persons on the regular staff as authorized by law. We had a few on a per diem basis carrying out the purposes of a resolution adopted by the Senate last summer for making a study of the relationship of the Federal Government to States and municipal governments, and then there were, as I recall, about 15 persons employed by the Surplus Property Committee. I am not sure of the exact number.

Mr. LUCAS. The Senator is correct; there were 15 employed by the Surplus Property Committee.

Mr. AIKEN. I understand the War Investigating Committee has had as many as 28 employees. I am not sure as to the number. I had nothing whatsoever to do with that committee.

Mr. LUCAS. What the Senator's committee proposes to do, as I understand, is to take over employees of the War Investigating Committee.

Mr. AIKEN. No decision has been made in that respect. It would naturally be my expectation that if certain employees of the War Investigating Committee had done especially good work they could be retained. That would be better than to bring in new persons.

Mr. LUCAS. I think that is true.

Mr. AIKEN. It is also unquestionably a fact that we could not expect to keep anywhere near as many employees as have been employed by the Surplus Property Subcommittee and the War Investigating Committee. I do not have the request with me. Did the Senator from Illinois say that pay for 24 employees was requested?

Mr. LUCAS. For 26 new employees.

Mr. AIKEN. The committee has been handicapped in carrying out paragraph (B) of the Legislative Reorganization Act of 1946 as printed on page 6, "studying the operation of Government activities at all levels with a view to determining its economy and efficiency," for this reason: We are entitled to only four

professional employees. We have had 1 manager and 3 accountants. They are not investigators in any sense of the word. They are kept busy most of the time checking the expenditures of the Government, and following up the Comptroller General's reports to the Congress. We have found that we cannot, under the law and the rules of the Congress, borrow anyone from another committee or subcommittee, even for a day or a week at a time. That has handicapped our work, because there are times when we could have used special type assistants to good advantage. If the resolution stands as approved by the Senate, I believe we would be able to hire special type employees for a day, an hour, or for 2 months without running the risk of violating any of the rules.

I want the Senator from Illinois to understand that I have not in any way followed the work of the War Investigating Committee.

Mr. LUCAS. Let me say to my able friend that I do not think any Member of the Senate begrudges the money spent upon legitimate investigations. To my knowledge up to now the present minority in the Senate has done nothing in the way of ever contesting a single appropriation. The ease and the speed with which large appropriations have been made available during the past year was most unusual, but I think they evidence the good will which Members of the Senate have toward investigations, and their hopes for their success.

Especially in view of this attitude, the course of these investigations during the past year has been regrettable. I am referring now to the War Surplus investigation, and the investigation by the Brewster committee when I say that I think that the course of their investigations has been regrettable, certainly in some instances at least. These investigations have made a spotty record. The prestige of investigations generally has suffered a cruel blow at the hands of the War Investigating Committee. The damage thus done has naturally spread to all investigations by the Senate and has damaged the prestige of the Senate itself. Notwithstanding that fact, we are asked by this resolution to grant one of the largest appropriations in the history of the United States Senate.

Mr. President, I think it is advisable to read a few editorials to show what has been said about the War Investigating Committee, and what sort of tradition the Senator from Vermont is taking over. I feel confident that when he takes over, the committee will not be conducted as it was conducted during the past year, thereby giving the press of the country an opportunity to condemn the investigatory power of the Senate. Let me read a few editorials for the record.

Here is one from the Louisville Courier Journal, of Louisville, Ky., of August 12, 1947. The caption is: Senators Face a Task of Repairing Dignity.

The editorial reads as follows:

The Senate War Investigating Committee doubtless welcomes the chance to retire and lick the wounds suffered by its dignity.

The great prestige which the committee accumulated under Harry S. Truman, its

first chairman in his senatorial days, has been impaired. The old record of its calm, precise, detached, inviolability of purpose apparently has been smudged in the hurly-burly of last week. Erroneous or not, the suspicion of motives under which it has fallen—motives ranging from the political to a personal avidity for the spotlight—will hover for a long while.

Prestige of congressional investigations generally has suffered. One may feel that this is a natural consequence of the blithe mood in which the present Congress set about inducing a plague of investigations. It was a mood reflected in the announcement by a triumphant Republican leader last fall that every session would begin with a prayer and end with a probe.

The thoughtful Congressman may see signs enough to satisfy him that authority has been abused.

Here is one from the New York Times of August 12, entitled "Inquiry Postponed."

INQUIRY POSTPONED

Investigation of war contracts must go on. We should know whether public funds were wasted beyond the unavoidable waste of all wars, when the most desperate expedients are sometimes justified. We should know whether there was corruption. If funds can be recovered we should recover them. But the use of a committee room as an arena for personal squabbles and political maneuvers degrades the congressional committee as an institution. The Brewster committee might take a leaf from the record of a committee of the same name which operated during the early years of the war, with dignity and effectiveness, under the chairmanship of Senator Harry S. Truman, of Missouri.

The following editorial, entitled "Circus Leaves Town," was published in the Washington Evening Star of August 12, 1947:

CIRCUS LEAVES TOWN

No great sense of loss will attend the announcement by Senator FERGUSON that the investigation of Howard Hughes and his wooden airplane has been put off until November 17.

There is no need to dwell upon the unfortunate aspects of this affair. There is every reason, certainly, to investigate war contracts awarded under circumstances attending those in which the committee professed to be interested. But nothing constructive can come from such an investigation when it is conducted in such a way as to burlesque the whole affair and to give the impression that the main purpose is to search for partisan political ammunition—

Does anyone deny that that was the real purpose in that investigation?

The result of this is to discredit the investigation in the public mind and give the witnesses an opportunity to turn the inquiry into a farce. That is what happened in this instance, and that is why there will be few regrets as the circus leaves town.

The following editorial, entitled "Had Enough?" was published in the Washington Daily News of August 12, 1947:

HAD ENOUGH?

The Howard Hughes investigation ends as it began—in a mixture of politics and corny comedy.

From where we sit, what we said in our editorial on Wednesday, August 1, still stands: "Anybody who can't identify the odor arising from the activities of the Brewster committee hasn't much sense of political smell. . . . On the basis of what has been revealed to date . . . the main thing that emerges is that a couple of 'idea men' (Hughes and Kaiser), have had their

teeth knocked in by a political gravedigger's spade."

If there's a lesson in the Hughes case, it gets back to what we've said earlier—that congressional investigating committees need some standard rules of practice to keep them on their course.

Mr. President, before I am through I shall submit a resolution which I believe will be instrumental in bringing about some reform, so far as proper standards are concerned, in carrying on these investigations.

The following editorial, entitled "The Wrong Time to Call Off Hearings" was published in the Philadelphia Inquirer of August 12, 1947:

THE WRONG TIME TO CALL OFF HEARINGS

Senator FERGUSON's excuse for sending the subcommittee members on a 14-week vacation from their investigating duties could hardly be flimsier. The opinion is bound to be general that the hearings were pretty much of a fiasco, with precious little information squeezed out of the reams of testimony taken, and with overtones of pure burlesque.

If the Ferguson-Brewster group stalls around on further investigation of war contracts it ought to be put out of business permanently and the inquiry placed in the hands of an entirely different group.

One thing is certain: Investigation must go on but not in the inept, unproductive manner in which it has recently been misdirected.

An editorial entitled "Brewster's Debauch and Retreat" was published in the Chicago Sun of August 13, 1947. The editorial reads as follows:

The abrupt termination of the Senate inquiry into Howard Hughes et al. was at best a shameful end to a shameful spectacle. We probably are destined never to know just how and why the halt was called. But it can safely be said that any prolongation of the inquiry at this time would have been highly unpalatable to many Republican colleagues of Senators BREWSTER and FERGUSON—let alone to the Republican high command.

The New York Post of August 2, 1947, contained an editorial entitled "FERGUSON, BREWSTER Busy Burning Witches Again." The editorial reads as follows:

This is indeed a book-burning era. The books on the rules of evidence and fair play perhaps even of public honesty—are being tossed into the bonfire of neglect by the Senate committee investigating the Hughes flying boat.

So unfortunate has been the record of recent months that more and more public attention has been drawn to the necessity for reviewing the proper uses and procedures of investigating committees, and the need for reform. The press of the entire country has been calling attention again and again to the need for the reform of congressional investigating procedures. The Washington Post has been publishing a series of editorials which many of us have seen under the heading "Congressional inquiries should be dedicated to enlightenment and not to persecution." On January 22, 1948, the Post said:

Abuses have crept into congressional investigations at a time when the investigative process is more important than ever before. Congress finds itself in need of factual and well-balanced information in many different fields. It must make use of the investigative function in order to save itself from

ignorance. What it gets from some of its investigators, however, is biased half truths built up from distorted evidence. Other committees resort to such questionable methods as to incite widespread reaction against what they are undertaking to do.

After referring to an incident last summer in the conduct of the Senate investigation in the Howard Hughes case, the Post said:

The important fact to remember is that this congressional inquiry was permitted to descend to the level of a personal wrangle. * * * The unfortunate thing is that the committee and Congress itself suffered a slump in prestige along with the Senator who abused his power.

Until last year, in the Senate there has been long a tradition of placing the Senate's investigative function on the highest pedestal. With very few lapses, the investigating committees of the Senate have lived up to this great tradition. Within the memory of men now in the Senate there have been a long series of great investigations which have benefited the country as a whole, contributed to the prestige of the Senate, and added to the luster of those engaged in the investigations.

In the 1920's there was the famous Teapot Dome investigation, in which the two Montana Senators, Thomas Walsh and Burton K. Wheeler, distinguished themselves. In the 1930's the entire country responded with appreciation and thanks to the Senate and to its Banking and Currency Committee for the great work in the banking and stock-exchange investigation conducted by the late Senator Duncan U. Fletcher, of Florida. In the same decade the Senate authorized, and its Committee on Interstate Commerce conducted, the well-known investigation into railroad holding companies and finance. This inquiry was conducted under the chairmanship of Burton K. Wheeler, of Montana, and the vice chairmanship of the then Senator—now President—Truman.

In the same decade there were other famous investigations, such as the investigation conducted by Members of Congress and representatives of the executive departments into monopoly. This study yielded valuable fruit, and much of the credit was given at the time, and should still be given, to the senior Senator from Wyoming [Mr. O'MAHONEY] for the results achieved. Finally, in the present decade, the prestige of the Senate was greatly enhanced and the most urgent interests of national defense were protected through the activities of the special War Investigating Committee headed by Senator—now President—Truman.

And yet, for the past year, the country has witnessed a retreat from this high standard of excellence set by so many and such diverse Senate committees. The country has witnessed a dragging down of the investigative function and of its prestige, as well as the prestige of the Senate. Investigating committees have investigated, but by unsatisfactory and inadequate means, and with inadequate results. Once in a while a spark was struck, but this was only a flash in the pan. The great results expected of the investigations of the past year, re-

sults to which the country was entitled, were not forthcoming. The level of competence, efficiency, and brilliance set by so many earlier investigations was forgotten, and a new and low level was substituted.

Let us examine for a moment the subject of the reports which have been filed by the Senate War Investigating Committee. In trying to evaluate the usefulness of investigating committees, one way to get at the problem is to find out how many and what kind of reports have been filed; for, after all, no matter how sensational may be the evidence unearthed by an investigating committee, no matter how many headlines the committee may earn, the fruit of the committee's activities are its reports. These are the documents produced for the guidance of the Senate, and they should justify the expenditure of money required to produce them.

In the period before the junior Senator from Maine became chairman of the War Investigating Committee, and the junior Senator from Michigan its vice chairman and, in effect, acting chairman, many reports were prepared. In the 14 months since they have had full charge of this committee, but one report has been filed on any of the hearings conducted in 1947—a report on the subject of renegotiation of war contracts. That report was filed on February 20 last. Two reports have been filed based on hearings prior to 1947; and the reports were, in fact, drafted prior to 1947.

It is worth noting that, when the first regular session of the Eightieth Congress was coming to a close in the summer of 1947, a special resolution was adopted authorizing the committee to file reports during the recess. But no reports were filed.

In fact, some of the hearings held by the committee in the year of its existence are not yet in print.

One cannot help concluding that here we have a committee which was either at loose ends, drifting, and with all the resulting inefficiencies and slackness, or a committee which has been deliberately run in that fashion for purposes which have never been disclosed, but which may be guessed at.

When the debate took place in the Senate in January 1947, over the continuation of this committee, sensationalism was the order of the day. I shall read only one or two newspaper items regarding what my able friend the junior Senator from Maine [Mr. BREWSTER] said at that time. In 1947, one of the Illinois newspapers carried an article reading in part as follows:

PROMISES NEW SENSATIONAL WAR EXPOSÉS

WASHINGTON, January 17.—Chairman BREWSTER, Republican, of Maine, promised his Senate colleagues today "sensational new exposés" if they vote added life for his Special War Investigating Committee.

As the Chamber prepared for its third day of debate on the hotly disputed issue, BREWSTER told reporters his group already has accumulated "90 percent of the material" that would make his previous disclosures look like "small potatoes."

In other words, Mr. President, the Senator from Maine stated that the committee had 90 percent of its work

done when it asked for a continuation. In other words, the committee knew exactly what it was going to do. But today we find that the committee is at a total loss insofar as having a program.

I read now a portion of a newspaper article appearing on February 10, 1947:

COMPLETE WAR-PROFITS STUDY PROPER TASK FOR COMMITTEE

Chairman BREWSTER, Maine, Republican, tells reporters that the Senate's Special War Investigating Committee will make a "complete examination of \$31,000,000,000 of war profits."

He explains that, according to information given him, of \$400,000,000,000 spent by the United States in the war effort, \$315,000,000,000 was spent under contracts where the profit averaged 10 percent, total profits on these contracts thus running to about \$31,500,000,000.

Mr. President, did any of us ever hear any more about that, after the committee went into its investigation of those matters?

The newspaper articles I have read give an indication of the sensational type of statements and headlines that went out over the country at that time when the committee was trying to convince the Senate of the necessity for its continuation. The most extravagant threats and prophecies were made, particularly in press interviews, about what the committee was going to do. When it comes to receiving from the committee what might be called a balance sheet of its work and an accounting of its accomplishments we find that at the end of a year of work, thus far, there is exactly nothing—zero.

In addition to the report on renegotiation of war contracts—hardly a sensational subject—we have had two other reports filed with the Senate. The first was filed on January 4, 1947, and covered transactions between the late Senator Bilbo and various war contractors. That report was prepared while the committee was under the chairmanship of the Senator from West Virginia [Mr. KILGORE]. The second report was filed on January 10, 1947, and covered the Inter-American Highway investigation. The junior Senator from Maine referred to that report in the course of the debate on the continuation of his committee on January 15, 1947, as follows:

I think that our report on that is ready so that there is no occasion for further exploration.

Mr. President, I think it is a reasonable inference that that report, too, was based on the investigative work of the Mead-Kilgore committee.

All this is in sharp contrast to the frequency with which reports came to the Senate while President Truman and, later, Senators Mead and Kilgore were in charge of the committee. President Truman filed three annual reports for the 3 years he headed the committee, and filed 29 reports in the nature of interim reports. In the 2 years that Senator Mead and Kilgore were in charge of the committee, they filed two annual reports and seven interim reports. They recommended and had passed several legislative measures based on the findings of the committee.

In the year in which this committee has been in the charge of the majority party, we have had practically no reports which resulted from the work of that committee during 1947.

What conclusion can we draw from these facts? I think the inescapable conclusion is that the committee is not interested in filing reports, but, rather, is after what it considers more important; namely, the garnering of headlines, and the creation of sensations.

It is no secret that the Committee on Expenditures in the Executive Departments, through its subcommittee headed by the junior Senator from Michigan [Mr. FERGUSON], has been named the successor to the War Investigating Committee to carry on in the same tradition. We are now asked to appropriate for the use of that committee an enormous sum, judged by any previous appropriation. What has the predecessor committee done which would justify our confidence in the work of the new committee? What substantial benefit have we had from the \$166,000 the committee has thus far expended? What legislation has been recommended and passed? What can we expect from the expenditure of another \$125,000. We are entitled, certainly, to have some knowledge of the facts, other than the employees budget which has been submitted by the able chairman of the Committee on Expenditures.

Mr. President, I repeat that the Senate should not vote blindly upon any requested appropriation, but instead we should have a few facts upon which to base our judgment. I presume that if the committee had requested a quarter of a million dollars, no doubt it would have received that amount, judging from the way that requests for legislative appropriations of this kind are being allowed in this session.

Mr. President, before closing, I should like to refer to the wording of the resolution itself. This is one reason for my making this speech today. I refer to the broad powers which are provided by the resolution. It provides that in carrying out its duties under rule XXV of the Standing Rules of the Senate, "or any other duties imposed upon it," the committee is authorized to make expenditures. I wonder why those words "or any other duties imposed upon it" were included in the resolution. I think it should be made perfectly plain just what the words "or any other duties imposed upon it" mean. Who is to impose the other duties on the committee? If the words mean only that the committee is to carry out its other duties under the rules of the Senate, then these words are unnecessary. If, on the other hand, it is contemplated that this committee is to have duties which are not now defined by the Standing Rules of the Senate and the Legislative Reorganization Act, now is the time to find out.

I ask my able friend the Senator from Vermont [Mr. AIKEN] how he construes the words "or any other duties imposed upon it."

Mr. AIKEN. I would construe those words to mean any other duty imposed upon it by the Senate, which duty would necessitate some expenditure or expense

for which no appropriation had been made. I am willing to say, for the record, that I understand and I believe that this \$125,000 would be used exclusively for carrying out the purposes of subsection (g) (2) (B) of rule XXV.

Mr. LUCAS. If the Senator believes that, then I ask him why those words were included. In other words, who is to say what are the duties that are imposed upon this committee? Is that to be a matter for the committee itself?

Mr. AIKEN. The Senate would say what duties would be imposed on the committee.

Mr. LUCAS. But why are those words necessary?

Mr. AIKEN. I do not know that they are necessary.

Mr. LUCAS. Would the Senator be willing to eliminate those words from the resolution?

Mr. AIKEN. We cannot eliminate the words now, because the resolution is not presently before the Senate. That question has not been raised heretofore. It is possible that by a vote of the Senate other duties will be imposed upon the committee from time to time—duties for which no appropriation might previously have been made.

Mr. LUCAS. Let me say, Mr. President, that when and if such a thing happens, the resolution upon which the Senate bases its vote at that time will contain whatever provision is necessary in order to provide funds for carrying out the further duties imposed by any resolution.

Mr. AIKEN. That is true; I agree with the Senator.

Mr. LUCAS. I undertake to say that there are those who can and may construe the language I have just read to mean that the committee can set itself up as a special investigating committee to investigate anything, no matter what it may be.

Mr. AIKEN. I think we have almost that power now.

Mr. LUCAS. Then why was this provision included in the resolution, if that power is had now?

Mr. AIKEN. As I have said, this is the first time this question has been raised. It was not raised previously. Certainly if the Senate imposes a duty upon a committee, it must provide the means for carrying out that duty.

Mr. LUCAS. I understand that. But certainly there must be some reason—and I doubt that the Senator from Vermont knew those words were included in the resolution—because if there is the power to do this under subsection (g) (2) (B) of rule XXV, as the Senator from Vermont has said, then these words are surplusage, and should never have been included. So there must be another reason.

Mr. AIKEN. Let me say that I read the resolution before it was printed or sent to the legislative draftsman, and that to me it seemed to be all right. In considering it, it was my expectation that appropriations would be made for carrying out the duties imposed by subsection (g) (2) (B) of rule XXV.

Mr. LUCAS. As I see it, it merely gives the committee a loophole to do anything it wants to do, and that is

exactly why, in my judgment, the language was included.

Mr. AIKEN. I have given assurance to the Senator that the 13 members of the committee will control the exercise of the duties imposed upon it.

Mr. LUCAS. Yes; I understand that. What we are trying to do is to get away from special committees, and yet under the language of this resolution I undertake to say that the Senator's committee might be able to investigate anything, even if it is within the jurisdiction of another committee.

Mr. AIKEN. It is my understanding that section (g) (2) (B) already gives the committee the power to investigate any agency of Government.

Mr. LUCAS. Then, I come back to the first question, Why did the Senator permit the language to be included, if the committee already has that power?

Mr. AIKEN. It is because we have the power to investigate any agency of Government, at any level, with a view to determining its economy and efficiency. That is written into the law.

Mr. LUCAS. That is correct; but the committee does not have the power to infringe on the jurisdiction of another committee, for example, the Committee on Agriculture and Forestry, and to investigate something connected with agriculture, unless the committee has been specifically given that right under a resolution of this kind. I undertake to say that under the pending resolution the committee can investigate the farm program if it wants to.

Mr. AIKEN. I think the committee can investigate the Department of Agriculture or any other department of government, under the language of subsection (g) (2) (B).

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

Mr. LUCAS. I yield.

Mr. KILGORE. I should like to call the attention of the Senator from Illinois to the fact that during the actual war years, as the Senator knows, a number of reports were published by the Special Committee To Investigate the National Defense Program. I call his attention to the fact that, during the war years, a far greater number of reports were prepared, which, because of the requirement of secrecy, the committee was not permitted to publish or to disclose publicly in any way. I have felt for some time that further investigations of matters connected with the war could be undertaken properly if reports which are on file were made public.

Mr. LUCAS. I thank the Senator for his contribution.

Committees of Congress are invested with the enormous prestige and dignity of the Congress of the United States. For that reason they have a special obligation not to infringe on the rights of our citizens.

Reputations have been assassinated before congressional committees on the basis of flimsy hearsay testimony and irrelevant evidence. Men in all walks of life, and particularly those high in public life, have had to suffer the reckless disregard of congressional committees for their cherished reputations. One of the reasons why many talented

men have refused to devote themselves to working for the Government consists in just this fear of the whiplash of congressional investigation. This is no new thought with me. From the day I entered the Halls of Congress 13 years ago and saw what was going on in the investigations before committees, I was appalled to learn how far a committee could go in interrogating a witness. I have talked to Members of Congress many times about the reform which is needed.

It is precisely because I am convinced of the indispensable function of the congressional investigating committee in exposing corruption wherever it may be found that I feel the time is ripe for the reform of committee procedures. These committees have in the past made immensely valuable contributions to the welfare of the American people by turning a white light on evil; much beneficial legislation has resulted. It is therefore of the highest importance that these committees enjoy the unquestioned respect and confidence of the American people, for if they do not, they will lose their usefulness as congressional tools.

As a member of the committee investigating the attack on Pearl Harbor, I attended every hearing of that extensive investigation and time after time heard respected officials of our Government pilloried on the basis of partisan and personal venom, rather than on any substantial evidence. There has never been a committee hearing where so much time and money were wasted on irrelevant, repetitious, and prejudicial questions.

The only effective reform in committee procedures is the exercise of judicious self-restraint by members of such committees. They must lay down for themselves rules of the game which command universal respect, and show their painstaking regard for the traditions of individual rights and liberties. On the other hand, there are some precautions which can be laid down, which will serve to protect individuals against unwarranted attack.

I have in my hand a resolution designed to accomplish this result. In essence it would give any person who feels that his reputation has been impaired the right to file a sworn statement before the committee which must be made part of the record, the right to testify personally, the right to summon witnesses in his own behalf, and the right to cross-examine hostile witnesses. In order to make sure that these privileges are not abused by anyone, no more than four witnesses may be summoned and no cross-examination may extend beyond 1 hour. Witnesses are accorded the right to be accompanied by counsel. As an additional safeguard, no report alleging misconduct or adversely commenting on any person may be filed unless and until such person has been so advised and has had an opportunity to present the committee with a sworn statement with respect thereto.

Mr. President, I am quite in earnest in the presentation of this concurrent resolution. I have participated in many investigations since I became a Member of Congress. I know exactly what can be done to a witness, and I know what

has been done to many good men who have appeared before committees from time to time. Unless the Members of Congress who are in charge of committees exercise self-restraint and self-discipline in the cross-examination of all witnesses, whether their station in life be high or low, the time will come when the congressional investigatory powers, which are so indispensable to the uprooting of corruption and evil in government, will reach the point where no one will have any confidence in any one of the committees that attempt to investigate anything.

As a result of what happened last year in the Howard Hughes investigation, it is my studied judgment that the American people are still skeptical, still crossing their fingers about any investigation which may be conducted by committees of Congress.

I ask unanimous consent to send to the desk the concurrent resolution, and to have it referred to the appropriate committee.

The PRESIDENT pro tempore. Is there objection?

There being no objection, the concurrent resolution (S. Con. Res. 44), submitted by Mr. LUCAS, was referred to the Committee on Rules and Administration, as follows:

Resolved by the Senate (the House of Representatives concurring), That the following provisions of this resolution are adopted as an exercise of the rule-making power of the Senate and the House of Representatives, respectively, and as such they shall be considered as part of the rules of each House, respectively.

SEC. 2. Any person who believes that testimony or other evidence given in a public hearing before any committee tends to defame him or otherwise adversely affect his reputation may file with the committee a sworn statement, concerning such testimony, which shall be made a part of the record of such hearing.

SEC. 3. Such a person shall in addition have the right (a) to testify personally in his own behalf, (b) to have the committee secure the appearance of witnesses requested by him for the purpose of testifying in his behalf, and to examine such witnesses, either personally or by counsel, but no more than four such witnesses shall be called; and (c) to have the committee secure the appearance of witnesses whose testimony adversely affected him, and to cross-examine such witnesses, either personally or by counsel, but such cross-examination shall be limited to 1 hour as to any one witness.

SEC. 4. Any person who wishes to avail himself of the rights accorded by section 3, shall, within 30 days of the receipt by the committee of the testimony complained of, file a petition with the committee requesting the fixing of a time and place for the receiving of testimony or the conduct of cross-examination and designating the witnesses to be summoned. Such a petition shall be accompanied by the sworn statement of the petitioner that the petition is not filed for the purpose of delaying or obstructing the work of the committee, but because his reputation has been unjustifiably damaged or otherwise adversely affected by false accusations or inference. The committee shall, within 10 days after the receipt of such a petition, fix a time and place for the receiving of testimony or the conduct of cross-examination, which time shall not be later than 30 days after the receipt of the petition, and shall secure the appearance at such time and place of the witnesses designated in the petition.

SEC. 5. Any witness summoned at a public or private hearing before any committee shall have the right to be accompanied by counsel. Such counsel shall be allowed to observe the hearing, but shall not be allowed to participate therein or to advise the witness while on the witness stand unless the committee, in the discretion, shall otherwise determine.

SEC. 6. In the conduct of hearings, the evidence received shall, so far as possible, be relevant and germane to the subject of the hearing.

SEC. 7. If the testimony of a witness at a private or public hearing before any committee is reported stenographically, such witness shall be entitled to a stenographic transcript of such testimony upon payment of the cost of the transcript.

SEC. 8. A committee shall not publish or file any report, interim or final, unless and until a meeting of the committee has been called upon proper notice and such report has been approved by a majority of those voting at such meeting.

SEC. 9. No committee or employee thereof shall publish or file any statement or report alleging misconduct by, or otherwise adversely commenting on, any person unless and until such person has been advised of the alleged misconduct or adverse comment and has been given a reasonable opportunity to present to the committee a sworn statement with respect thereto as provided in section 2.

SEC. 10. No member or employee of a committee shall for compensation speak, lecture, or write about the committee, its purposes, procedures, accomplishments, or reports during the existence of the committee and while he is a member of the committee or in its employ.

SEC. 11. As used in this resolution, the term committee includes a standing or select committee of either House of Congress, a joint committee of the two Houses, and a duly authorized subcommittee of any of the foregoing.

Mr. KNOWLAND. Mr. President, I had not intended to speak on this subject today, but due to certain remarks made by the able Senator from Illinois, I feel that the record should be considerably clarified. As I understand the remarks of the Senator from Illinois, he was attempting to build up a case for the contention that the legislative branch of the Government of the United States has been almost wasteful of the funds allocated to it.

I call attention to the fact that in the paper submitted by the able Senator from Vermont [Mr. Aiken] today, it is shown on page 2 that the total cost of the legislative branch of the Government of the United States amounts to \$93,649,115 out of a total Federal budget of \$39,652,954,675.

I further desire to call attention to the fact that in the footnote on page 2 it is stated that the amount chargeable to the legislative branch of the Government of the United States includes the General Accounting Office.

If the Members will now turn to page 3 and look at the break-down of the legislative branch of the Government, it will be found that the United States Senate accounts for the sum of \$10,611,000 of the amount of \$93,649,115; the House of Representatives for \$17,973,070; a miscellaneous item of \$219,000; the Architect of the Capitol accounts for \$4,167,800; the Botanic Gardens for \$161,000; the Library of Congress for \$8,164,420; the Government Printing Office for \$19,189,600, and the General Accounting Office for

\$33,161,000, those items constituting the total of \$93,649,115 out of the budget of \$39,652,954,675.

I submit, Mr. President, and Members of the Senate, that if the Congress of the United States is to perform its constitutional legislative duties it must have adequate funds in order to obtain the necessary facts.

As I pointed out, I had not intended to speak on the subject as a member of the Senate Committee on Appropriations. I have been going into one of the branches of the Government of the United States, namely, the Reclamation Service of the Department of the Interior. I happen to come from a western State—about as far west as one can go without going into the Pacific Ocean. I am profoundly interested in the whole field of reclamation. I think that some of the most constructive work in the building of this Nation has been done in the past by the Reclamation Service of the Department of the Interior. But I want to say, Mr. President and Members of the Senate, that I have been shocked, as I have never been shocked before, to see the way in which an executive branch of the Government trifled with the Congress of the United States by giving misinformation to a congressional committee and indulging in misrepresentation and evasion.

This body cannot perform its functions if branches of the executive department of the Government act in the way in which certain individuals in the Department of the Interior have acted before the Senate Committee on Appropriations.

So that the record may be perfectly clear, I wish to present some facts to the Senate. I call attention to the fact that when the Appropriations Subcommittee on the Department of the Interior was discussing the appropriation last year it went into the question of the carry-over fund. I specifically call attention to the Central Valley item in the State of California. The Interior Department's Bureau of Reclamation had indicated to the House of Representatives and to the Director of the Budget that their carry-over would be approximately \$10,000,000. Later on, due to pressing by the Committee on Appropriations itself, we found out that the fund was greatly underestimated. As a matter of fact, it turned out on June 30, last year, at the end of the fiscal year, that it amounted to a little more than \$21,000,000. At the least, that indicated some very poor bookkeeping in the Interior Department.

During the investigation which we have recently conducted we found that officials of the Interior Department's Bureau of Reclamation have had advices from the field, from the people who knew the full facts, prior to their testimony before our committee, to the effect that, in their judgment, the amount of the carry-over would be approximately \$25,000,000. In spite of the fact that they had that information from those who were best able to give them competent information, they went before the Director of the Budget representing the President of the United States, and misrepresented the facts to him. They appeared before the House Committee on

Appropriations and misrepresented the facts to that committee. They came before the Appropriations Committee of the Senate of the United States, and, in answer to direct questions which I myself propounded to them, they misrepresented the facts to our committee. They knew at that time that the amount would be approximately double that which was testified to before our committee. We did not know at the time the bill was before the committee last year that they had that information. We ascertained in the hearings which we have recently conducted that a teletype had gone from California to the Bureau of Reclamation containing the statement that, in their judgment, the carry-over would be approximately \$25,000,000.

Mr. President, there may be some who say that the Congress of the United States did not give to the Reclamation Service the funds it should have. I certainly think it should have all the funds it can properly spend in developing the great western projects. I do not speak in any narrow sense, either from a partisan point of view or a geographic point of view, because I am as much interested in projects in other areas of the country as I am in those of my own State of California.

I want to call attention to the official report of the program conference held in Washington, D. C., in 1947. It is an official document issued by the Bureau of Reclamation. Let us see what they say as to whether the Congress of the United States has discharged its obligation. I read from a speech by the Honorable J. A. Krug, Secretary of the Interior, appearing on page 2 of the document to which I have referred:

One of the most embarrassing things I have had to deal with—and I think Mike—

Let me interpose to say that "Mike" is Michael W. Straus of the Reclamation Bureau—

I think Mike is, too—is that every time we go over to the Budget and talk about our desperate and dire need for money, they lay up to us that you boys are all sitting on the money bags, and never spending what you have.

He was talking to the Reclamation officials at the conference, and he went on to say:

There is a serious doubt that you are going to spend the money you have this year.

Further on he says:

I think that practically every single one of the regions has more money than it will be able to spend at the present rate of progress.

Let us turn over a few more pages and see what Mr. Straus had to say—

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

Mr. KNOWLAND. I yield to the Senator from Illinois.

Mr. LUCAS. Who is the witness who is supposed to be testifying?

Mr. KNOWLAND. At this particular point I am reading from the Reclamation Service Conference, from the official stenographic report of their meeting.

Mr. LUCAS. Whose testimony?

Mr. KNOWLAND. That of Secretary Krug.

Mr. LUCAS. Is he responsible for making statements with respect to the money the Bureau of Reclamation had?

Mr. KNOWLAND. Yes; the statements I read a moment ago.

Mr. LUCAS. He was cooperating with the Senate, was he not?

Mr. KNOWLAND. There are two different points about which we are talking. I am now reading some factual information from the report of the Reclamation Service Conference. I shall come to the testimony before our committee in a short time, if the Senator will be patient.

Mr. LUCAS. I shall be patient.

Mr. KNOWLAND. Now, let me read from what Mr. Straus had to say. I read from page 21:

Neither lack of men nor money can explain in full our present problems, but we might as well discuss the money matter first, because you never let the Commissioner take his eye off of it in the Bureau of Reclamation.

Then further he said—and I want Senators to pay particular attention to this:

This year we did not spend our money. Last year we did not spend our money. The year before we did not spend our money. We do not spend our money in peacetime and we do not spend our money in wartime.

Further he said:

Lack of money is not holding us back.

So when the charge is made that the Congress of the United States, either in the Seventy-ninth Congress or the earlier ones, or in the present Republican-controlled Congress, has not been treating the Reclamation Service fairly, I say that the words of the Service officials themselves indicate that the charge is not true.

I do not mean by that to imply that they are not in difficulties, but I think that in part the difficulties are of their own making.

I wish to say to the able Senator from Vermont that I certainly hope that when he obtains the additional money for investigations he will give very careful study to building up a proper accounting system in the Government agencies, so that they will know their financial condition. If any business in the United States, large or small, operated so loosely or in such a way that it did not know where it stood from week to week and month to month, that business would go to the wall in a very short period of time.

In the investigation of the Central Valley project in California we found that the Commissioner of Reclamation himself visited the Central Valley the month prior to the shut-down of the operations there, and as a matter of fact, within 2 weeks of the time when that great project was shut down the Commissioner of Reclamation himself did not know that it was going to be closed down. Can Senators imagine a business operating under any such conditions?

During the course of this investigation certain information was disclosed which had not been available to the committee at the time of the regular investigation a year ago, and I wish to read to the Senate a memo which was produced by my colleague the senior Senator from California [Mr. Downey] and placed in the committee record. This was a memorandum for all concerned, written by Mr.

R. S. Calland, who is the deputy to Mr. Boke, in charge of the Central Valley project.

Subject: Means of effectuating the regional director's responsibilities for project programing and execution.

1. For reasons valid or otherwise, the construction program in the region has fallen far behind schedule. Because of failure to meet estimated progress large amounts of appropriated funds have remained unspent at fiscal year ends. This fact has brought severe criticism upon us from the Secretary of the Interior, the Commissioner, from members of congressional appropriations committees, and from others.

2. The heavy carry-over from the current fiscal year (1947) plus an appropriation in the order of amounts recently passed by the Senate and House of Representatives will give us a total of funds available for fiscal year 1948, which is far above that required to meet our current rate of spending.

Listen to this:

The Secretary and the Commissioner are insistent that 1948 funds be spent early in the year—by January 1, if possible. The situation represents a challenge to our construction ability. The Bureau's reputation as a construction agency is literally at stake. As local custodians of this reputation all means at our command must be employed to meet this challenge.

At this time I ask unanimous consent that the entire memorandum be printed in the RECORD.

The PRESIDENT pro tempore. Is there objection?

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

DEPARTMENT OF THE INTERIOR,
BUREAU OF RECLAMATION, REGION II,
Sacramento, Calif., June 17, 1947.
Memorandum for all concerned (R. S. Calland).

Subject: Means of effectuating the regional director's responsibilities for construction programing and execution—Region II.

1. For reasons valid or otherwise, the construction program in the region has fallen far behind schedule. Because of failure to meet estimated progress large amounts of appropriated funds have remained unspent at fiscal year ends. This fact has brought severe criticism upon us from the Secretary of the Interior, the Commissioner, from members of congressional Appropriations Committees, and from others.

2. The heavy carry-over from the current fiscal year (1947) plus an appropriation in the order of amounts recently passed by the Senate and House of Representatives will give us a total of funds available for fiscal year 1948, which is far above that required to meet our current rate of spending. The Secretary and the Commissioner are insistent that 1948 funds be spent early in the year—by January 1, if possible. We are concerned here lest we end the fiscal year with another carry-over. The situation represents a challenge to our construction ability. The Bureau's reputation as a construction agency is literally at stake. As local custodians of this reputation all means at our command must be employed to meet this challenge.

3. The regional director has directed me to devote 100 percent of my time to expediting construction. Concurrently he authorized me to select as assistants any individuals from anywhere in the organization, whom I might need to help on various phases of the assignment. There is attached a list of assignments made to date. It is expected that this list will be supplemented from time to time as the need arises.

4. I wish to emphasize the Secretary's, the Commissioner's, and our regional policy

which is to crowd construction to the utmost regardless of individual opinions as to adequacy of funds, and to repeat that I am not convinced of our ability to spend the amount that will be available in fiscal year 1948. Assurances have been received from authoritative sources that additional funds will be forthcoming if and when needed. There are no ceilings on personnel required for construction. There is no reason for holding back. On the contrary, there is every reason for giving it all we have.

5. The attached assignments in no way relieve district managers, construction engineers or others of their responsibilities for doing a construction job and doing it fast. The men selected as expeditors will work with you and with each other. By all working together there may be a chance to get the job done. We must get it done.

R. S. CALLAND.

ASSIGNMENTS TO EXPEDITE THE CONSTRUCTION PROGRAM

A. RIGHT-OF-WAY—PAUL A. NELSON

Mr. Nelson should keep current on the status of right-of-way not only on all existing contracts but on future contracts, particularly those scheduled for award during fiscal year 1948. He will be expected to deal directly with the right-of-way and legal sections in seeing that all steps required in the acquisition of right-of-way are consummated promptly. This will include also contacts with district managers or construction engineers to see that right-of-way plats and descriptions are forwarded promptly to the regional office so that field appraisal reports and final appraisals can be made. In this connection our policy from now on will be to condemn after a reasonable effort has been made to persuade the landowner to sign purchase papers. In no event will prolonged negotiations be permitted to delay construction.

B. RATE OF PROGRESS ON EXISTING, AND PREPARATION FOR NEW CONTRACTS—ROBERT S. THOMAS

Mr. Thomas will familiarize himself with the rate of progress attained as compared with the rate estimated on all existing contracts, and where contractors are falling behind scheduled performance Mr. Thomas will work with district managers, construction engineers, and contractors as required to bring these contracts up to schedule. The familiarity with construction rates and expenditures gained here will be of value in estimating requirements for future fiscal years. This assignment also includes responsibility for seeing that location surveys are completed as soon as possible, and that design data are forwarded to the chief engineer for his use in preparing designs and specifications. In brief, this includes all items not covered in A. That will insure the letting of new contracts at the maximum rate until our construction work is all under contract or completed. This assignment also includes contacts with the chief engineer's office as necessary to insure the preparation of detailed construction drawings well in advance of the time when the contractor is ready to start construction. It also includes contacts with the Denver office of supply to speed up delivery of major items of equipment.

C. GOVERNMENT MATERIALS REQUIRED FOR CONSTRUCTION—H. F. HALLIDAY

Mr. Halliday will be responsible for putting proper measures into effect that will insure Government materials required for construction being on the site when needed. He will be expected to call on the services of members of the supply organization either here or in the district offices as appropriate, making some one individual responsible for materials on each separate contract in effect. Procurement activities in connection with new contracts should be started as soon as requirements are known. Past experience

has proven that on many items anticipated delivery dates are often considerably delayed. By starting procurement activities immediately, there will no doubt be a necessity for warehousing certain items coming in before they are needed. We should not shrink from this responsibility. Delay incident to non-receipt of construction materials are more serious than the inconvenience of warehousing those materials which arrive prematurely.

D. PERSONNEL ACTIONS ON CONSTRUCTION FORCES—U. J. GENDRON

At the recent district managers meeting in Klamath Falls, Oreg., the district managers were unanimous in their criticism of the delays incident to completing personnel actions so that new people can be put to work. They were also unanimous in their belief that it is unrealistic to talk about an expedited construction program unless these delays can be avoided. Mr. Gendron will work with the personnel office both here and in Denver or Washington to see that personnel actions on construction people are handled promptly and expeditiously.

General instructions to expeditors

Each of you in pursuing your separate endeavors will come in contact with problems lying within the field of another. Make it a rule to report such problems to the appropriate expeditor promptly. I would like to have a brief written report from each of you at bimonthly intervals beginning July 1, until further notice. So that all of you may have a better picture of the whole situation, a copy of your report should be furnished to each of the other expeditors.

I want it understood that bottlenecks you are to break will not all be located in the region—some will be in Denver and some in Washington. Wherever they are, it is your job to locate and take care of them. I will be available at all times for consultation and to give a helping hand.

Our construction program is the number one priority from now on. Everything else must give way to that. I solicit full cooperation and support of all regional personnel and feel confident that if a concerted effort is made by everyone concerned our record next year will be greatly improved over that of the last 2 or 3 years.

R. S. CALLAND.

Mr. KNOWLAND. Mr. President, I submit that when an agency is criticized for not having spent its funds by the end of the year—which I think is an entirely legitimate criticism which great numbers of people have raised against the Bureau of Reclamation—it should be an incentive for them to become efficient so that they can operate and spend the congressional appropriations within the year for which the appropriations are made. Of course there should be a little leeway. It is not possible for an agency to stop on June 30 and begin on July 1, and there will always be a certain amount carried over, and there should be, but certainly no such sums as have been carried over in the appropriations for the Central Valley and other projects over a period of years.

Mr. President, that is one thing, but it is an entirely different matter for a Government department to take the stand that it will spend the annual appropriation granted by the Congress in 6 months. That affects the very ability of the Congress to perform its constitutional duty of controlling the purse strings of the Nation. This is the chief thing, as history has shown, that has been able to prevent the creation of dictatorships. The executive branch of the

Government knew it always had to come back to the representatives of the people to get appropriations with which to function. If we ever permit any executive department to take the position that it is not bound by the congressional policy, determined by the House of Representatives and the Senate of the United States, insofar as appropriations are concerned, I say to Senators we threaten our whole legislative and constitutional system.

At the time this testimony was produced there was some question as to whether or not Mr. Calland was acting with any authority. We sent for him to come before the committee in order to obtain the facts in the case. He came, and his testimony was substantially to the effect that the date he fixed he picked out of thin air, that he had no basis whatever for selecting any such date, that he had not had a conversation with the Commissioner of Reclamation or with the Secretary of the Interior, wherein they had told him to make such a statement.

This was such an unusual letter that both the senior Senator from California, who is a member of the party on the other side of the aisle, and I questioned the witness very closely. Mr. Calland had been in the Reclamation Service for 20 or 30 years, and had borne a very high reputation. It seemed to us very unusual that a subordinate in a great Government department, in a letter sent out to all the employees in the area, should directly quote the Secretary of the Interior and the Commissioner of Reclamation that all these congressional funds should "be spent by January 1, if possible." We were convinced, or, at least, speaking for myself alone, I was convinced, that he was covering up for someone else.

In the next day or so after we had questioned him very closely and required him to bring before the committee any memoranda or telegrams or whatever might have passed between him and his higher echelons, he finally came in and produced the document I have in my hand, and I call it to the attention of my colleagues. This is a memorandum from his immediate chief, Mr. Boke, and let me read it:

Subject: Expediting Construction Program—Report to Secretary Krug.

1. This morning I spoke to you—

This is Mr. Boke to Mr. Calland:

This morning I spoke to you concerning Secretary Krug's last-minute instructions to me on the construction program. He stated very clearly that he would like to see us spend our available funds by January 1.

Then he continued with some additional material. I ask to have the memorandum printed in the RECORD at this point.

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

MEMORANDUM FOR ASSISTANT REGIONAL DIRECTOR CALLAND

Subject: Expediting Construction Program—Report to Secretary Krug.

1. This morning I spoke to you concerning Secretary Krug's last-minute instructions to me on the construction program. He

stated very clearly that he would like to see us spend our available funds by January 1. He also stated that he wanted a personal report from me in the immediate future. I shall leave it up to you as to what date you feel we can give the Secretary a construction personal report. However, I imagine we might count on doing so about July 1.

2. I hope you will take Paul Nelson and anyone else you need into your office and put them to work getting this stuff going. If you need additional personnel, I think you should take it from whatever branch or field office you wish it. By July 1, I think we should make up our minds as to whether this kind of approach to the program through you and your office is sufficient or whether it might be necessary to make personnel changes at one or two points. One never likes to do this, but, as I have said, I am in deadly earnest about getting this job done and not willing to let situations or personalities of any kind stand in our way. I hope that you will proceed on that basis.

RICHARD L. BOKE.

Mr. KNOWLAND. Obviously then this gentleman had at least withheld information from a committee representing the Senate of the United States. I pressed him pretty hard on this point, because frankly I felt that the whole relationship between the executive branch of the Government and the legislative branch of the Government would break down if congressional committees could no longer rely on the statements and the testimony presented to them by representatives of the executive branch of the Government of the United States. I charged him with willfully misrepresenting facts to the committee, and this is what he said, and I quote from the record on page 450:

Mr. Chairman, I knew the document—

That was the Boke document—

was in the file. I was not willfully giving false testimony. I may have been evading.

This is a Government witness speaking before a committee of the Senate of the United States.

Let us turn over to a little additional testimony which was given on the last day he appeared before the committee, so that Senators may realize some of the problems the Congress is sometimes presented with in trying to obtain the facts and so that we may intelligently act on the vast Federal budget of more than \$39,000,000,000, and may properly protect the interests of the people of the United States. I want to read some of the transcript from page 748. This is what we had to say on the last day:

Senator KNOWLAND. Mr. Calland, in the intervening period of time since your prior testimony before this committee, do you have any testimony you care to give now to either correct the record or make a little more clear what the facts were, or apparently were, on the day we adjourned when you were still on the witness stand?

Mr. CALLAND. I believe, Mr. Chairman, the most and perhaps a few more of the pieces have meshed together at this time, which I did not remember on that day, and they have been already introduced into the testimony.

Senator KNOWLAND. I again am referring back to your testimony on the 11th of February at the time the Boke memorandum was first presented to this committee.

Do you recall the incident at the time the chairman recessed the meeting over until Saturday?

Mr. CALLAND. Yes, sir.

Senator KNOWLAND. And at that time you indicated, and I will read the testimony here:

Then I read back the testimony, which was:

Mr. CALLAND. Mr. Chairman, I know the document was in the file. I was not willfully giving false testimony. I may have been evading.

Then I continued:

I would just like to clarify for the record at this time: Did you, or did you not, at the time you were testifying, know that the Boke memorandum existed in the files of the reclamation office in Sacramento?

Mr. CALLAND. Yes, sir; I did know it, Mr. Chairman.

Senator KNOWLAND. So, from the point of view of the testimony before this committee, at least, information which the committee itself felt was essential and it should have, you were trying your best to prevent the full facts from being developed before this committee?

Is that a fair statement?

Mr. CALLAND. That is a fair statement, Mr. Chairman.

I will tell you frankly that I realize it was a very great error on my part. I am apologetic about it, and I wish to apologize to the committee at this time for being evasive in that manner.

Mr. President, I merely recite this as a very small part of a very large story to show how tremendously important it is that Congress and its committees shall be properly armed so that we may obtain the facts and discharge our obligations to the people of the United States. If we should spend twice as much in operating the legislative arm of the Government as we spend today, it would be an infinitesimal amount and a drop in the bucket compared with the over-all cost of the Government, which has reached the fantastic sum of more than \$39,000,000,000 a year.

In conclusion, I want to say, Mr. President, I merely wish to say that I believe it to be extremely important that the resolution which the Senate adopted should not be reconsidered, so that final action may be taken. I think we are very fortunate in having in the Senate of the United States a very competent and able committee headed up by the distinguished Senator from Vermont [Mr. AIKEN], whose reputation for fairness is known to every Member of this body. I think, Mr. President, that we would be remiss in our duty if we did not vigorously undertake to arm the legislative branch of the Government of the United States with all the weapons it needs. We have an obligation to see to it that the public business is being properly discharged.

Mr. DOWNEY. Mr. President, the distinguished junior Senator from California has accurately and fairly stated the conditions existing in the Central Valley project, as revealed by the hearings before the Appropriations Committee. I differ with him in only one respect. I think the Senator is far too tolerant and too charitable in his view of the conditions that will be ultimately revealed. As he has already pointed out, here is documentary evidence which cannot be denied, that the Secretary of the Interior, in conspiracy with subordinate employees, started out to spend all avail-

able funds for the full fiscal year before January 1. Had that plan been accomplished any man of ordinary intelligence would know what would happen, and that would be that every great contract operation in this very important area would be forced to close upon the exhaustion of funds. Everybody should know that the closing down of work under contracts in connection with which thousands of men were employed, and millions of dollars of machinery were involved, as well as millions of dollars of materials, with the consequent delay, would injure the Federal Government and the farmers of the Central Valley to the extent of many million dollars.

Either the officials of the Bureau when starting upon this plan, which the Senator has so well described, were so abysmally stupid and ignorant as not to know common facts, or they embarked upon a despicable, corrupt, abominable criminal program to bring Congress into disrepute and to injure the farmers of the Central Valley.

When they made that statement on June 17 suggesting that all funds must be exhausted by January 1, they had no knowledge that Congress would be back in session November 17. We came back into session on that date. They still had ample money in my opinion, as the facts will clearly reveal, to have continued all operations up until late January or February, but by the dishonest manipulation of accounts and statements, by the improvident expenditure of money, they exhausted their funds applicable to the major part of this contract and had the temerity, at least, to say, "We are out of funds," and the contracts were thereupon closed down upon the serving of that notice.

I believe that the distinguished Senator on the opposite side of the aisle leans backward in trying to be fair and has put the best possible interpretation upon this situation for Government officials who acted willfully and in defiance of Congress and broke the rules of procedure. But I am satisfied, Mr. President, that the facts here now revealed, and other facts which will certainly later be revealed, will show a vile and despicable conspiracy to close down these contracts at all costs, even with the money available to keep them going, and that they actually accomplished and did that very thing. By doing that, they have delayed the major part of that project for 6 months. We are having a serious drought in California. How much that delay will cost our farmers in tens of millions of dollars can only be conjectured. They are spending \$600,000 a month or overhead. Six hundred thousand dollars a month for 6 months is \$3,600,000 added to the cost of operations.

While I agree with and confirm everything my junior colleague has said, I think he is too fair and tolerant with these men. They started out willfully to defy not only the President and the Bureau of the Budget, but, most of all, Congress. It is plain that they started out on a conspiracy to sabotage and disrupt operations in that valley, with immense loss to the contractors, the Government, and the farmers.

The correspondence shows, through teletype messages to Sacramento, a caution that not one word should leak out to the thousands of workers or to a single contractor, or to a newspaper, as to what was going to happen. They callously and cruelly caused to be discharged from their jobs overnight the workers of the contractors. They interfered with the operations of material men and subcontractors, willfully and without any justification, because the return of Congress in November had brought their original plan to nothing. We were here from November 17 to January 1. Then, by the manipulation of accounts and the improper use of money, they accomplished the self-same operation.

Mr. President, in my opinion—and I speak from this side of the aisle—there will finally be revealed a plot involving almost every superior official in the Department of the Interior and the Bureau of Reclamation, constituting one of the greatest crimes against the American Government that has ever been perpetrated.

In conclusion, Mr. President, I wish to associate myself with the additional remarks of my distinguished colleague, to the extent that I heard them. I was a few minutes late arriving in the Chamber.

Mr. BREWSTER. Mr. President, it seems desirable that the RECORD at this point should contain a brief statement regarding the work of the Special Committee To Investigate the National Defense Program during the past year, in view of the fact that it has been referred to, although it does not seem to be at all directly involved in the question now before the Senate, which is whether or not \$125,000 should be provided for the Senate Committee on Expenditures in the Executive Departments to carry on the investigation.

I think the record is clear from the reports which have been filed and which will be filed. The reports already filed deal with renegotiation, involving approximately \$200,000,000,000 in contracts renegotiated. In the event of another emergency, far more serious problems might be presented. The report on that subject has already been filed, with its recommendation, and speaks for itself as the unanimous report of the committee.

In addition to some of the investigations which have dealt with detailed contracts, there were two other major studies concerning which there was some question as to the scope of the committee. But the majority were clear that these major subjects constituted the conclusion of the committee's work.

One of those studies dealt with industrial mobilization, concerning which Bernard Baruch stated that the failure to mobilize our industries early in the crisis cost our Government thousands of lives and millions of dollars. During the past year a great deal of the time of the staff and of the committee was devoted to a study of the reasons for that delay, and of methods by which industrial mobilization might be effectuated in the event of another crisis. We also considered whether action should be taken during the period of so-called

peace to prepare the statutory foundation.

That report and the subsequent one dealing with a somewhat similar subject, as well as the final report, have been delayed in part because of the preoccupation of Members on both sides of the aisle with a variety of questions which arose during the early days of this session. It would have been possible to file them at this time, but because of the absence of one or two Senators on the other side we requested a further delay of 30 days.

We also conducted a detailed investigation, the report on which will also be available as early as the Members are available to consider the report, on the subject of petroleum, both at home and abroad, with particular reference to one contract in which many millions of dollars of Government money were involved. Some very extraordinary situations were presented in connection with the procurement of petroleum supplies during the war for the use of our armed services. Apparently at least \$35,000,000 more was charged than seemed warranted by the record in the case.

The matter of Air Forces procurement was handled by the able Senator from Michigan [Mr. FERGUSON] as chairman of the subcommittee, with the assistance of able Members on both sides of the aisle. Presentation of the report has been delayed, in part by the absences of which I spoke, and in part by prosecutions growing out of the investigation, which prosecutions are now in progress, and which it seemed might perhaps be prejudiced by the filing of a report prior to the prosecutions.

I believe that when the reports are filed they will speak for themselves. Four or five major reports were about the average of the committee each year during the war.

The reports to which I have referred represent the fruits of our labors during the past year. I trust that they may commend themselves not only to the Senate, but to the Congress and the country, as careful, factual studies of some of the major over-all problems which are always presented in time of war. I hope that we may perhaps provide against the recurrence of some of these problems in the event of another crisis.

As to the more particular point before us, the question of the conduct of the Special Committee To Investigate the National Defense Program is not here involved, as its powers are now to be exercised by the Committee on Expenditures in the Executive Departments or other appropriate committees in accordance with the program mapped out a year ago, when it was concluded by the Senate that the staff then existing should carry on for 1 year pending the organization of staffs by the standing committees of the Senate.

It is interesting to note that the Senator from Illinois has always been, as I think one might say with moderation, somewhat allergic to investigations. He has had definite ideas as to their conduct. I do not presume to quarrel with his sincerity, but his attitude has been repeatedly manifested, not only this year

in his opposition to this particular grant of funds, but a year ago when he opposed this investigation, and in years previously when he scrutinized with exceeding care the expenditures of the Senate War Investigating Committee under the chairmanship of my distinguished predecessors, former Senators Truman and Mead, and the Senator from West Virginia [Mr. KILGORE].

The Senator always was somewhat dubious about the value of these investigations. It is certainly desirable that there should be full discussion of the methods and procedure of the investigations, and also the justification. However, it is interesting to note for the Record that 1 year ago, when the Senator from Illinois was opposing the continuance of the War Investigating Committee, he was quite clear as to the competence, courage, and character of the Senate Committee on Expenditures in the Executive Departments, and of the wisdom of placing in that committee the power to carry on these investigations. I wish to quote from the Record, January 15, 1947, on page 347, when this question was under consideration. The Senator from Illinois, with his customary force, said:

I should like to have him answer this one question—

This question was addressed to the Senator from Michigan [Mr. FERGUSON]—

I should like to have him answer this one question, whether or not he contends that under the Reorganization Act as passed, which he apparently supported last year, the Committee on Armed Services, headed by the able Senator from South Dakota [Mr. GURNEY], or the Committee on Expenditures in the Executive Departments, headed by the able Senator from Vermont [Mr. AIKEN], has less power, ability, and capacity to do as good a job of investigating war profits as the select committee the Senator is now discussing.

On January 20, in the course of the same discussion, on page 458 of the Record, the Senator from Illinois said:

For the life of me I cannot understand why it is that Senators on the other side of the aisle continue to fight for the committee which is headed by the Senator from Maine [Mr. BREWSTER]; and that is especially true in view of the fact that the able Senator from Michigan [Mr. FERGUSON] is on the Committee on Expenditures in the Executive Departments.

In other words, Mr. President, a year ago it was very desirable that the Committee on Expenditures in the Executive Departments should conduct these investigations; but now that we reach the point where funds are to be provided for carrying on the investigations, very serious doubt is cast from the same source upon the wisdom of following such a course.

I wish to have it clear that the conduct of the War Investigating Committee has nothing to do with the proposal here pending. I did want the Record to be clear as to the work we had carried on, the principles that had guided us, and the reports which we hope will follow.

Mr. President, I hope that the motion to reconsider will not prevail.

Mr. LANGER. Mr. President, can the Senator tell us whether, on the basis of his report, any actions for fraud were brought on the ground that the Government had been robbed?

Mr. BREWSTER. There were several investigations by the Department of Justice, based on information we had furnished them as to whether prosecutions should proceed in regard to the violation of several statutes; and there is one prosecution pending downtown now, as the Senator knows.

Mr. LANGER. I ask whether any suits were brought on the basis of funds illegally paid, and for the recovery of such funds, and whether such funds have been recovered.

Mr. BREWSTER. Not so far as I know.

Mr. HAYDEN. Mr. President, as I understand this resolution, it was unanimously reported from the Committee on Expenditures in the Executive Departments, and I also know it was unanimously reported from the Committee on Rules. But I am frank to say that at the time when the resolution was reported, attention was not directed to the words in line 3—"or any other duties imposed upon it."

I think it is entirely proper for the Senate to authorize expenditures from its contingent fund in order to permit any committee of the Senate to perform the duties imposed upon it by the Senate rules and by law. But I should like to have the chairman of the committee tell us why the words "or any other duties imposed upon it" are included in the resolution, because it seems to me that such a provision could constitute a bad precedent which might rise to haunt us at some future time.

Mr. AIKEN. I am glad to make an explanation as requested by the Senator from Arizona.

Mr. President, these words were included as a result of an incident which occurred some months ago. As the Senator from Arizona knows, a substantial sum of money was appropriated for the so-called Surplus Property Subcommittee. The staff of the regular committee is comprised of one management engineer, three accountants, and a clerical force of six, of which the chief clerk acts as counsel for the committee. There is also another accountant on the clerical staff, I believe. Actually, the committee needs six professionals and four persons on the clerical staff; but we are using two of the clerical staff to help out on the professional work.

I forget just what the occasion was; but for some particular purpose we needed to borrow a little help from the Subcommittee on Surplus Property. But the Senate disbursing officer advised us that inasmuch as that appropriation was made for a specific purpose, we could not borrow any help from that subcommittee. At that time we had one vacancy on our professional staff. Of course we could have gotten a man to do the work we wanted done by putting him on our regular staff. But we did not want to fill the vacancy in that way. I forget whether we did do the work we intended to do; but this wording is included for the express purpose of permitting us to

borrow help from a subcommittee, if necessary.

Mr. HAYDEN. Frankly, Mr. President, I do not see how the wording would accomplish that purpose.

Mr. AIKEN. The Senate disbursing officer can explain it all, because he would not allow us to do it when we wished to do it.

Mr. HAYDEN. Certainly, if the committee needed money to employ additional help, it could have advised the Senate of that fact and could have obtained the money. I cannot see how the words "or any other duties imposed upon it" would allow the committee to obtain help from some other committee.

Mr. AIKEN. I can explain that more specifically. Among our duties we have to receive and examine reports from the Comptroller General of the United States, and we have to submit to the Senate such recommendations as we deem necessary, and so forth. It might be that the staff which is set up in accordance with this resolution, for the purpose of carrying out the duties imposed upon the committee by subsection (g) (2) (B) of rule XXV, might include some particular specialist who would be of great help in carrying out some of the other duties of the committee.

Mr. HAYDEN. But there are no other duties except those imposed upon the committee by the Senate rules and by law.

Mr. AIKEN. Mr. President, as a matter of fact we have so many different duties that we simply cannot perform them within the time in which we are supposed to act.

I shall explain, a little later, some of the work we do. It is not headline material, but it is substantial work.

Mr. FERGUSON. Mr. President, will the Senator yield to me?

Mr. HAYDEN. I am glad to yield.

Mr. FERGUSON. As I understand the situation, the Senate disbursing officer feels that if the words in question are included, then if any other committee were to ask the Committee on Expenditures in the Executive Departments to do some work, it then could do the work; or if a Senator asked that certain work be done, the committee could do it. That is his idea.

Mr. HAYDEN. The word "imposed" certainly is questionable. I do not see how a Senator could impose work upon a committee.

Mr. FERGUSON. It might be that a member of another committee would ask this committee to do certain work.

Mr. HAYDEN. But another committee could not impose work on this committee. It could request that certain work be done by the committee, of course.

Mr. President. I do not see anything to be gained by delaying action on the resolution. I do question the inclusion of the words we have been discussing, and I hope that when we come to appropriate money for investigations at another time, those words will not be found to be necessary.

Mr. AIKEN. Mr. President, will the Senator further yield to me?

Mr. HAYDEN. I yield.

Mr. AIKEN. A short time ago I told the Senator that I could not recall the incident, some months ago, which led to the inclusion of these words in the resolution. The director of our staff has now advised me that the occasion was when we had the report of the Comptroller General on the Federal Public Housing Administration. It appeared that some criminal negligence or law violation might have been involved. The full committee did not have an investigator of the type required in such case, so we desired to borrow from the subcommittee an investigator to make an investigation which would enable us to determine whether there was sufficient evidence of fraud in the Federal Public Housing Administration to warrant our recommending a prosecution. But we could not borrow the investigator, because the Senate disbursing officer said that was not permissible under the law, inasmuch as the money appropriated to the so-called Ferguson subcommittee was appropriated for a specific purpose.

So we had to go ahead and make the investigation as best we could. We came to the conclusion that there was not sufficient evidence of fraud in the Federal Public Housing Administration to warrant a recommendation for the prosecution of anyone; and nothing further came of it. But that was a time when we did wish to borrow for that purpose from our subcommittee.

Of course this resolution is very broad. It would give us authority to use the requested appropriation for any of the duties which are imposed upon us by the Senate or by the law. But I am asking for the right to use it because I think we can operate more efficiently if we can do so. We can thus save some money.

Mr. HAYDEN. Mr. President, I would have no objection if there were in the resolution any indication as to who would have the right to impose the duties.

Mr. AIKEN. The Senate would have the right to do so, of course.

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

Mr. HAYDEN. I yield.

Mr. FERGUSON. I think I can explain the situation by referring to subsection (g) (2) (B) of rule XXV. It will be noted that in rule XXV there are other subsections besides (B):

(A) Budget and accounting measures, other than appropriations.

(2) Such committee shall have the duty of—

(A) Receiving and examining reports of the Comptroller General of the United States and of submitting such recommendations to the Senate as it deems necessary or desirable in connection with the subject matter of such reports.

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

Mr. FERGUSON. I yield.

Mr. BREWSTER. Is it not true that the Comptroller General has submitted reports covering a vast variety of subjects which this language would enlarge, infinitely more than our staff or any other staff would be able to study?

Mr. FERGUSON. I think that is true.

Mr. BREWSTER. Of course.

Mr. FERGUSON. But if the committee is merely looking to (g) (2) (B), as is now indicated, there would be a limitation upon it, so I think it would include—

Mr. HAYDEN. The way to cure the phraseology, when the question again arises, is to say "in carrying out the duties imposed upon it by the rules of the Senate." If that is all it means, if it is the intention to give the committee complete jurisdiction, instead of confining it to subsection (g) (2) (B) of rule XXV, there could be no objection to that.

Mr. AIKEN. That is the purpose, I may say to the Senator from Arizona.

Mr. HAYDEN. I think when it comes to writing it again, if the committee asks for more money at some other time, it should not use vague and indefinite words, but should say just what it means.

Mr. AIKEN. I may assure the Senator there are no hidden motives in the language.

Mr. LUCAS. Mr. President, I am glad to have the explanation made by the Senator from Michigan, and I want to see if the Senator and I definitely agree upon the language. If I understand him correctly, he states that the language, "or any other duties imposed upon it," simply means that in addition to the duties imposed upon the committee under subsection (g) (2) (B) of rule XXV of the Standing Rules of the Senate, any other duties imposed by the Legislative Reorganization Act or by the Rules of the Senate upon this particular committee shall be included.

Mr. FERGUSON. That is right.

Mr. LUCAS. And that is as far as it goes; in other words, it includes duties imposed by law or by the Reorganization Act, or by the Rules of the Senate.

Mr. FERGUSON. That is what I understand.

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

The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Alken	Hawkes	Moore
Baldwin	Hayden	Murray
Barkley	Hickenlooper	Myers
Brewster	Hill	O'Connor
Bricker	Hoey	O'Daniel
Bridges	Holland	O'Mahoney
Brooks	Ives	Overton
Buck	Jenner	Pepper
Bushfield	Johnson, Colo.	Reed
Butler	Johnston, S. C.	Revercomb
Byrd	Kem	Russell
Cain	Kilgore	Robertson, Va.
Capehart	Knowland	Saltonstall
Capper	Langer	Sparkman
Chavez	Lodge	Stennis
Connally	Lucas	Stewart
Cooper	McCarran	Taft
Cordon	McCarthy	Thomas, Okla.
Donnell	McClellan	Thomas, Utah
Downey	McFarland	Thye
Dworshak	McGrath	Tobey
Eaton	McKellar	Vandenberg
Ferguson	McMahon	Watkins
Flanders	Magnuson	Wiley
Fulbright	Malone	Williams
George	Martin	Wilson
Green	Maybank	Young
Gurney	Millikin	

The PRESIDENT pro tempore. Eighty-three Senators having answered to their names, a quorum is present.

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

Mr. KNOWLAND. I yield to the Senator from Maine.

Mr. BREWSTER. Mr. President, answering further the question asked by the Senator from North Dakota [Mr. LINGER], I think perhaps the answer was entirely adequate, but in one case there was uncovered, curiously enough, the exact sum which it had cost our committee to function. One hundred and sixty-six thousand dollars is recoverable. In another instance the sum of \$5,500,000 was involved, and in another case \$1,000,000 was returned voluntarily to the Treasury after witnesses had appeared before our committee.

Mr. LINGER. I thank the distinguished Senator very much.

The PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from Illinois [Mr. LUCAS] to reconsider the vote by which the Senate agreed to Senate Resolution 189.

Mr. KNOWLAND. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. KNOWLAND. My understanding is that the motion of the Senator from Illinois is to reconsider the vote by which Senate Resolution 189 was previously adopted by the Senate, so that a "yea" vote would bring it back to the Senate as though it had never passed, and a "nay" vote would confirm the previous action of the Senate. Is that correct?

The PRESIDENT pro tempore. The Senator is correct.

Mr. LUCAS. Mr. President, one of the reasons for filing the motion to reconsider the action of the Senate with reference to Senate Resolution 189, which gave the committee the power to investigate, it seemed to me, practically everything, was because of the language "or any other duties imposed upon it."

In view of the explicit understanding which I have had with the Senator from Michigan [Mr. FERGUSON] as to the meaning of those words, I am perfectly satisfied with the language as it is. In other words, the Senator advises me that the phrase "any other duties imposed upon it" simply means any other duties imposed upon the committee by the Reorganization Act or by the rules of the Senate. I am perfectly satisfied with the language as it stands.

I make that explanation because it had seemed to me the language was very broad and that a committee, without a strict construction of the language, might interpret it to mean that the committee could investigate practically everything, even going into the jurisdiction of other committees, to which I think we are all very much opposed.

The PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from Illinois [Mr. LUCAS].

The motion was not agreed to.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had agreed to the concurrent resolution (S. Con. Res. 43) to amend the title of the joint resolution (S. J. Res. 173) to continue until July 1, 1949, the

authority of the Maritime Commission to sell, charter, and operate vessels, and for other purposes.

THE CALENDAR

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the unfinished business be temporarily laid aside in order that the Senate may proceed to the consideration of the calendar, starting with order No. 55.

The PRESIDENT pro tempore. The Senator is asking for consideration of bills to which there is no objection; is he not?

Mr. KNOWLAND. That is correct, Mr. President.

The PRESIDENT pro tempore. Without objection, the clerk will call the bills on the calendar.

BILLS PASSED OVER

The bill (S. 669) to provide for the payment of a bonus of 30 cents a bushel on wheat and corn produced and sold between January 1, 1945, and April 18, 1946, was announced as first in order.

On objection, the bill was passed over.

The resolution (S. Res. 25) amending XXII relating to cloture was announced as next in order.

On objection, the resolution was passed over.

The bill (S. 354) to incorporate the Federal City Charter Commission was announced as next in order.

On objection, the bill was passed over.

The bill (S. 866) to establish a national housing objective and the policy to be followed in the attainment thereof, to facilitate sustained progress in the attainment of such objective, and to provide for the coordinated execution of such policy through a National Housing Commission, and for other purposes, was announced as next in order.

Mr. LINGER. Let the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 408) to repeal section 13b of the Federal Reserve Act, to amend section 13 of the said act, and for other purposes, was announced as next in order.

Mr. LINGER. Let the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 299) to extend the reclamation laws to the State of Arkansas was announced as next in order.

On objection, the bill was passed over.

The bill (S. 309) designating American Indian Day was announced as next in order.

On objection, the bill was passed over.

The bill (H. R. 1179) to aid in defraying the expenses of the seventeenth triennial convention of the World's Woman's Christian Temperance Union to be held in this country in June 1947, was announced as next in order.

On objection, the bill was passed over.

PROPERTY EXEMPT FROM TAXATION IN THE DISTRICT OF COLUMBIA

The bill (S. 1125) to amend the act entitled "An act to define the real property exempt from taxation in the District of Columbia," approved December 24, 1942, was announced as next in order.

Mr. CAIN. Mr. President, this bill has previously been objected to on several

calls of the calendar, but only for the reason that the Senator from Nevada [Mr. McCARRAN] had a question with regard to it. That question having been answered to his satisfaction, I should like to send to the desk an amendment and ask for its immediate consideration.

The PRESIDENT pro tempore. Is there objection to the consideration of the amendment offered by the Senator from Washington?

SEVERAL SENATORS. Over.

The PRESIDENT pro tempore. On objection, the bill will be passed over. If the Senator from Washington wishes to offer his amendment and have it pending, that course may be taken.

Mr. CAIN. I should very much desire to do so.

The PRESIDENT pro tempore. Without objection, that procedure will be followed.

BILLS PASSED OVER

The bill (S. 140) to create an executive department of the Government to be known as the Department of Health, Education, and Security, was announced as next in order.

On objection, the bill was passed over.

The bill (S. 829) to provide for control and regulation of bank holding companies, and for other purposes, was announced as next in order.

On objection, the bill was passed over.

The bill (S. 18) to establish uniform qualifications of jurors in Federal courts, and for other purposes, was announced as next in order.

Mr. RUSSELL. Let the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 518) to amend the Nationality Act of 1940 to preserve the nationality of citizens who were unable to return to the United States prior to October 14, 1946, was announced as next in order.

Mr. RUSSELL. Let the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

TRANSFER OF REMOUNT SERVICE

The bill (H. R. 3484) to transfer the Remount Service from the War Department to the Department of Agriculture was announced as next in order.

Mr. THOMAS of Oklahoma. Mr. President, the bill which has just been called has been on the calendar for several months. The Senator from Oregon [Mr. MORSE] is in favor of the bill, but upon my objection the bill has been passed over. I desire to make a motion regarding the bill at the appropriate time, but not at this moment, and I shall ask to have the Senator from Oregon notified.

Mr. ROBERTSON of Virginia. Mr. President, I will say to the Senator from Oklahoma that I hope to be present when the motion is made.

The PRESIDENT pro tempore. Without objection, the bill will go to the foot of the calendar.

BILL AND RESOLUTION PASSED OVER

The bill (S. 1038) to amend the Federal Airport Act was announced as next in order.

Mr. BARKLEY. I ask that the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

The resolution (S. Con. Res. 6) to include all general appropriation bills in one consolidated general appropriation bill was announced as next in order.

SEVERAL SENATORS. Over.

The PRESIDENT pro tempore. On objection, the concurrent resolution will be passed over.

The bill (S. 493) to provide for the coordination of agencies disseminating technological and scientific information was announced as next in order.

SEVERAL SENATORS. Over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (H. R. 1389) to amend the Veterans' Preference Act of 1944 was announced as next in order.

Mr. LANGER. Over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 472) to authorize the appropriation of funds to assist the States and Territories in financing a minimum foundation education program of public elementary and secondary schools was announced as next in order.

SEVERAL SENATORS. Over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 1481) to authorize the Board of Commissioners of the District of Columbia to establish daylight-saving time in the District was announced as next in order.

SEVERAL SENATORS. Over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (H. R. 84) to amend the Nationality Act of 1940, as amended, was announced as next in order.

SEVERAL SENATORS. Over.

AUTHORIZATION TO WYANDOTTE INDIANS TO SELL TRIBAL CEMETERY

The bill (S. 1372) authorizing the Wyandotte Tribe of Oklahoma to sell tribal cemetery was announced as next in order.

Mr. KNOWLAND. Mr. President, I am informed that one of the Senators who is temporarily absent at this time has asked that this bill go over. So I ask that the bill go to the foot of the calendar until the Senator can return.

The PRESIDENT pro tempore. The bill will go to the foot of the calendar.

RESOLUTION PASSED OVER

The resolution (S. Res. 150) to discharge the Committee on the Judiciary from the further consideration of Senate Resolution 116 was announced as next in order.

SEVERAL SENATORS. Over.

The PRESIDENT pro tempore. The resolution will be passed over.

RETIREMENT PRIVILEGES TO PERSONNEL OF THE BUREAU OF NARCOTICS

The bill (S. 1089) to amend the Civil Service Retirement Act of May 29, 1930, as amended, so as to provide annuities for investigatory personnel of the Bureau of Narcotics who have rendered at least 20 years of service, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the first section of the Civil Service Retirement Act of May

29, 1930, as amended, is amended by adding at the end thereof the following new subsection:

"(f) Any agent, agent in charge, field supervisor, district supervisor, assistant to the Commissioner, Deputy Commissioner, or Commissioner of the Bureau of Narcotics of the Department of the Treasury, who is not less than 50 years of age and has rendered 20 years or more of service in one or more of the positions enumerated, may, on his own application and with the consent of the Secretary of the Treasury, retire from the service. Any such person shall upon retirement be entitled to an immediate annuity equal to 2 percent of his average basic salary for the 5 years next preceding the date of his retirement, multiplied by the number of years of such service, not exceeding 30 years."

RESOLUTION PASSED OVER

The resolution (S. Res. 144) authorizing an investigation of law enforcement and police administration in the District of Columbia, was announced as next in order.

Mr. LANGER. Over.

The PRESIDENT pro tempore. The resolution will be passed over.

PUBLIC LIBRARY SERVICE

The bill (S. 48) to provide for the demonstration of public library service in areas without such service or with inadequate library facilities, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That this act may be cited as the Public Library Service Demonstration Act.

STATEMENT OF POLICY

SEC. 2. (a) It is the purpose of this act to aid the States in demonstrating public-library service to those people now without it or with inadequate service, and to provide a means by which the values of public-library service may be studied and any resulting conclusions reported to the Nation.

(b) The provisions of this act shall not be so construed as to interfere with State and local initiative and responsibility in the conduct of public-library service. The administration of public libraries, the selection of personnel and library books and materials, and, insofar as consistent with the purposes of this act, the determination of the best uses of the funds provided under this act, shall be reserved explicitly to the States and their local subdivisions.

AVAILABILITY OF FUNDS

SEC. 3. Prior to the beginning of the next fiscal year after the passage of this act or to the beginning of one of the next two succeeding fiscal years in case a State is otherwise unable to qualify, the States may submit plans to the United States Commissioner of Education (hereinafter called the Commissioner) in order to receive payment of moneys made available for the purposes of this act.

SEC. 4. Upon passage of this act the Commissioner shall notify the States of benefits available. At the end of each quarter thereafter the Commissioner shall further inform any States not yet qualified of these benefits.

STATE PLANS

SEC. 5. (a) To qualify under this act, a State plan prepared by the State library administrative agency for the utilization of such funds for the benefit of the people shall—

1. Be accompanied by a certificate signed by the Governor of the State which shall designate a State library administrative agency legally constituted with adequate

powers, funds, and facilities to administer, supervise, and control the State plan and otherwise carry out the purposes of this act; certify that the State has made no reduction in the appropriation for the administration and operation of the State library administrative agency for the fiscal year in which the apportionment is to be made; designate the State treasurer (or, if there be no State treasurer, the officer exercising similar functions for the State) as custodian of funds received under this act from the Federal Government, to receive and provide for the proper custody of such funds;

2. Establish policies and methods to be followed in utilizing the funds to maximum advantage in the operating and rendering of library service, primarily in rural areas; including any rules, regulations, standards, and matching provisions of the State library administrative agency relating to the use of Federal funds within the State;

3. Contain such provisions as to the qualifications of personnel for appointment and administering the plan as are necessary to the establishment and maintenance of personnel standards;

4. Require that the State library administrative agency make reports, in such form and containing such information, as the Commissioner may from time to time require;

5. Provide that library services made available under this act shall be available free of charge, under such rules and regulations as the State library administrative agency shall prescribe, to aid in the demonstration and development of public-library service.

(b) The Commissioner shall approve any plan which fulfills the conditions specified in subsection (a) of this section. The duty of the Commissioner in approving a plan shall be solely the determination of whether the plan meets the specifications set forth in subsection (a). The Commissioner shall exercise no authority with respect to the selection, tenure of office, or compensation of any individual employed by a State library administrative agency or the local authority directly responsible for the operation of the demonstration.

(c) Uniformity of plans throughout the several States shall not be considered as a standard or condition precedent to the Commissioner's approval of plans.

FUNDS APPROPRIATED

SEC. 6. (a) There are hereby authorized to be appropriated for the purposes of this act such funds as may be required under the provisions of this act to assist the States in the provision of demonstrations of public-library service to areas in adequately served or unserved.

(b) There are hereby authorized to be included for each of four fiscal years following passage of this act in the appropriations of the Federal Security Agency such sums as are sufficient for the Commissioner, under the supervision and direction of the Federal Security Administrator, to carry out the provisions of this act: *Provided*, That an amount not to exceed more than 3 percent of the funds appropriated for the States may be used for this purpose.

PAYMENT TO STATES

SEC. 7. (a) From the funds made available for the purposes indicated in section 6 (a) the Secretary of the Treasury shall pay upon the certificate of the Commissioner, to each State having an approved plan the amount of \$25,000 each year of the demonstration, not to exceed 5 years.

(b) If an expanded plan is submitted by any State, within 4 years from the effective date of this act, and approved by the Commissioner, providing for an additional annual sum ranging from \$25,000 to \$75,000 to be supplied by the State or by a local governmental unit within the State or by both, the Secretary of the Treasury shall pay to that

State an additional amount each year for 5 years equal to the amount provided by the State or its local governmental unit for the program as set forth in section 2 (a).

(c) No portion of any money paid to a State under this act shall be applied, directly or indirectly, to the purchase or erection of any building or buildings, or for the purchase of any land.

ADMINISTRATION

Sec. 8. In carrying out his duties under this act, the Commissioner is required to make annual reports to the Congress as to the administration of this act, and to prepare a final report for public distribution outlining the results of the demonstration. He is authorized to gather such statistics, make such studies, investigations, and reports necessary for the fulfillment of this act.

DEFINITIONS

Sec. 9. As used in this act—

(a) The term "States" means the States of the United States, and Alaska, Hawaii, and Puerto Rico.

(b) "State library administrative agency" means the official State agency charged by State law with the extension and development of public-library services throughout the State.

(c) The term "public library" shall mean a library that serves free all residents of a community, district, or region, and receives its financial support in whole or in part from public funds.

(d) "Inadequate library service" shall be defined by the State library administrative agency.

PROFIT LIMITATIONS IN CONSTRUCTION OF VESSELS

The bill (H. R. 3051) to amend the act of July 19, 1940, and to amend section 2 and repeal the profit-limitation and certain other limiting provisions of the act of March 27, 1934, was announced as next in order.

Mr. LUCAS. Over.

Mr. GURNEY. Mr. President, this is a very important bill. I shall not ask that the objection be withheld, but I do ask unanimous consent that there be printed in the RECORD at this point an explanation of the bill. I hope that those interested, especially Senators who have objected, will read the explanation.

The PRESIDENT pro tempore. Without objection, the statement will be printed in the RECORD, and, on objection, the bill will be passed over.

The statement submitted by Mr. GURNEY is as follows:

REMARKS RE H. R. 3051

The purpose of H. R. 3051 is to amend certain provisions of the Vinson-Trammell Act and amendments thereto dealing with the construction of vessels and aircraft and profit limitations on contracts therefor. The legislation is also pertinent to the Department of the Air Force, insofar as it relates to the profit limitations on aircraft construction.

The Vinson-Trammell Act, approved March 27, 1934, is a permanent peacetime law and is the basic law governing the composition of the fleet. The profit-limitations provisions of the act relating to vessels and aircraft were made applicable to the construction of Army aircraft by section 14 of the act of April 3, 1939.

The Vinson-Trammell Act became law in 1934, at a time when we were in a period of depression, in order to maintain employment of skilled men in the naval shipyards, and in order to increase the abnormally low employment level. Due to radically different conditions existing in private naval and aircraft construction companies today as compared to 1934, the following objections to the Vinson-

Trammell Act, as amended, have been raised and are the subject of this bill:

1. This bill removes the limitation that 10 percent of naval aircraft, including the engines thereof, the procurement of which is authorized, must be manufactured in Government aircraft factories.

Since the close of the war the lack of Government orders has produced a critical situation in the private aircraft industry. The survival of this industry is dependent upon Government contracts, contracts for commercial and private aviation, and the contracts for foreign governments. Even the accumulated business from all three of the foregoing sources is not sufficient to sustain all of the companies who are competing for this business and it is a foregone conclusion that some of these private companies cannot survive.

The only Government-owned and Government-operated establishments, so far as the Navy is concerned, that could be used for the manufacture of aircraft pursuant to section 2 of the Vinson-Trammell Act, are the Naval Aircraft Factory at Philadelphia and the Naval Air Modification Center at Johnsville, Pa., both of these being components of the Naval Air Materiel Center at Philadelphia. It is of primary importance to the experimental and developmental programs of the Navy and of considerable importance to its maintenance programs, that the component units of the Naval Air Materiel Center continue to be available for service to these programs. Such service would be rendered impossible if it became necessary to use these establishments for the manufacture of 10 percent of the Navy's aircraft and engines.

2. This bill removes the limitation set forth in the Vinson-Trammell and associated acts that profits on contracts for the construction of naval vessels cannot exceed 10 percent and profits on contracts for both Army and Navy aircraft construction cannot exceed 12 percent.

It is a recognized fact that when a maximum profit is set by law such maximum-profit figure becomes a minimum-profit figure for the particular industries competing for the business. In compliance with the profit limitations provision it is necessary for the Government and contractor to conduct a complete cost analysis in order to determine the cost of the given vessel or aircraft so that the maximum profit limitation may be applied. This is an onerous and costly procedure even if the prime contractor is solely engaged in manufacturing for the Government. It is a common occurrence for the prime contractor to be simultaneously engaged in both private and Government contracts. This makes it necessary to conduct a cost analysis on the private-contract work in addition to the Government-contract work, so that the proportionate charge against the Government-contract work may be determined, and in each case the cost of auditing is expensive and becomes chargeable as a proper item of cost against the Government. This procedure increases prices to the Government. Recently the Senate passed H. R. 1366, the so-called procurement bill, which is expected to be signed by the President within a few days. The provisions of this act fully protect the Government on all matters of procurement.

3. This bill also removes the limitation that the first and each succeeding alternate vessel and the main engines, armor, and armament for such vessels should be constructed or manufactured in United States Government navy yards, gun factories, naval stations, ordnance plants, or arsenals. The committee, however, has amended the bill to provide that the President may have a vessel built in a Government or private yard, but it is the intent of the Congress that as fair and equal an allocation of new-vessel construction work as is practical be made between Government and private yards.

The continuance of such a limitation places the Navy Department in an inflexible and awkward position with respect to placing contracts for new ship construction. Depending on the nature of the construction and the existing work load, it is sometimes desirable to follow the above requirement. Also, the Nation is now faced with the problem of maintaining a healthy private shipbuilding industry as an asset for national security. In addition to removal of the blind requirement for competition with private industry, the Navy Department, from the standpoints of design and type of ship concerned, should have the choice of determining whether a new vessel should be constructed in Government or private facilities to insure that both are used to the best advantage in obtaining ships of the most advanced type.

The primary function of the naval industrial establishments is to support the fleet. The first consideration in that respect involves maintenance, repair, preservation, and improvements in existing ships; the construction of new vessels is a secondary consideration to this primary function. In addition to the active fleet there is now a reserve fleet of approximately 5,000,000 tons.

I want to correct a typographical error appearing in the Senate Report No. 630 for this bill, near the top of page 4, wherein it states that the Navy now has a reserve fleet of 500,000,000 tons. This should read "approximately 5,000,000 tons."

It is the opinion of the Navy Department that the maintenance and preservation of the active and reserve fleets will maintain all naval facilities which it is practicable to continue in operation at a level consistent with economy and available funds. In addition to this, special types, and types of ships classified for security reasons, will continue to be built in naval facilities. Construction of standard-type vessels for which specifications are clearly drawn is considered to be properly within the field of private industry. The Navy Department proposes that a fair and equal allocation of new-vessel construction work shall be made between Government and private yards insofar as it is possible, considering the conditions and procedures described above.

The fiscal effects of the repeal of the provisions as set out in the proposed legislation cannot be adequately determined; however, it is believed that no additional expense will be incurred by the Government and that savings may, in fact, be anticipated.

BILLS PASSED OVER

The bill (S. 1356) providing for the incorporation of the Franco-American War Veterans, was announced as next in order.

SEVERAL SENATORS. Over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 430) to amend the Civil Service Retirement Act, approved May 29, 1930, as amended, so as to make such act applicable to officers and employees of national farm loan associations and production credit associations was announced as next in order.

Mr. SALTONSTALL. Over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 1557) to incorporate the Catholic War Veterans of the United States of America, was announced as next in order.

SEVERAL SENATORS. Over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 1375) to incorporate the Jewish War Veterans of the United States

of America, was announced as next in order.

SEVERAL SENATORS. Over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (H. R. 3978) to provide for the temporary advancement in ranks and increase in salary of lieutenants in the Metropolitan Police force of the District of Columbia, serving as supervisors of certain squads, was announced as next in order.

SEVERAL SENATORS. Over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 1663) to prohibit the payment of retirement annuities to former Members of Congress convicted of offenses involving the improper use of authority, influence, power, or privileges as Members of Congress, was announced as next in order.

Mr. LANGER. Over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 968) to authorize the Public Utilities Commission of the District of Columbia to limit the number of taxicabs licensed and operated in the District of Columbia, was announced as next in order.

Mr. LANGER. Over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (H. R. 4042) to control the export to foreign countries of gasoline and petroleum products from the United States, was announced as next in order.

Mr. LUCAS. Over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 1653) to control the export to foreign countries of gasoline and petroleum products from the United States, was announced as next in order.

Mr. LUCAS. Over.

The PRESIDENT pro tempore. The bill will be passed over.

NATIONAL ARCHIVES OF THE UNITED STATES GOVERNMENT

The bill (H. R. 1350) to amend the act entitled "An act to establish a National Archives of the United States Government, and for other purposes," was considered, ordered to a third reading, read the third time, and passed.

BILLS AND JOINT RESOLUTIONS PASSED OVER

The bill (S. 1015) to amend section 7 of the act of June 25, 1910, as amended, to reduce the interest rate on postal-savings deposits to 1 percent per annum, was announced as next in order.

Mr. LANGER. Over.

The PRESIDENT pro tempore. The bill will be passed over.

The joint resolution (S. J. Res. 37) requesting the President to proclaim February 1 as National Freedom Day, was announced as next in order.

Mr. BARKLEY. Over.

The PRESIDENT pro tempore. The joint resolution will be passed over.

The joint resolution (S. J. Res. 111) approving the agreement between the United States and Canada relating to the Great Lakes-St. Lawrence Basin with the exception of certain provisions thereof, was announced as next in order.

SEVERAL SENATORS. Over.

The PRESIDENT pro tempore. The joint resolution will be passed over.

The bill (H. R. 2239) to amend section 13 (a) of the Surplus Property Act of 1944, as amended, was announced as next in order.

SEVERAL SENATORS. Over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 1004) to amend the Atomic Energy Act of 1946, so as to provide that no person shall be appointed as a member of the Atomic Energy Commission or as general manager of such Commission until an investigation, with respect to character, associations, and loyalty of such person shall have been made by the FBI, was announced as next in order.

Mr. LUCAS. Over.

The PRESIDENT pro tempore. The bill will be passed over.

The joint resolution (S. J. Res. 164) to authorize the Regional Agricultural Credit Corporation of Washington, District of Columbia, to make loans to fur farmers and for other purposes was announced as next in order.

Mr. LUCAS. Over.

The PRESIDENT pro tempore. The joint resolution will be passed over.

FOOT-AND-MOUTH DISEASE RESEARCH

The Senate proceeded to consider the bill (S. 2038) to enable the Secretary of Agriculture to conduct research on foot-and-mouth disease and other diseases of animals and to amend the act of May 29, 1884.

Mr. KNOWLAND. Mr. President, may we have an explanation of the bill?

Mr. THYE. Mr. President, this bill would permit the acquisition of land, and would also authorize the establishment of a research laboratory in the United States to further the acquisition of knowledge regarding foot-and-mouth disease. The disease exists now in central Mexico, only a few hundred miles from the border of the United States. In the event there should be an outbreak of that disease in the United States, it could cost livestock farmers many million dollars. For that reason it is felt and recommended by the Department of Agriculture that a research laboratory should be established somewhere, either on an island adjacent to the United States, or within some area of the United States, so that research could be conducted, and so as to perfect the known vaccine which exists today, or develop some other type of vaccine to guard against the disease. That is the purpose of the bill.

Mr. KNOWLAND. Reserving the right to object, I should like to say to the able Senator from Minnesota that I fully recognize the importance of eradicating foot-and-mouth disease, because there was a very bad outbreak in my State of California in 1924 and in 1929, which resulted in the loss of tens of thousands of head of cattle to the farmers of the State. The State Department of Agriculture is very much concerned about the establishment of a laboratory within the continental confines of the United States. This virus is so infectious that if it should spread from a place which was not properly segregated it might

cause untold loss to the livestock industry and dairy industry of the Nation. I was wondering whether the Senator would have any objection to an amendment which would limit the establishment of such a laboratory to an offshore island.

Mr. THYE. I should have no objection to such an amendment, but I call the Senator's attention to this fact: It has been brought to our notice that a peninsula could be found, and it might be possible to isolate the point of it so that those on the peninsula could have contact with the mainland, so to speak, and the laboratory would not be established on an island, leading to difficulty of navigating to and from the island, and necessitating the personnel having to be transported by boat to the island for the purpose of conducting the research activities. I think that if the Senator would examine the map he would probably find a peninsula which could be entirely segregated from the adjoining land, either by a fence or by a bridge. I could call his attention to such a peninsula if I cared to do so, but I do not think we should disclose the particular location at this time. That is why I do not desire to be specific.

Mr. KNOWLAND. I wonder if the Senator would object to having the bill go to the foot of the calendar.

Mr. THYE. I may say that delay in deciding this question is embarrassing to the Department of Agriculture. While I do not say that I would object to the bill going over today, if it should be delayed for another day, I would ask the Senator to examine the matter very carefully, because every minute of delay is jeopardizing the livestock industry of the United States.

Mr. KNOWLAND. I am fully alive to the importance of the problem; and if this bill called for an appropriation of funds to finance combating the disease and there were an emergent situation, I should not even hold the bill up and ask that it go to the end of the calendar today, but I should like to have a chance to examine the bill.

Mr. THYE. If the Senator will ask that it be placed at the end of the calendar, that will be satisfactory.

The PRESIDENT pro tempore. The bill will be placed at the end of the calendar.

BILL PASSED OVER

The bill (S. 2123) to exempt certain officers of the Regular Army and Regular Air Force from the provisions of statutes requiring retirement by reason of age, and for other purposes, was announced as next in order.

Mr. LANGER. Over.

The PRESIDENT pro tempore. The bill will be passed over.

TRANSPORTATION FOR CERTAIN GOVERNMENT AND OTHER PERSONNEL

The Senate proceeded to consider the bill (S. 1525) to provide for furnishing transportation for certain Government and other personnel, and for other purposes, which had been reported from the Committee on Armed Services with amendments.

The first committee amendment was, on page 1, line 3, after the words "Secretary of", to strike out "War or", and insert "the Army."

The amendment was agreed to.

Mr. LANGER. Mr. President, may we have an explanation of the bill?

Mr. GURNEY. Mr. President, the purpose of the bill is to allow the Army, the Navy, and the Air Force to furnish bus transportation in places where commercial transportation is not available, such as experimental stations in desert areas, where we are now carrying on some experiments, to which commercial transportation is not possible. The bill would allow such service to be continued under the same powers as existed during wartime.

Mr. LANGER. Does the bill affect per diem payments?

Mr. GURNEY. No.

The PRESIDENT pro tempore. The clerk will state the next amendment.

The next amendment of the committee was on page 2, line 4, after the word "Navy", to insert "or the Secretary of the Air Force."

The amendment was agreed to.

The next amendment was, in paragraph 1, page 2, line 8, after the words "by the", to strike out "War Department or Navy Department" and insert "Department of the Army, the Department of the Navy, or the Department of the Air Force"; in line 12, after the words "of the", to strike out "War Department or Navy Department," and insert "Department of the Army, the Department of the Navy, or the Department of the Air Force"; in line 18, after the words "Secretary of", to strike out "War or" and insert "the Army," and in line 19, after the word "Navy", to insert "or the Secretary of the Air Force."

The amendment was agreed to.

The next amendment was, in paragraph 2, page 3, line 3, after the words "Secretary of", to strike out "War or" and insert "the Army"; and in line 4, after the word "Navy", to insert "or the Secretary of the Air Force."

The amendment was agreed to.

The next amendment was, in paragraph 3, page 3, line 13, after the words "Secretary of", to strike out "War or" and insert "the Army"; and in line 14, after the word "Navy" to insert "or the Secretary of the Air Force."

The amendment was agreed to.

The next amendment was, in paragraph 4, on page 3, line 19, after the words "Secretary of", to strike out "War and" and insert "the Army"; in line 20, after the word "Navy", to insert "and the Secretary of the Air Force"; in line 22, after the words "Secretary of", to strike out "War or" and insert "the Army"; in line 23, after the word "Navy", to strike out "or the Secretary of the Air Force"; and on page 4, line 2, after the word "means", to insert "that reasonable effort has been made to induce operators of private facilities to provide the necessary service."

The amendment was agreed to.

The next amendment was, in section 2, page 4, line 8, after the words "Secretary of", to strike out "War and" and insert "the Army"; in line 9, after the word "Navy", to insert "and the Secretary of

the Air Force"; in line 17, after the word "operation", to strike out "and"; in line 18, after the words "Secretary of", to strike out "War or" and insert "the Army"; in line 19, after the word "Navy", to insert "or the Secretary of the Air Force"; and in line 20, after the word "exercised", to insert a semicolon and the following: "and (5) for each activity for which transportation facilities were provided, the maximum number of motor vehicles or water carriers used, the total miles operated, the total revenue from fares or proceeds from the leasing or chartering of equipment, the operating and maintenance expense, depreciation, gross cost, and net cost."

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That whenever the Secretary of the Army, the Secretary of the Navy, or the Secretary of the Air Force shall determine that the effective conduct of the affairs of his department requires assured and adequate transportation facilities to and from their places of employment for personnel attached to or employed by such department, including, during any period of war, personnel attached to or employed by private plants engaged in the manufacture of material for such departments, he is hereby authorized in the absence of adequate private or other facilities to provide such transportation, by motor vehicle or water carrier, subject, however, to the following provisions and conditions:

1. The equipment required to provide such transportation facilities may be either purchased, leased, or chartered for operation by the Department of the Army, the Department of the Navy, or the Department of the Air Force, and when so obtained may be maintained and operated either by enlisted personnel, civil employees of the Department of the Army, the Department of the Navy, or the Department of the Air Force or by private personnel under contract with such departments. Equipment so obtained may also be leased or chartered to private or public carriers for operation under such terms and conditions as the Secretary of the Army, the Secretary of the Navy, or the Secretary of the Air Force, or such official within their respective departments as they may designate, shall determine necessary and advisable under the existing circumstances: *Provided*, That any equipment purchased, leased, or operated by authority of this act shall have a seating capacity of 12 or more passengers.

2. That in each case where transportation facilities are provided hereunder, reasonable rates of fare for the service furnished shall be established and charged under such regulations as the Secretary of the Army, the Secretary of the Navy, or the Secretary of the Air Force shall prescribe; the receipts from such fares, and the proceeds from the leasing or chartering of any equipment as provided in the foregoing paragraph, shall be deposited in the Treasury of the United States to the credit of miscellaneous receipts.

3. The facilities and service authorized hereunder shall be utilized only for the transportation of personnel heretofore enumerated and for the purpose heretofore stated, under such rules and regulations as may be prescribed by authority of the Secretary of the Army, the Secretary of the Navy, or the Secretary of the Air Force: *Provided, however*, That where the equipment and facilities herein provided for are pooled under lease or charter agreements, the reciprocal use of Government-owned and private-owned equipment shall be deemed to be within the intent of this paragraph.

4. The authority herein granted the Secretary of the Army, the Secretary of the Navy, and the Secretary of the Air Force shall be exercised in each case only after a determination by the Secretary of the Army, the Secretary of the Navy, or the Secretary of the Air Force, or such official within their respective departments as they may designate, as the case may be, that existing private and other facilities are not and cannot be rendered adequate by other means, that reasonable effort has been made to induce operators of private facilities to provide the necessary service, and that its exercise will result in the most efficient method of supplying transportation to the personnel concerned and a proper utilization of transportation facilities.

SEC. 2. It shall be the duty of the Secretary of the Army, the Secretary of the Navy, and the Secretary of the Air Force, respectively, to file with the Congress, within 60 days after the end of the fiscal year a summarized report of the exercise of the authority herein granted, which report shall include (1) location, nature, and size of the activity for which transportation facilities were provided; (2) type, amount, and original cost of equipment furnished; (3) outline of lease or charter for rented or reciprocally used equipment with total costs for period of use or operation; (4) citation of authority of the Secretary of the Army, the Secretary of the Navy, or the Secretary of the Air Force under which exercised; and (5) for each activity for which transportation facilities were provided, the maximum number of motor vehicles or water carriers used, the total miles operated, the total revenue from fares or proceeds from the leasing or chartering of equipment, the operating and maintenance expense, depreciation, gross cost, and net cost.

SEC. 3. The act entitled "An act to provide for furnishing transportation for certain Government and other personnel necessary for the effective prosecution of the war, and for other purposes," approved December 1, 1942 (56 Stat. 1024), as amended by subsections (a) and (b) of section 1 of the act of April 9, 1946 (60 Stat. 86), is hereby repealed.

TEMPORARY EXTENSION OF CERTAIN POWERS UNDER SECOND DECONTROL ACT OF 1947

The bill (S. 1807) to provide for the temporary extension of the Export Control Act and title III of the Second War Powers Act, was announced as next in order.

The PRESIDENT pro tempore. The Chair calls the attention of the Senator from Ohio [Mr. TAFT] to House bill 5391, which has just been messaged from the House of Representatives, which the clerk will state by title.

The CHIEF CLERK. A bill (H. R. 5391) to continue for a temporary period certain powers, authority, and discretion conferred on the President by the Second Decontrol Act of 1947.

Mr. TAFT. Mr. President, the bill which has just been called on the calendar would extend the Second Decontrol Act for a period of a year or more. The House has passed a measure providing for a 30-day extension of the Second Decontrol Act. My own suggestion is that the Senate proceed to consider the House bill, and to amend it so as to extend the controls for 90 days. In my opinion, by the first of June we may be able to eliminate a good many of the controls contained in the Second Decontrol Act. We probably will have to continue the control of tin, although it

is possible something may develop in the next 3 months which will make that unnecessary. But if the import controls on fats and oils, the import controls on rice, and a good many other controls which are contained in this particular act are carefully examined by the committee and if we put off final action until somewhere near the end of the session so we can see whether or not certain controls can be eliminated, I think we will find that some can be eliminated, so we will only have to continue the very limited number of controls that still remain under the Second War Powers Act.

Mr. President, I ask unanimous consent for the immediate consideration of House bill 5391.

The PRESIDENT pro tempore. Is there objection?

There being no objection, the Senate proceeded to consider the bill (H. R. 5391) to continue for a temporary period certain powers, authority, and discretion conferred on the President by the Second Decontrol Act of 1947.

Mr. TAFT. Mr. President, in two places in the House bill the date March 31 appears. I offer the amendment that in both cases the date be changed from March 31 to May 31; in other words, that "May" be substituted for "March" in both instances.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Ohio.

The amendment was agreed to.

The PRESIDENT pro tempore. The question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

Mr. LODGE. Mr. President, I wanted to ask a question before the bill was passed. What provision is made in it for tin?

Mr. TAFT. There is a continuation of the powers which now exist, for a period of 90 days.

Mr. LODGE. Is there a substantial difference between the Senate bill and the House bill?

Mr. TAFT. None whatever, I think, except I believe the Senate bill eliminated quinine. I think that is about all the difference there is. Quinine had been decontrolled anyway. At any rate, under the bill control is continued for 90 days only.

The PRESIDENT pro tempore. The Chair assumes that the Senator from Ohio wishes to have the Senate bill indefinitely postponed?

Mr. TAFT. I think the Senate bill might well remain on the calendar.

The PRESIDENT pro tempore. Very well; the bill will remain on the calendar.

AMENDMENT OF INTERSTATE COMMERCE ACT—RAILROAD REORGANIZATION

The bill (H. R. 2298) to amend the Interstate Commerce Act, as amended, and for other purposes, was announced as next in order.

Mr. LANGER. Over.

Mr. REED. Mr. President, I should be very glad if the Senator would withhold

his objection so I could make a brief explanation of the bill.

Mr. LANGER. The bill is very important. I have not had time to examine it. I shall be glad, however, to withhold my objection.

Mr. REED. Normally I would agree with the Senator from North Dakota that important legislation such as is contained in House bill 2298 should not be passed on the call of the calendar. However, the subject matter of the bill has been debated for 3 years in both Houses of Congress. The House has passed six or seven bills dealing with the subject. Two years ago the Senate passed a bill dealing with the subject, which was vetoed by the President. The Committee on Interstate and Foreign Commerce has considered the bill. The committee has held hearings. We have deleted from the bill every controversial point. No one, to my knowledge, objects to any provision of the bill. The committee reported it unanimously. The Interstate Commerce Commission gave it a prompt and vigorous recommendation. The organizations which make loans to the railroads do not object. The railroads themselves want it. There is no objection to the bill from any source of which I have knowledge.

I should like to say one thing further. There is an important railroad in the northeastern section of the United States which has some early maturities of bonded indebtedness. It is important that the bill pass at an early date in order to give the Lehigh Valley Railroad the benefit which would come from the operation of the bill. I hope there will be no objection to it.

Mr. HAWKES. Mr. President, will the Senator yield to me at that point?

Mr. REED. Yes, I shall be happy to yield; but I remind the Senator that I have only 5 minutes.

Mr. HAWKES. I shall take the time I now consume out of my own time. I simply want to say that the Senator from North Dakota would like very much to have the Senator from Kansas cite the two or three important things the bill would do. The Senator from North Dakota is not opposed to the bill. He simply wants the Senator from Kansas to cite the simple things which have been debated and handled by the Senator from Kansas and myself and dozens of others for 2 or 3 years.

I am thoroughly in accord with what the Senator from Kansas has said. The committee has studied this problem. There has been a meeting of minds on this bill. In my opinion, the subject has been thoroughly discussed, and the bill should be passed.

Mr. REED. Mr. President, up to this time there has been no way to reorganize a railroad except through equity receivership, or under section 77 of the Bankruptcy Act. Both those procedures are lengthy. They require much time and an enormous amount of money.

The first part of House bill 2298 provides a voluntary method, which the Congress first recognized in the passage of the so-called Chandler Act in 1933. That was followed by the McLaughlin Act, which I think was passed in 1942.

We have written into this bill what is intended to be a permanent statute, providing a method by which railroads may take advantage, through voluntary reorganization, of what the Congress did in the Chandler Act and in the McLaughlin Act.

Furthermore, we have attempted to provide for a period in the future, if it should ever come—and we all hope it will not—when railroads may be in as bad condition as they were in 1930. We have imposed upon the Interstate Commerce Commission an obligation to report any changes which may occur during the process of reorganization. Some reorganization plans have covered a period of 6 or 7 years, and the financial condition of the bankrupt railroad has changed considerably.

There is no objection from any source to any provision of this bill. We have sought to impose certain duties upon the courts and upon the Interstate Commerce Commission. We have written the best provision we could for an equitable division all around, including the stockholders, the bondholders, and all concerned in railroad reorganization.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

Mr. AIKEN. Let the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

Mr. REED. Mr. President, where does the objection come from?

The PRESIDENT pro tempore. The Senator from Vermont objected.

Mr. AIKEN. I object to the present consideration of the bill. I appreciate the Senator's explanation, but it is too much to digest on the spur of the moment. I should like time to read and study the bill.

Mr. REED. It has been on the calendar for some time.

The PRESIDENT pro tempore. The bill will be passed over.

Mr. REED subsequently said: Mr. President, I have had a conversation with the Senator from Vermont [Mr. AIKEN], who authorizes me to say that he withdraws his objection to the bill H. R. 2298, which is No. 936 on the calendar. I ask that the Senate return to that bill.

Mr. LANGER. I object.

The PRESIDENT pro tempore. Objection is heard.

SERVICE CREDIT FOR PAY PURPOSES

The Senate proceeded to consider the bill (S. 1790) 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, which had been reported from the Committee on Armed Services with an amendment, to strike out all after the enacting clause and insert:

That (a) the first section of the act 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 (Public Law 309, 79th Cong.), is amended by inserting immediately following "Army," the words "Air Force."

(b) Section 2 of such act is amended to read as follows: "The provisions of this act shall be effective from June 1, 1942."

The amendment was agreed to.

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

ADMISSION OF CANADIAN STUDENTS TO SERVICE ACADEMIES

The bill (S. 1723) to amend Public Law 168, Seventy-seventh Congress, first session, an act to authorize the course of instruction at the United States Naval Academy was announced as next in order.

Mr. LODGE. Mr. President, may we have an explanation of the bill?

Mr. MAYBANK. Mr. President, this bill does not increase the appropriations, nor does it increase the number of students at either West Point or Annapolis. It amends the law to give representation to students from Canada—the same representation as is accorded to students of other American republics. It would put no more students in Annapolis or West Point. Because of the unification of the armed services, the bill was written in this form to amend the old Navy Educational Act.

Mr. LODGE. As I understand, the bill would not change the fundamental course of instruction.

Mr. MAYBANK. Oh, no. It would merely give the right to the Academy to add Canadian students, as students from Central American or South American republics are added, the number not to exceed the present number of 20.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

Mr. LANGER. What is it proposed to do with respect to Central and South American countries?

Mr. MAYBANK. At the present time a certain number of students from American republics are permitted to attend West Point and Annapolis. The bill would merely give the same privilege to students from Canada.

Mr. LANGER. I object.

The PRESIDENT pro tempore. The bill will be passed over.

BILLS PASSED OVER

The bill (S. 1107) to amend section 2 of the joint resolution approved November 17, 1941, relating to the arming of American vessels was announced as next in order.

Mr. LODGE. Mr. President, may we have an explanation of this bill?

Mr. CAPEHART. Let the bill go over. The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 1571) to promote the national defense by increasing the membership of the National Advisory Committee for Aeronautics was announced as next in order.

Mr. LODGE. Mr. President, may we have an explanation of this bill?

Mr. CAPEHART. Let the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

CONTROL OF GRAIN FOR PRODUCTION OF ETHYL ALCOHOL

The joint resolution (S. J. Res. 186) to authorize allocation and inventory control of grain for the production of ethyl alcohol, to conserve grain in aid of the national defense, and in furtherance of stabilization of the national economy, was announced as next in order.

Mr. MYERS. Mr. President, with regard to Senate Joint Resolution 186, when similar legislation was under consideration during the special session certain statements were placed in the RECORD with regard to a well-considered Pennsylvania industry, in connection with its grain quota, and also with regard to the grain and grain products used by that company during the period from October 26, 1947 to December 31, 1947.

In view of those statements, and in order that the record may be kept straight, I ask unanimous consent to have printed in the RECORD at this point a statement with regard to the history of Publicker Industries Inc., a Pennsylvania industry; also a letter from the Department of Agriculture with regard to the grain quota of that company, in comparison with the industry as a whole; and also a letter from the Treasury Department which sets forth that no grain or grain products were used by that company for the period from October 26, 1947, to December 31, 1947.

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

ABOUT PUBLICKER INDUSTRIES, INC.

Publicker Industries, Inc., was founded in 1913 in Philadelphia as the Publicker Commercial Alcohol Co. for the purpose of producing ethyl alcohol by the fermentation of blackstrap molasses. Alcohol, in various forms for industrial and beverage purposes, was produced in these early days, and beverage spirits made from molasses were sold to rectifiers and other permittees as early as 1913. In the late 1920's the company began installing facilities for the production of alcohol from grain.

In 1924 the company greatly expanded its facilities through the erection of its Bigler Street plant, which is now the largest alcohol producer in the world. About 1928 grain-handling facilities were added to this plant and grain spirits were made and sold to permittees desiring this commodity. These facilities were repeatedly enlarged.

With the repeal of prohibition in 1933, Publicker actively entered the beverage-distilling field through a subsidiary, the Continental Distilling Corp. The original Continental plant now has the largest capacity of any beverage distillery in the world. When Publicker entered the distilled-spirits field, competitors like Seagram had not yet acquired their first United States plant, while Schenley and National Distillers were still to begin the acquisition of small plants which is responsible for their present size. These acquisitions reached a peak during the wartime expansion of these companies when the entire beverage industry was producing war alcohol. Much of their present position in the industry came about through the purchase of many small units with whisky in storage, while Publicker's growth was one of expansion by increasing its own facilities.

In the spring of 1941 Publicker officials pointed out to the Government that the increasing effectiveness of Nazi submarine activities threatened the entire industrial alcohol production of the United States. To forestall the Nazi U-boat menace, Publicker urged the Government to equip all alcohol-producing plants on the east coast with grain-handling facilities, so that they would no longer be dependent upon molasses.

When war came Publicker, along with other United States producers, concentrated its vast facilities on the production of alcohol for our wartime program. Without awaiting Government action, Publicker in the summer of 1941 made arrangements to switch a large part of its existing fermentation and distilling capacity to the use of grain at its Bigler Street plant. As a result the company was able to handle 45,000 bushels of grain a day. This gave the company a daily grain alcohol production of approximately 225,000 gallons. Immediately after Pearl Harbor the Publicker company applied for priorities to construct at its own expense 65,000 bushels additional daily grain-handling facilities.

The Government delayed action on this request until the summer of 1942—until it developed a grain-handling program for the entire beverage- and industrial-alcohol industry. At least 26 projects for the wartime expansion of distillery and industrial alcohol plants were included in this program. Publicker, first to propose the expansion of grain-handling facilities for the industry, was practically the last to have its project approved.

Practically each and every United States distillery and industrial alcohol plant which could possibly contribute to the war effort received Government aid in the form of equipment and/or priorities, and in most cases the Government financed their wartime expansion.

In the case of Publicker the Government installed primarily equipment to dry the residue after distillation. This was done to avoid waste of valuable cattle feed.

It must be distinctly understood that not one gallon of additional fermentation or still capacity was added to the Publicker plant with or without Government money during the war. The fermentation and still capacity had been provided by the company at its own expense prior to the war. One beer still was included in the above-mentioned grain-handling program, but it was for the production of butanol and acetone, two highly essential war chemicals, of which Publicker is also the largest producer. Publicker would have been able, even without the Government grain-handling facilities, to have greatly increased its alcohol production from grain, but this would have entailed the utilization of many makeshift methods and would have resulted in especially high-cost alcohol to the Government.

It is interesting to point out here that the foresight of the Publicker Co. in expanding its grain-handling facilities in the summer of 1941, a year before Government action, practically kept the Government's synthetic-rubber program going. Originally, the Government started its synthetic-rubber program on a 100-percent-petroleum basis. Then, as a result of the Bernard M. Baruch report, it was changed to part alcohol and part petroleum production. But the stepped-up United States aviation program caused so heavy a demand for butane for high-test gasoline, that petroleum for the rubber program had to be diverted for wartime aviation expansion. Publicker, having prior to the war increased its grain-handling capacity to 45,000 bushels, was by far the largest single producer of alcohol needed for synthetic-rubber production, which kept the program going until the Government could expand the production capacity of other distillers and industrial-alcohol plants.

DEPARTMENT OF AGRICULTURE,
Washington, February 6, 1948.

Dr. LEWIS H. MARKS,
Executive Vice President,
Publicker Industries, Inc.,
Philadelphia, Pa.

DEAR DR. MARKS: This is in reply to your letter of January 30, 1948, in which you request data regarding Publicker Industries grain quota in comparison with that for the industry as a whole. The Publicker plants under consideration are Continental Distilling Corp., RD 1 Pa.; Continental Distilling Corp., RD 14 Pa.; Kinsey Distilling Corp., RD 10 Pa.; and Publicker Industries, Inc., IAP 160 Pa.

On a strict capacity basis, the Publicker companies consolidated grain quota would have been 23.5 percent of the industry's total.

On the present allocation formula, as presented in appendix A of the Order Allocating Grain to Distillers, the Publicker companies' consolidated quota is 14.7 percent of the industry's total.

Sincerely,

N. E. DODD,
Under Secretary.

TREASURY DEPARTMENT,
Washington, February 17, 1948.

Dr. LEWIS H. MARKS,
Executive Vice President,
Publicker Industries, Inc.,
Philadelphia, Pa.

GENTLEMEN: Receipt is acknowledged of your letter of February 4, 1948, requesting confirmation from Bureau records of the following statements concerning the use of grain by Publicker companies from October 26, 1947, through January 1, 1948:

1. Whether the Publicker companies, including all of the grain distilling plants operated by Publicker, including its subsidiaries Continental and Kinsey, did in fact stop mashing grain for beverage purposes on October 25.

2. Whether the Publicker companies used any grain for beverage purposes during the period October 26, 1947, to January 1, 1948, inclusive.

According to the records in this office, the quantity of grain and grain products used at plants operated by Publicker companies for the period October 26, 1947, to December 31, 1947, inclusive, was as follows:

R. D. No. 3—Publicker Commercial Alcohol Co. of Louisiana, Inc., Westwego, La.: None.

R. D. No. 1—Continental Distilling Corp., Philadelphia, Pa.: None.

R. D. No. 10—Kinsey Distilling Corp., Linfield, Pa.: None.

R. D. No. 14—Continental Distilling Corp., Philadelphia, Pa.: None.

I. A. P. No. 29—Publicker Industries, Inc., Philadelphia, Pa.: None.

I. A. P. No. 231—Continental Distilling Corp., Philadelphia, Pa.: None.

I. A. P. No. 239—Publicker Commercial Alcohol Co. of Louisiana, Inc., Westwego, La.: None.

I. A. P. No. 160—Publicker Industries, Inc., Philadelphia, Pa.: 28,856,655 pounds (515,297.4 bushels) used in butyl-acetone fermentation (from which 245,555 proof gallons of ethyl alcohol was produced).

The Bureau records are not such as will permit the determination of whether the ethyl alcohol was used for industrial or beverage purposes. However, the Bureau has been advised by the district supervisor, Alcohol Tax Unit, Philadelphia, Pa., that the ethyl alcohol derived from the butyl-acetone fermentation process at industrial alcohol plant No. 160, operated by Publicker Industries, Inc., Philadelphia, Pa., during the period from October 26, 1947, through December 31, 1947, was denatured under various formulas for industrial purposes.

Statistics for January 1, 1948, are not available.

Very truly yours,
CARROLL E. MEALEY,
Deputy Commissioner.

The PRESIDENT pro tempore. Is there objection to the present consideration of Senate Joint Resolution 186?

Mr. CAPEHART. Let the joint resolution go over.

The PRESIDENT pro tempore. The joint resolution will be passed over.

USE AND OCCUPANCY OF NATIONAL FOREST LANDS

The bill (H. R. 1809) to facilitate the use and occupancy of national forest lands and for other purposes was announced as next in order.

Mr. CORDON. Mr. President, reserving the right to object, I note that the provisions of House bill 1809, Calendar 943, permit the Secretary of Agriculture to adopt rules and regulations permitting the use by private individuals of portions of the public domain within national forests for a period up to 30 years. I also note that there is no provision for giving notice of intention to do so. In view of the fact that this plan includes commercialization of those areas, unless the bill can be amended to provide for adequate public notice I must ask that it go over.

The PRESIDENT pro tempore. The bill will be passed over.

BILL PASSED OVER

The bill (S. 2142) to make the Government-owned alcohol plant at Muscatine, Iowa, available for processing agricultural commodities in the furtherance of authorized programs of the Department of Agriculture, and for other purposes, was announced as next in order.

SEVERAL SENATORS. Over.

The PRESIDENT pro tempore. The bill will be passed over.

PAYMENT OF SALARIES AND EXPENSES OF CERTAIN OFFICIALS OF FORT PECK GENERAL COUNCIL

The Senate proceeded to consider the bill (S. 1021) authorizing the Secretary of the Interior to pay salaries and expenses of the chairman, secretary, and clerk, of the Fort Peck General Council, members of the Fort Peck Business Committee, and other committees appointed by said Fort Peck General Council, and official delegates of the Fort Peck Tribe, which had been reported from the former Committee on Public Lands with an amendment, to strike out all after the enacting clause and insert:

That the Secretary of the Interior, or his duly authorized representative, is hereby authorized, beginning as of July 1, 1947, and until otherwise directed by Congress, to pay out of any unobligated tribal funds of the Fort Peck Indians in the Treasury of the United States the following salaries and expenses:

To the chairman, secretary, and clerk of the Fort Peck General Council and members of the Fort Peck Tribal Executive Board or other committees appointed by the general council, when engaged on business of the tribes, a salary of not to exceed \$8 per day and a per diem of not to exceed \$3 in lieu of subsistence and all other expenses; to such

official delegates of the Fort Peck Tribes, who may carry on the business of the tribes at the seat of government, a salary of not to exceed \$8 per day and a per diem of \$10 in lieu of subsistence and all other expenses: *Provided*, That the rate of salary and per diem paid shall be fixed in advance by the general council of said tribes or by the tribal executive board of the said tribes if authorized by said general council: *Provided further*, That the official delegates of the tribes carrying on said business at the seat of government shall also receive the usual railroad and sleeping-car or airplane transportation to and from the seat of government, or, if travel is by automobile, delegates furnishing such transportation shall receive an amount equivalent to the cost of their railroad and sleeping-car transportation to and from the seat of government, but salary and per diem shall not be paid to delegates traveling by automobile for any period in excess of the time required to perform the travel by railroad: *Provided further*, That the total amount of the aforesaid salaries and expenses shall not exceed \$10,000 per annum: *And provided further*, That the length of stay of the official delegates at the seat of government shall be determined by the Commissioner of Indian Affairs.

Mr. LANGER. Mr. President, may we have an explanation of the bill? What is the Fort Peck General Council? Is it a council of Indians?

Mr. MURRAY. Mr. President, the Fort Peck General Council is a council of the Indians. These funds belong to the Indians and are held in trust by the Secretary of the Interior. The bill merely authorizes him to pay the salaries of officers of the tribal council. It has the full approval of the committee.

The PRESIDENT pro tempore. The question is on agreeing to the committee amendment.

The amendment was agreed to.

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

The title was amended so as to read "A bill authorizing the Secretary of the Interior to pay salaries and expenses of the chairman, secretary, and clerk of the Fort Peck General Council, members of the Fort Peck tribal executive board, and other committees appointed by said Fort Peck General Council, and official delegates of the Fort Peck Tribes."

AMENDMENT OF NATIONAL SERVICE LIFE INSURANCE ACT

The bill (H. R. 4141) to amend section 602 (d) (5) of the National Service Life Insurance Act of 1940, as amended, to extend for 2 years the time within which eligible persons may apply for gratuitous insurance benefits was considered, ordered to a third reading, read the third time, and passed.

ELIGIBILITY FOR BURIAL IN NATIONAL CEMETERIES

The bill (S. 1620) to establish eligibility for burial in national cemeteries, and for other purposes, was announced as next in order.

Mr. SALTONSTALL. Mr. President, may we have an explanation of the bill?

Mr. BUTLER. Mr. President, I do not have my detailed notes with me at the moment, but I can give the Senator the explanation in substance.

In the past, the custom has been to permit the burial of the wife of a serviceman in a national cemetery in anticipation that sometime his body would be placed alongside hers. This bill permits the removal of bodies in order that they may be placed in the same burial lot, if, as and when that is found desirable. It is a custom that has been followed by the Department for a long time, but it has been done without definite legal authority. The Department wishes to continue the custom which has prevailed in the past, but to have definite authority for doing so.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the bill (S. 1620) was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That burial in national cemeteries of the remains of the following classes of persons is authorized under such regulations as the Secretary of War may prescribe: (a) Any member or former member of the armed forces of the United States whose last service terminated honorably, by death or otherwise; (b) any citizen of the United States who, during any war in which the United States has been or may hereafter be engaged, served in the armed forces of any government allied with the United States during such war, and whose last service terminated honorably, by death or otherwise; and (c) the wife, husband, widow, widower, minor child, and, in the discretion of the Secretary of War, unmarried adult child of any of the persons enumerated in (a) and (b) herein: *Provided*, That the remains of those persons enumerated in (c), above, may, in the discretion of the Secretary of War, be removed from a national cemetery proper and interred in the post section of a national cemetery or in a post cemetery if, upon death, the related member of the armed forces of the United States or allied government is not buried in the same or an adjoining grave site. Persons who were members of the Cabinet of the President of the United States at any time during the period between April 6, 1917, and November 11, 1918, may also be buried in any national cemetery: *Provided*, That the interment is without cost to the United States.

SEC. 2. Section 4878, Revised Statutes, as amended (24 U. S. C. 281), is hereby repealed.

DE SOTO NATIONAL MEMORIAL

The Senate proceeded to consider the bill (H. R. 4923) to authorize the establishment of the De Soto National Memorial, in the State of Florida, and for other purposes, which had been reported from the Committee on Interior and Insular Affairs, with an amendment, on page 2, in line 18, after the word "sums", to insert "not to exceed \$25,000."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

SEWAGE-DISPOSAL SYSTEM FOR YORKTOWN AREA OF COLONIAL NATIONAL HISTORICAL PARK, VA.

The bill (H. R. 2159) to authorize the Secretary of the Interior to prepare plans and estimates for a sewage-disposal system to serve the Yorktown area

of the Colonial National Historical Park, Va., and for other purposes, was considered, ordered to a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (H. R. 2453) to provide for the establishment and operation of a research laboratory in North Dakota lignite-consuming region was announced as next in order.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

Mr. CORDON. Mr. President, reserving the right to object, although I shall not object, let me say that I do not have a copy of the bill in my calendar file. I would ask the distinguished Senator from Nebraska to advise the Senate as to the amount of the authorization carried in the bill, inasmuch as I do not have the bill before me.

Mr. HICKENLOOPER. Mr. President, let the bill go over.

The PRESIDENT pro tempore. The Senator from Iowa has asked that the bill go over, and it will be passed over.

DESIGNATION OF PARK RIVER DAM AND RESERVOIR PROJECT AS HOMME RESERVOIR AND DAM

The joint resolution (H. J. Res. 61) to provide for the designation of the Park River dam and reservoir project in Walsh County, N. Dak., as the Homme Reservoir and Dam, was considered, ordered to a third reading, read the third time, and passed.

The PRESIDENT pro tempore. The clerk will proceed to state the three bills which went to the end of the calendar.

TAX-EXEMPT PROPERTY IN THE DISTRICT OF COLUMBIA

The CHIEF CLERK. A bill (S. 1125) to define the real property exempt from taxation in the District of Columbia.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on the District of Columbia with amendments.

The first amendment of the committee was, on page 2, following section 2, to strike out:

SEC. 3. Paragraph (p) of section 1 of such act is amended to read as follows:

"(p) The building, or portion thereof, owned by a church and actually occupied and used as the episcopal residence of a bishop of such church."

The amendment was agreed to.

The next amendment was, on page 2, in line 23, after the word "Sec.", to strike out "4" and insert "3."

The amendment was agreed to.

The next amendment was, on page 3, in line 17, after the word "Sec.", to strike out "5" and insert "4."

The amendment was agreed to.

Mr. CAIN. I offer the amendment to which I referred a few moments ago.

The PRESIDENT pro tempore. The amendment offered by the Senator from Washington will be stated.

The CHIEF CLERK. On page 3, in line 11, after the word "exemption", it is proposed to insert:

And provided further, That use of the exempted property or receipt of rent or income therefrom shall not deprive such property of exemption under the following circumstances:

(1) Where the owner of the property is an institution or organization entitled to exemption of its property under this act and a part of such property is made available without charge for use by other institutions or organizations whose property would be entitled to exemption under this act if owned by such other institutions or organizations;

(2) Where rent or income is received from indigent persons, inmates, patients, students, or others who are able to pay and who legitimately receive the benefits or services of an institution or organization entitled to exemption under this act; or

(3) Where rent or income is received from employees whose official duties require that they live in the property exempted in order to properly perform such duties.

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the Senator from Washington.

The amendment was agreed to.

The PRESIDENT pro tempore. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 1125) was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That paragraph (c) of section 1 of the act entitled "An act to define the real property exempt from taxation in the District of Columbia," approved December 24, 1942 (56 Stat. 1089, ch. 826), as amended, is amended to read as follows:

"(c) Property belonging to foreign governments and used or held for legation purposes: *Provided*, That any such property not actually used for legation purposes shall be assessed and taxed unless the Secretary of State of the United States of America shall certify to the Commissioners of the District of Columbia that the property is held for legation purposes due to the exigencies of war or other emergency and that it is in the interests of the United States that the exemption of such property from taxation be continued."

SEC. 2. Paragraph (o) of section 1 of such act is amended to read as follows:

"(o) The building, or portion thereof, actually occupied and used as a pastoral residence by the pastor, rector, minister, or rabbi of a church: *Provided*, That such building be owned by the church or congregation for which said pastor, rector, minister, or rabbi officiates: *And provided further*, That not more than one such pastoral residence shall be exempt for any one church or congregation."

SEC. 3. Section 2 of such act is amended to read as follows:

"SEC. 2. If any building or grounds, or portion thereof, entitled to exemption under the provisions of paragraphs (d) to (r) of section 1 of this act are not actually used by or for the activities of the institution or organization which owns such property and for the purposes for which exemption is granted, or are used to secure a rent or income of any character from any activity or use other than an activity or use which entitles such property to exemption under this act, such building or grounds, or portion thereof, shall be assessed and taxed: *Provided*, That lack of actual use of grounds

exempted under section 1 (r) (2) of this act shall not deprive such grounds of exemption: *And provided further*, That use of the exempted property or receipt of rent or income therefrom shall not deprive such property of exemption under the following circumstances:

"(1) Where the owner of the property is an institution or organization entitled to exemption of its property under this act and a part of such property is made available without charge for use by other institutions or organizations whose property would be entitled to exemption under this act if owned by such other institutions or organizations;

"(2) Where rent or income is received from indigent persons, inmates, patients, students, or others who are able to pay and who legitimately receive the benefits or services of an institution or organization entitled to exemption under this act; or

"(3) Where rent or income is received from employees whose official duties require that they live in the property exempted in order to properly perform such duties. If the tax assessed is not paid and becomes delinquent, it shall be collected by sale of the whole lot or parcel of land, with improvements thereon, or otherwise in the same manner as taxes on other real property in the District of Columbia are collected."

SEC. 4. Section 5 of such act is amended to read as follows:

"Sec. 5. Any institution, organization, corporation, or association aggrieved by any assessment of real property deemed to be exempt from taxation under the provisions of this act may appeal therefrom to the Board of Tax Appeals for the District of Columbia in the same manner and to the same extent as provided in sections 3 and 4 of title IX of the District of Columbia Revenue Act of 1937, as amended: *Provided, however*, That payment of the tax shall not be prerequisite to any such appeal. No appeal under this section, nor any proceeding in any court, shall be filed or maintained to establish the exemption of any property deemed to be exempt unless, prior to July 1 of the fiscal year involved in any case, written application, in such form as may be prescribed by regulation, shall have been filed with the Commissioners of the District of Columbia requesting that such property be placed on the list of property entitled to exemption."

Mr. TAFT. Mr. President, I do not quite understand what the clerk has been calling. There is nothing now on the calendar.

The PRESIDENT pro tempore. The clerk is calling the bills which were passed over, and which reverted to the end of the calendar.

Mr. TAFT. I understand.

TRANSFER OF THE REMOUNT SERVICE

The PRESIDENT pro tempore. The clerk will state the next bill which has been passed over and which has reverted to the end of the calendar.

The CHIEF CLERK. A bill (H. R. 3484) to transfer the Remount Service from the War Department to the Department of Agriculture.

Mr. THOMAS of Oklahoma. Mr. President, in respect to the bill just called by title, I have made an investigation. I find that the junior Senator from Oregon [Mr. MORSE] is not now on the floor of the Senate or in the city, and cannot be here today. Of course, in view of that fact, I shall not make the motion I have intended to make; but for a moment I should like to state to the Senate the issues involved.

Heretofore the War Department has maintained four remount stations in the United States—one located in Virginia, one located in Nebraska, one located in California, and one located in Oklahoma. A bill was introduced to transfer those four remount stations to the Department of Agriculture. The bill passed the House, and came to the Senate, where it was referred—and properly so, I think—to the Committee on Armed Services. But in my opinion, thereafter the bill should have been referred to the Committee on Agriculture, for I regard this bill as one which should properly have been considered by two committees—in this case the Committee on Armed Services and also the Committee on Agriculture. The bill provides that the War Department shall relinquish its control of the stations, and that they shall be turned over to the Department of Agriculture.

Mr. President, in my opinion the Committee on Armed Services acted properly in the first instance; but when it recommended that the War Department should cease its operation of these remount stations, then I construe that action to end the responsibility and authority of the Committee on Armed Services in the matter. I am not criticizing that committee because it saw fit to recommend that the four remount stations be turned over to the Department of Agriculture, with authority and directive to carry on the work of the Remount Service.

Mr. President, I have no desire to interfere with the operation of the Remount Service in the State of Virginia. I have been to the station at Front Royal, and I think the land there is adapted to the Remount Service. If the Senators from Virginia want to have the Front Royal remount station continued as a remount station, I shall gladly accede to their request and shall be favorable to that program.

If the Senators from the State of Nebraska want the remount station in Nebraska maintained there, I shall not have objection. In the same way, if the Senators from California want to have the remount station presently in California maintained there, I shall have no objection.

But as to the remount station in my own State, I do have objection. I refer to the Fort Reno remount station, which is located on a tract embracing some 10,000 acres of some of the finest land in the central section of the United States. Much of the land is bottom land. It is now covered with alfalfa.

Mr. President, in Oklahoma we do not use horses very much any more. Oklahoma has mechanized its agricultural industry. Today we use tractors, trucks, and other mechanical devices in our agricultural industry, and we do not need horses there any more.

This bill proposes to continue these remount stations for the purpose of the propagation and production of riding horses—for example, polo ponies and show horses. That is all right for other States if they want it, but we do not want it in our State. So far as I can determine, the people of Oklahoma want this

land made available for subdivision and use under the provisions of the Bankhead-Jones Farm Tenant Act.

That is the whole story; and as soon as I can obtain recognition from the Chair at a time when the Senator from Oregon is present in the Chamber, I shall ask that the bill be taken up.

The PRESIDENT pro tempore. The bill will be passed over under continuing objection.

Mr. ROBERTSON of Virginia. Mr. President, will the Senator yield?

Mr. THOMAS of Oklahoma. I yield.

Mr. ROBERTSON of Virginia. If the Senator's only desire is to have the Oklahoma remount station excepted from the bill, why could he not attain that objective by an amendment from the floor, instead of having the bill sent back to his committee?

Mr. THOMAS of Oklahoma. Mr. President, that would suit me, but I am not sure how the Senators from Nebraska want their land treated. I have discussed the matter with one of the Senators. The remount station in Nebraska occupies a large tract; but I am not familiar with that, and am not sure what should be done with it. The same thing is true of the California station. I do not know what should be done in California.

Mr. ROBERTSON of Virginia. Was not this bill reported by the Committee on Agriculture and Forestry?

Mr. THOMAS of Oklahoma. No, it was not, and that is my complaint. On the House side, if I may take another moment, by unanimous consent—

The PRESIDENT pro tempore. The Senator may proceed.

Mr. THOMAS of Oklahoma. On the House side, when the Armed Services Committee considered the bill and decided that the War Department should no longer maintain its remount service, the House committee referred the bill to the Committee on Agriculture and asked the chairman of that committee to consider it. The chairman of the House Committee on Agriculture called his committee together and reconsidered the bill. They agreed to the program of the Armed Services Committee.

I contend that a similar procedure should be followed in the Senate before the bill is considered further. I contend that if the lands are to be under the Department of Agriculture, the bill should be referred to the Committee on Agriculture and Forestry, in order that the committee may ascertain whether or not that is the best program.

Furthermore, Mr. President, there are two reports on the bill. The Secretary of Agriculture makes one report, and the Under Secretary makes another. I am not sure which one of the reports might be acceptable to our committee because of various angles in connection with the bill. It is of importance to my State, and I am hopeful that at the proper time it may be referred to the Committee on Agriculture and Forestry for further consideration and report. I may say to my friend, the Senator from Virginia, that I am for his program, so far as I am concerned.

Mr. ROBERTSON of Virginia. Recognizing the power of the Committee on Agriculture and Forestry and of the distinguished Senator from Oklahoma, I feel that, unless we have some understanding as to what is to be done about the matter when it gets back to his committee, I shall not see it again when it comes from the committee. I want to be present when it is again considered.

The PRESIDENT pro tempore. Under objection, the bill remains on the calendar.

AUTHORIZATION TO WYANDOTTE TRIBE OF OKLAHOMA TO SELL CEMETERY

The PRESIDENT pro tempore. The clerk will state the next bill which has been put over to the end of the calendar.

The CHIEF CLERK. A bill (S. 1372) authorizing the Wyandotte Tribe of Oklahoma to sell tribal cemetery.

Mr. REED. Let the bill go over.

Mr. KNOWLAND. Mr. President, as to this bill, objection has been made in behalf of the Senator from Kansas [Mr. CAPPER], and I understand that the Senator from Kansas still objects to consideration of the bill.

Mr. CAPPER. Mr. President, I do object. No one in Kansas City wants the proposed legislation.

Mr. KNOWLAND. Let the bill go over.

The PRESIDENT pro tempore. Objection is heard. The bill will be passed over.

Mr. BUTLER subsequently said: Mr. President, I move that the bill (S. 1372), which is No. 565 on the calendar, and to which the Senator from Kansas objected, be recommitted to the Committee on Interior and Insular Affairs for further consideration.

The PRESIDENT pro tempore. Without objection, the order is made.

FOOT-AND-MOUTH-DISEASE RESEARCH

The PRESIDENT pro tempore. The clerk will state the next bill which has been placed at the foot of the calendar.

The CHIEF CLERK. A bill (S. 2038) to enable the Secretary of Agriculture to conduct research on foot-and-mouth disease and other diseases of animals and to amend the act of May 29, 1884 (23 Stat. 31), as amended, by adding another section.

Mr. KNOWLAND. Mr. President, reserving the right to object, I want to ask the Senator from Minnesota if he would be willing to accept an amendment, which I understand is roughly comparable to the one offered in the House of Representatives, and which has been put in the bill in the House, although I think it is more restrictive than mine would be. Would the Senator accept an amendment, on page 1, line 6, after the word "laboratories", to insert "on an island or other isolated area adequate to guard against the accidental spread of the virus"? In other words, the Department of Agriculture of California and I think some of the other agricultural departments are very much concerned lest the virus spread from an experimental laboratory. As I read the bill now, a research laboratory could be located in the middle of a dairy county, if the Department of Agriculture should

so desire. I should like some restriction to show that this body in giving its approval does so with the understanding that proper safeguards will be taken against the spread of the virus. I understand that in the House bill the limitation is that the work shall be done on an offshore island. My proposal gives a little more latitude, and I suppose it is something that should then be worked out in conference.

Mr. THYE. The junior Senator from Minnesota has no objection to such a provision. However, I should say that the expression "isolated area" does not in any sense exclude a peninsula of the continent.

Mr. KNOWLAND. I would think that if properly safeguarded that would come within the meaning of an isolated area.

Mr. THYE. The only reason the bill was so written was that we had assurance from the Bureau of Animal Industry of the Department of Agriculture that they would consider the seriousness of the virus and would confine the work to an area where it would not in any sense jeopardize the animal industry.

Mr. KNOWLAND. The only difficulty the junior Senator from California sees is that, as frequently happens in connection with acts of Congress, if the law is not perfectly plain, it may be interpreted by some future Department of Agriculture in a manner different from the present understanding. I should feel better if the law were made clear on that point.

Mr. THYE. I should not object.

Mr. KNOWLAND. I desire to offer such an amendment.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (S. 2038), which had been reported from the Committee on Agriculture and Forestry, with an amendment, on page 2, line 8, to strike out "Act: *Provided*, That the number so employed shall not exceed five and that the maximum compensation for each shall not exceed \$15,000 per annum" and to insert "Act. There is hereby authorized to be appropriated such sums as Congress may deem necessary; in addition, the Secretary is authorized to utilize, in carrying out this section, funds otherwise available for the control or eradication of such diseases", so as to make the bill read:

Be it enacted, etc., That the act of May 29, 1884 (23 Stat. 31), as amended, is hereby amended by adding thereto section 12.

"Sec. 12. The Secretary of Agriculture is authorized to establish research laboratories, including the acquisition of necessary land, buildings, or facilities, and also the making of research contracts under the authority contained in section 10 (a) of the Bankhead-Jones Act of 1935 as amended by the Research and Marketing Act of 1946, for research and study, in the United States or elsewhere, of foot-and-mouth disease and other animal diseases which, in the opinion of the Secretary, constitute a threat to the livestock industry of the United States. To carry out the provisions of this section, the Secretary is authorized to employ technical experts or scientists without regard to the Classification Act. There is hereby authorized to be appropriated such sums as Congress may deem necessary; in addition, the

Secretary is authorized to utilize, in carrying out this section, funds otherwise available for the control or eradication of such diseases."

The amendment was agreed to.

Mr. KNOWLAND. Mr. President, I now submit the amendment to which I previously referred.

The PRESIDENT pro tempore. The question is on agreeing to the amendment submitted by the Senator from California, which will be stated.

The CHIEF CLERK. On page 1, line 6, after the word "laboratories", it is proposed to insert "on an island or other isolated area adequate to guard against the accidental spread of the virus."

The amendment was agreed to.

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

RETIREMENT OF REGULAR ARMY AND AIR FORCE OFFICERS

Mr. GURNEY. Mr. President, having conferred with the senior Senator from North Dakota [Mr. LANGER], I ask unanimous consent to return at this time to the consideration of Senate bill 2123, Calendar 933.

The PRESIDENT pro tempore. The clerk will state the bill by title for the information of the Senate.

The CHIEF CLERK. A bill (S. 2123) to exempt certain officers of the Regular Army and Regular Air Force from the provisions of statutes requiring retirement by reason of age, and for other purposes.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

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

Mr. GURNEY. Mr. President, this bill refers only to those officers in the Army, Navy, and Air Force who had five-star rank. Five-star rank cannot now be reached because of the bill passed last year, which fixes four-star rank as the maximum. The bill relates to what may be considered to be a mark of honor, extending it to generals of the Air Force and ground forces the same as it is now extended to five-star men of the Navy, such as Admirals Nimitz, Leahy, King, and Halsey. It allows these officers in the Army and Air Force to retire on an active-duty status. It does not cost an additional dollar. It merely makes them available to return to the service for advice and consultation whenever the Army and Air Force want them.

The PRESIDENT pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the laws requiring retirement of Regular Army and Regular Air Force officers because of age shall not apply to officers of the Regular Army or Regular Air Force appointed in the grade of General of the Army pursuant to the act of March 23, 1946 (60 Stat. 59). The President may, in his discretion, upon the request of the officer concerned, restore to the active list of the Regular Army or Regular Air Force any officer of the Regular Army or Regular Air Force on the retired list who was ap-

pointed in the grade of General of the Army pursuant to the act of March 23, 1946 (60 Stat. 59).

Sec. 2. Officers appointed in the grade of General of the Army pursuant to the act of March 23, 1946 (60 Stat. 59), shall not be counted within the limited number of officers authorized to be serving on active duty in grades above lieutenant general as provided in section 504 of the Officer Personnel Act of 1947 (Public Law 381, Eightieth Congress) unless they be serving as Chief of Staff or in command of any territorial or tactical subdivision of the Army or the Air Force.

RESOLUTION RECOMMITTED

Mr. McGRATH. Mr. President, I ask unanimous consent to have Calendar 593, Senate Resolution 144, authorizing an investigation of law enforcement and police administration in the District of Columbia, recommitted to the Senate Committee on the District of Columbia, with a recommendation for indefinite postponement.

The PRESIDENT pro tempore. Without objection, the order is made.

ALLOCATION AND CONTROL OF GRAIN FOR DISTILLING PURPOSES

Mr. KNOWLAND. Mr. President, as I understand the parliamentary situation, the calendar having been completed on bills to which no objection has been made, we are now back on the unfinished business, which is the St. Lawrence seaway.

The PRESIDENT pro tempore. The Senator is correct.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the Senate temporarily lay aside the unfinished business and proceed to the immediate consideration of Calendar No. 942, Senate Joint Resolution 186, relative to the allocation of grain.

Mr. CAPEHART. Mr. President, I object.

The PRESIDENT pro tempore. Objection is heard.

Mr. KNOWLAND. Mr. President, I now move that the Senate proceed to the consideration of Senate Joint Resolution 186, Calendar No. 942.

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

The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Alken	Hawkes	Moore
Baldwin	Hayden	Murray
Barkley	Hickenlooper	Myers
Brewster	Hill	O'Connor
Bricker	Hoey	O'Daniel
Bridges	Holland	O'Mahoney
Brooks	Ives	Overton
Buck	Jenner	Pepper
Bushfield	Johnson, Colo.	Reed
Butler	Johnston, S. C.	Revercomb
Byrd	Kem	Robertson, Va.
Cain	Kilgore	Russell
Capehart	Knowland	Saltonstall
Capper	Langer	Sparkman
Chavez	Lodge	Stennis
Connally	Lucas	Stewart
Cooper	McCarran	Taft
Gordon	McCarthy	Thomas, Okla.
Donnell	McClellan	Thomas, Utah
Downey	McFarland	Thye
Dworshak	McGrath	Tobey
Eaton	McKellar	Vandenberg
Ferguson	McMahon	Watkins
Flinders	Magnuson	Wiley
Fulbright	Malone	Williams
George	Martin	Wilson
Green	Maybank	Young
Gurney	Millikin	

The PRESIDING OFFICER (Mr. LODGE in the chair). Eight-three Senators having answered to their names, a quorum is present.

The question is on agreeing to the motion of the Senator from California that the Senate proceed to the consideration of Senate Joint Resolution 186.

Mr. BARKLEY. Mr. President, parliamentary inquiry. Would the adoption of the motion displace the unfinished business, that is, the St. Lawrence seaway joint resolution?

The PRESIDING OFFICER. The Chair is advised that it would displace the St. Lawrence seaway joint resolution until 12 o'clock Friday.

Mr. BARKLEY. That raises a very important parliamentary question whether, notwithstanding the agreement to vote Friday, the joint resolution can be brought back under consideration except by another motion. If it cannot be brought before the Senate except by another motion, a very serious question is raised, namely, whether there will be anything to vote on Friday, because if a measure which is under consideration is displaced, it seems to me that that would displace everything that had happened in regard to it.

I do not care to have the Senate get into a technical situation in which we might find ourselves on Friday without anything to consider because the measure which was the unfinished business had been displaced by a motion to take up another measure. The Senate has been proceeding by unanimous consent in the consideration of other measures. I do not know whether the Senator from California is proceeding on the theory that unanimous consent in this instance cannot be obtained.

Mr. KNOWLAND. Mr. President, the junior Senator from California has asked unanimous consent to proceed along the line the able Senator is now suggesting. Objection was raised. It was not until objection was raised that the junior Senator from California made the motion which is now pending.

Mr. BARKLEY. I was called from the Chamber at the moment the request was made. That does not alter the parliamentary situation, that if the pending motion should prevail, the unfinished business would be displaced.

I realize that in an informal ruling a few days ago the Chair held that inasmuch as the Senate had agreed upon a time when it would vote on a day in the future, automatically that order would be carried out although the measure to which the agreement related was displaced and was no longer before the Senate. If it is displaced, it cannot regain its place except on motion, and if no motion were made and carried to resume the consideration of the measure, in my judgment we might find ourselves on Friday without anything on which to vote.

Mr. TAFT. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. TAFT. If the motion shall be agreed to, then will not the unanimous-consent agreement restore the St. Lawrence seaway joint resolution at 12

o'clock Friday as the unfinished business before the Senate?

The PRESIDING OFFICER. It is the opinion of the Chair that, in the light of many precedents, the Senate would revert automatically at 12 o'clock on Friday to the consideration of the St. Lawrence seaway measure, but if it were desired to revert to that measure before that time, a motion would be necessary.

Mr. BARKLEY. No Senator can offer an amendment to the St. Lawrence seaway joint resolution, because the time has passed.

The PRESIDING OFFICER. The time for offering amendments has passed.

Mr. BARKLEY. Of course, any Senator could make a speech on the joint resolution tomorrow, whether it was the unfinished business or had been displaced, as he can make a speech on any subject.

The PRESIDING OFFICER. No question of germaneness is involved in debate.

Mr. BARKLEY. It would be more or less informal, because the joint resolution, in a parliamentary sense, would not be before the Senate.

The PRESIDING OFFICER. The Senator is correct.

The question is on agreeing to the motion of the Senator from California.

THE PARTITION OF PALESTINE

Mr. PEPPER. Mr. President, I do not wish to delay a vote on the pending question, but I do wish to make a few comments on another subject.

The Evening Star of today carries this caption:

Partition delay indicated in United Nations Palestine debate; even repeal of plan appears possible; Assembly call asked.

This is an Associated Press dispatch from Lake Success dated February 25:

Delay in partitioning Palestine and perhaps even repeal of the whole scheme appeared possible today in the light of Security Council developments.

Colombia asked the United Nations to consider a special session of the General Assembly to reconsider the split-up plan. The United States asked for a Big Five committee of study and conciliation.

Mr. President, I wish to say just a word or two. I believe I share the sentiment of millions of people in this country, and I hope of the Congress, when I say that it is my earnest hope that our Government and the United Nations are not at this late hour going to renege on the declaration previously made that they were going through with the policy of allowing the partition of Palestine. This was a great test for the United Nations organization, and I had the feeling that the United Nations courageously met the test. It heard the case from Arab and Jew. It deliberated, and finally arrived at a decision. It may be that the territory that was marked out as the area that should become the Jewish state was not the area which everyone would have preferred, or perhaps the territory which should have been chosen, but it was an honestly made decision, and I think there was a feeling of satisfaction all over this country and in many other parts of the world that at long last we were about to

have an international and righteous solution of the age-old problem of the wandering Jew, by allowing his weary footsteps to come to rest again upon his old home soil.

Mr. President, the British Government made a forthright declaration that it intended to withdraw its troops from Palestine. Then the question arose as to how the implementation of the partition policy should be carried out. What happened then? The Arabs set out to intimidate the United Nations organization. There was set afoot an Arab conspiracy to defeat by force the decision arrived at by the United Nations organization. Then we had the spectacle of troops moving from one country to another, well armed, well disciplined, well organized, and well led, with an announcement to the world by the Arab leaders that they were going to invade this territory, that they were not going to permit the decision solemnly made by the United Nations organization to be put into effect.

Mr. President, only 2 days ago I saw in a newspaper pictures of Arabs in the Arab section of Jerusalem looking at a store filled with arms, guns, ammunition, hand grenades, there on display ready to be bought by any Arab who might come in to purchase them. The Arabs have plenty of arms, much of which may be coming from Great Britain by its own admission, but the Jews, to whom have been awarded by the United Nations organization this territory, are denied by our own embargo the right to buy arms.

Mr. President, the question, of course, may eventually have to be decided whether the United States will send troops—of course, as a part of a United Nations force—to partition or to preserve the peace in Palestine. I hope that necessity will not arise. I think it is probably correct that it would be only the Congress that could make that decision. I hope Congress will not be called upon to decide that question, although I do believe that we ought to stand behind the decisions of the United Nations, and see that they are carried out.

But, Mr. President, if we will give the Jews, who have at long last received the prospective satisfaction of the return of their ancient land, the weapons with which to defend themselves, and to defend the United Nations' decision, I believe it will not be necessary to call on the United States Government, or perhaps any other member of the United Nations organization, to send an international police force to Palestine.

I notice from the newspapers that our able ambassador and delegate to the United Nations has stated that we would consult about the removal of our embargo policy if requested to do so by the United Nations. It is my humble opinion that the United Nations should call upon every member of that organization and see that they are not only authorized but requested, in furtherance of the United Nations decision, to allow the purchase of arms for self-defense by the Jewish people in that part of Palestine which the United Nations has said of right belongs to them.

Mr. President, if we do that—and do it before it is too late—before the Arab

has already won the victory with the arms which he has been able to buy in many markets—at least many markets in Europe and in the broad middle eastern area—I believe that the question of subsequently having to send an international force there might not have to be answered, either by the Congress or the country.

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

Mr. PEPPER. I yield.

Mr. MAGNUSON. I should like to suggest to the Senator from Florida that even far beyond the question of the arms embargo in the present situation, there exists a great parallel between what is now taking place and the attempt, after World War I, to form and hold together and make effective the now defunct League of Nations, in which we did not participate. There is a strong parallel between what then took place and the immediate problem before us of enforcing the decision of the United Nations or inducing the world to accept its decision. What we now see happening is similar to what happened in Manchukuo and in Abyssinia, which broke up the League of Nations and step by step led to World War II. In my opinion, this is the first test of world peace.

Mr. PEPPER. Mr. President, the able Senator from Washington is, in my opinion, absolutely correct. If a decision of the United Nations can be repudiated by force, by the threat of arms, by an actual invasion, then, Mr. President, what sanctity will the decision of the United Nations have?

I want to make one point clear, so far as I am personally concerned. There have been many times in the past when I have said upon this floor that I did not think the United States should act unilaterally. I have said it with respect to Greece and Turkey. I may say it again. But no one has ever heard me say that the United States should not back up the decision of the United Nations. I will support that policy. If we cannot get everyone in the United Nations to act with us when we think we are right, then let us get all we can in the United Nations to act with us, and go ahead in a policy which we believe to be right.

But, Mr. President, after the solemnly arrived at decision respecting the partition of Palestine, by which the Jewish people received only a very small part of what they might have been awarded, if the Arabs can, by intimidation, by threat, by force of arms, and by invasion, cause the United Nations to do what is intimated in the article to which I referred, namely, reverse their previously arrived at decision, then Mr. President, such cringing and about face will do more harm to the prestige of that organization than can be measured. Goodness knows it has suffered enough discredit already. And now when the major nations have gotten together upon this partition policy, and have said they would support it, to recoil in the face of this Arab threat will not only continue the injustice to the oft misused Jew, Mr. President, but I am afraid will strike almost the last blow at the remaining prestige and authority of the only hope on earth to

keep the peace of mankind—the United Nations.

Mr. IVES. Mr. President, in line with the statement just made by the distinguished Senator from Florida, I should like to read into the Record a relatively brief letter which I am this day mailing to Dr. Sidney D. Cohen, who is chairman of the Liaison Committee of the Zionist Organization of America. The letter deals directly with the subject which has been under discussion. It is as follows:

UNITED STATES SENATE,
Washington, D. C., February 25, 1948.
DR. SIDNEY D. COHEN,
Chairman, Liaison Committee,
Zionist Organization of America,
Gloversville, N. Y.

DEAR DR. COHEN: Your very kind invitation to attend the rally you are holding tomorrow evening is greatly appreciated. I have delayed in making earlier reply in the hope that it might be possible for me to be with you, but I find that I must remain in Washington.

As you probably know, I have always been strongly in favor of the establishment of a Jewish state in Palestine. When favorable action on this question was finally taken by the United Nations on the 29th of last November, I was most happy over this propitious turn in events. At the same time, I realized that the struggle for an independent Jewish state was not over.

Subsequent deplorable incidents in Palestine have confirmed my gravest fears. Worst of all, due to lawlessness and the failure of those responsible for the maintenance of law and order in Palestine to provide adequate protection for the people of Palestine, the situation there has now reached a very critical stage. And with the deterioration of conditions in Palestine there has arisen a serious threat to the future of the United Nations and the peace of the world.

It seems to me that the role of the United States in the present world crisis is wholly obvious. Unless the United Nations takes appropriate action to back up the Assembly's recommendation in favor of partition, the influence and prestige of the United Nations will be dangerously impaired. As the most influential member of the United Nations, the United States occupies a most responsible position in determining the United Nations' policy.

It seems to me that our task right now is to do all that we can to make sure that the authority of the United Nations is upheld and that proper measures under the Charter of the United Nations are taken with the least possible delay. We must be ready to implement any obligation, under the Charter, assigned to us by the Security Council.

Of greatest importance to us is that we recognize our obligation to the United Nations and our responsibility where the partition of Palestine is concerned and that, recognizing this obligation, we accept it unqualifiedly and without hesitation. Furthermore, it would seem to be our primary duty to exercise all the influence we possess to the end that the United Nations shall take definite, decisive, uncompromising, and immediate action to meet the crisis which now faces the world.

With kindest personal regards, I am,
Sincerely yours,

IRVING M. IVES.

I thank the Senate for permitting me to read that letter into the Record.

ALLOCATION AND CONTROL OF GRAIN
FOR DISTILLING PURPOSES

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from California [Mr. Know-

LAND] that the Senate proceed to the consideration of Senate Joint Resolution 186.

The motion was agreed to; and the Senate proceeded to consider the joint resolution (S. J. Res. 186) to authorize allocation and inventory control of grain for the production of ethyl alcohol, to conserve grain in aid of the national defense, and in furtherance of stabilization of the national economy.

The PRESIDING OFFICER. The joint resolution is open to amendment.

Mr. COOPER. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Kentucky will be stated.

The LEGISLATIVE CLERK. It is proposed to substitute a colon for the period at the end of subsection (a), in line 7, page 2, and add the following proviso: "Provided, That, subject to the requirement that the minimum allotment to any distilling plant shall be 6,000 bushels per month, the percentage of the total monthly allocation of grain allotted to a distiller shall be the percentage of the total amount of grain which that distiller used of the total number of bushels used for distilling by the entire distilling industry from December 1, 1946, to June 30, 1947, inclusive."

Mr. FLANDERS. Mr. President, I desire to make an explanation of Senate Joint Resolution 186, authorizing allocation and inventory control of grain for the production of ethyl alcohol.

On January 29 of this year the President of the United States sent a message to the Congress recommending that it provide for allocation of grain for producing ethyl alcohol. This message was in accordance with section VI of Public Law 395, which I had the honor of adding to Senate Joint Resolution 167 when it was before the Senate. That section requires that in proposing measures for conserving raw materials, commodities and products of which there is a critical shortage, he shall give, first, a full statement of the circumstances; second, a detailed procedure for the administration of the measures proposed; third, a statement as to the proposed degree of curtailment, including a specific formula therefor; and, fourth, a complete record of the factual evidence. It is furthermore provided that within 15 days of the submission of such proposed conservation measure the Joint Committee on the President's Economic Report shall conduct public hearings thereon and shall make such recommendations to the Congress for legislative action as in its judgment the recommendations of the President and any additional information disclosed at the public hearings may require.

The message of the President meeting the requirements of section VI, Public Law 395, the Joint Committee on the Economic Report conducted public hearings and reported to the Congress on February 11. That report recognized the shortage in grains and approved the proposal for saving grain by allocation and inventory control of the distilling industry. It stated that while this industry uses corn primarily it was the committee's expectation that limitations would save an equivalent amount of

wheat for human consumption. It recommended, furthermore, that exports of grain to other countries, including Canada, should be so limited by the President that such exports shall be subject to at least the same general degree of limitations as are imposed on distilleries in the United States. They recommended finally that legislation to this effect should be prepared and enacted:

In accordance with this resolution, a subcommittee of the Banking and Currency Committee prepared Senate Joint Resolution 186 and reported it to the full committee, which in turn has reported it to this body with Report No. 900. This joint resolution and report are now before the Senate.

The need for controlling the amount of grain used in making distilled spirits does not seem to be in dispute. Little or no opposition was heard at the hearings on February 5 and 6 before the Joint Committee on the Economic Report. The chief point of contention was not whether grain should be allocated, but the formula under which the allotment should be made. In spite of this lack of opposition, however, I should like to review the evidence as to the necessity for allocation.

The joint committee hearings were held just when grain prices began to soften in the commodity markets. Consequently, there was little direct testimony on the effect of market fluctuations on the supply of feed grain and, of course, on this proposal. Ups and downs in the commodity market, however, cannot alter the over-all fact that our supply of grain is less than what we need at home and abroad. Of course, price changes can affect the use of grain. A somewhat lower price level, if it continues to prevail, could increase grain feeding on farms and grain consumption everywhere. This conceivably could intensify our shortage before harvest and, as a result, require even more stringent conservation measures than we are now considering.

Our basic feed grain is corn, and last year's crop was short of both our needs and our expectations. Our supply when we entered the present crop year last fall was 2,700,000,000 bushels—720,000,000 bushels less than what we had a year earlier. This is a reduction of 21 percent, and our supply, as a result, is much less than we could use.

These corn statistics are the basic reason why corn must be conserved. All grains are interchangeable both as human food and as animal feed as Dr. Fitzgerald of the IEFCA testified. But wheat is preferred for human food, while here in the United States corn ranks as the primary feeding grain. We were most fortunate last year in harvesting the largest wheat crop in our history. It came to 1,400,000,000 bushels. We are now exporting from it at least 450,000,000 bushels. Secretary Anderson has said that we can ship 500,000,000 bushels, perhaps more. To do so, however, the use of wheat in animal feeding from January 1 to June 30 must be held down to 125,000,000 bushels. If we feed more, we will not be able to export 500,000,000 bushels and carry over 150,000,000 bushels as the law now requires.

Dr. Fitzgerald summed up the question when he declared that, if the United States "can spare more grains this year, we are hopeful that they can spare them in the form of wheat, and use any savings that may be made in this distilling industry or any other place as a replacement in the feed program."

Corn is the distillers' preferred grain, and the industry used nearly 60,000,000 bushels in the year ending June 30, 1947. Whatever amount industry's use is curtailed means more corn to meet farmers' requirements in producing meat. Assistant Secretary Brannan of the Department of Agriculture testified to the relationship between corn and meat when he pointed out that "farmers and distillers are competing for a short feed supply." There is little need for me to add that our meat supply this year is far less than what we could consume. The scarcity of meat points to higher prices. In spite of momentary market swings, higher meat prices are likely before the year is out.

Allocation of grain to distillers, therefore, will serve the double purpose of assuring wheat for overseas relief and checking—at least in part—the rise in meat prices here.

The distilling industry can contribute substantially to our grain supply by using no more than 2,500,000 bushels a month. The Joint Committee on the Economic Report estimated the saving at 22,000,000 bushels up to the end of October, when the allocation period would end at the latest under this resolution. This saving was figured from the industry's use of grain in the year ending June 30, 1947. The rate at which grain has been used so far in February is much higher than the rate this legislation would allow. Figures from the Alcohol Tax Unit set the monthly rate for February at 6,000,000 bushels, even though some distillers are reported to be operating voluntarily at the restricted rate. It is easy to see, therefore, that there are grounds for the testimony of A. P. Fenderson, of Publiclicker Industries, one of the largest distilling firms, that the distillers' use of grain could climb to 10,000,000 bushels a month unless controls are applied. No matter what consumption rate is used, the saving will be large. The committee's estimate of 22,000,000 is on the conservative side.

Grain conservation in the distilling industry was resumed last fall after virtually a year of unrestricted operation. The distillers shut down production for 60 days, beginning in late October. The prospect of the shut-down led the industry to step up their use of grain to 8,000,000 bushels in the first 25 days of October. This is very much the pattern that is being followed this month. Excessive use in October nullified part of the saving from the 60-day shut-down. As the shut-down came to an end, it became apparent that a continuing reduction in the use of grain in the distilling industry would be required. Exhaustive efforts were made to reach a voluntary agreement with the distilling industry for the conservation of grain.

The Distillers Coordinating Committee, composed of representatives of the industry, labor, and the Department of

Agriculture, tried to recommend a voluntary agreement which could take effect December 25, when the voluntary shut-down ended. At the last meeting of this committee, on December 9, 1947, it became obvious that an agreement was impossible. The chief reason was and still is, for that matter, the intense spirit of competition in the industry.

Therefore, the Department of Agriculture proposed the allocation of 2,500,000 bushels of grain up to January 31, 1948, and the same amount monthly thereafter. The industry met to consider this program on December 17. Again at this meeting and a later one on December 23, the industry representatives were unable to agree on any effective conservation measure. The result was that the Department of Agriculture turned to Congress for legislative authority to restrict the industry's grain intake. This authority was granted in Public Law 395, which the President signed December 30. As a result, the industry operated until January 31 with an allocation of 2,500,000 bushels.

When the authority seemed ready to lapse, the President, as I have already reminded you, asked Congress to extend the program to October 31, 1948. In his message of January 29, he summed up the industry's differences when he declared:

Throughout all negotiations with the distilling industry, various factions of the industry have advocated different methods of allocation and there is apparently no possibility of reconciling their views and solving the situation by voluntary agreement. Therefore, further action will be required by the Congress to conserve grain and to reduce its nonessential use.

At least one industry spokesman likened efforts to obtain an industry agreement to getting water from a dry well. The cleavage in the industry was revealed clearly in the testimony at the hearings, and the industry spokesmen were ready at all times to name names. It is interesting that even within the united front of the Distilled Spirits Institute, a trade association claiming 65 percent of the industry, there was some disagreement on the method of allocating grain. Both the Joint Committee on the Economic Report and the Committee on Banking and Currency recognized this condition in their reports.

The lack of harmony within the industry is obvious, and the only clear-cut reason for it is the industry's spirited competition. This is apparent in the hearing record.

Mr. President, perhaps a brief description of the nature of the industry will explain why the interests of its various members differ so widely that agreement is impossible.

Straight whisky distilled from fermented mash is, as most people know, aged for a period of 4, 5, or 6 years before being bottled and sold to the people. This aging is done in oaken casks, the interiors of which have been charred. Whisky sold to the public as straight whisky is for the most part made by smaller concerns, of whom there are a great number.

The larger part of the whisky sold on the market is blended whisky in which

at the time of bottling approximately one-third of the straight fluid is mixed with two-thirds of neutral spirits—which is, practically speaking, pure alcohol. By far the larger amount of whisky currently bottled and consumed is of the blended type.

The distilling of neutral spirits is more expensive and takes more elaborate equipment than does the distilling of straight whisky. It has, in fact, to be redistilled until practically nothing but the chemically pure alcohol is left. One would naturally ask why blended whiskies are lower priced, when the neutral alcohol of which they are so largely composed costs more to distill than does the straight whisky with which this alcohol is colored and flavored. The answer to this question is simple. A major expense in the production of whisky is the heavy capital cost of carrying and handling the whisky, in addition to the losses resulting from leakage and evaporation through the years of aging, making the whisky cost far more than the neutral spirits, which needs no aging. This accounts for the lower cost and more general production and consumption of blended whisky.

The diversity of interest among distillers arises in part from this difference between blended and straight whisky. Many of the distillers who sell whisky have inadequate facilities for making neutral spirits. They have to buy from others who do. Some of the distillers specialize in neutral spirits and have a lesser interest in whisky. This is particularly true of one of the eastern distilleries who finds its principal peacetime market in providing the neutral spirits for other distillers.

The allocation of grain is at the point where the grain is ground for incorporating in the mash. For whisky this is years in advance of bottling and sale. For neutral spirits it may be only a few weeks off. The whisky distiller who has inadequate facilities for redistilling and refining neutral spirits needs a continuous supply from other manufacturers if he is to continue bottling and selling.

The wide diversity of interest in the industry therefore lies in the variety of conditions with relation to neutral spirits. Does the individual company have facilities for making its own supply, or must it buy from others, perhaps at a distress price? If dependent on other distillers for neutral spirits, does it nevertheless have in stock sufficient to carry the business through the period of allocation? Finally, is the distillery one dealing in straight whisky, with no requirement for neutral spirits? These are the considerations which give such a diverse interest to the industry that its units have not been able to come to any agreement.

There is likewise the question of size involved. Four large companies in fiscal year 1947 accounted for nearly 80,000,000 gallons or almost one-half of the total of about 168,000,000 proof gallons of spirits distilled. Another single company engaged largely in distilling neutral spirits accounted for about 16,400,000 proof gallons of spirits or nearly 10 percent of the total. The smaller distilleries

accounted for about 72,400,000 proof gallons.

The diversity, however, goes still further than these statistics indicate. The Big Four companies, while having a little less than one-half of the Nation's distilling capacity, nevertheless sell approximately 75 percent of the bottled whiskies marketed in the United States. However, they have concentrated their efforts in the sales end of the business and to this end they have acquired and widely advertised brand names with popular appeal. Apparently they purchase from the independent distillers in the industry a large part of the whisky they sell under these brands.

As a result of the rapid growth of the Big Four, the industry has fallen into this pattern: One, companies, such as the Big Four, which produce and bottle whisky, but bottle far more than they produce; two, other companies which produce and bottle whisky, but produce more than they bottle and sell the balance to the Big Four; and three, companies which sell their entire production in bulk for bottling by others.

Now, Mr. President, I would like to explain the resolution which is before us. In effect it grants the administration the authority which the President requested but certain broad standards of administration have been written into the resolution. These, in essence, safeguard the industry from needless and prolonged regulation and also protect the interests of the labor employer by the industry.

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

Mr. FLANDERS. I yield.

Mr. SALTONSTALL. I have been reading the joint resolution as the Senator has been speaking, and I have also examined a copy of title 3 of Public Law 507, which relates to certain emergency powers which the pending measure seeks to revive. I should like to call to the Senator's attention the last sentence on page 2 of the proposed pending joint resolution. He states that the act gives broad powers. The sentence to which I refer provides that "no allotment granted to a distilling plant shall be transferred to any other plant, except as specifically authorized." I call his attention to the fact that apparently no one except the President can give that authority, as I read title 3 of the emergency powers and as I read the joint resolution itself.

Mr. FLANDERS. Mr. President, I would say to the senior Senator from Massachusetts that I am again forced, with the utmost regret, to rely on a lawyer. Do the details of the joint resolution, which it seems to me stands by itself, come under the provisions of any other act?

Mr. SALTONSTALL. As I read it, they come under title 3 of the Second War Powers Act of 1942, to which I have referred, which act confers certain powers on the President. What the pending measure seeks to do is to grant special authority to someone to make exceptions in hardship cases, and I was wondering if there should not be included the words "by the Secretary of

Agriculture" or "by the officer of the Government designated by the President to administer this power," or at least some designation of the authority.

Mr. FLANDERS. In answering the Senator from Massachusetts, I assume that if the War Powers Act to which he refers controls the sentence to which he has adverted, reference would have to be made to the authority of the President to have these changes made, and that he probably would have to issue the order, or issue an order delegating his authority under that law to the Secretary of Agriculture. I take it that the Senator from Massachusetts feels there are other reasons for specifically including what is required, whether we include it or not.

Mr. SALTONSTALL. It seems to me that when the Secretary of Agriculture is specifically referred to in subsection (c) at the top of page 3, it would be wise to include the words "by the Secretary of Agriculture" after the word "authorized" in line 24, at the bottom of page 2. That would make it perfectly clear who is to exercise the authority in special hardship cases and who is to grant an exception.

Mr. FLANDERS. I can see no objection whatever to that, and if he feels that it makes it more definite and strengthens the bill, I shall be glad to accept the suggestion.

Mr. SALTONSTALL. Mr. President, I submit it as an amendment, then.

The PRESIDING OFFICER. The pending amendment is the amendment submitted by the Senator from Kentucky.

Mr. SALTONSTALL. Then I ask unanimous consent that the words "by the Secretary of Agriculture" be inserted after the word "authorized" in line 24, page 2, merely as a matter of clarification.

Mr. BARKLEY. Mr. President, I think the better procedure would be to wait until the pending amendment is disposed of. There may not be any objection to the amendment, but to insert it by unanimous consent would be a little out of order when another amendment is pending. I should like to look into it. I think it is satisfactory, but I do not see any point in inserting it now under unanimous consent, while another amendment is pending.

Mr. SALTONSTALL. I ask, then, that the amendment lie on the table.

Mr. BARKLEY. I am not opposing it.

The PRESIDING OFFICER. The Senator's amendment will be received and will lie on the table, to be taken up after the pending amendment is disposed of.

Mr. FLANDERS. Mr. President, the first of these safeguards will prevent the President from reducing the allocation below 2,500,000 bushels in any 1 month. In other words, the industry will know the minimum quantity of grain it can expect to use from now until the end of October when the 1948 corn crop is coming in.

However, the resolution authorizes the administrative authority to deduct from any plant's monthly allotment the grain it has used in excess of what it would have received under this resolution. This provision applies particularly to

the grain the industry has been using in February. Some plants and some companies in the distilling industry have been operating at or near their capacity since January 31 when the previous authority lapsed. Other plants and other companies have held down their use of grain to a third of their intake last year. This is about what they would be allotted under this resolution.

The Government, both in its legislative and executive branches, is and intends to be absolutely neutral with respect to the competing elements in the distilling industry. This provision is the best guarantee of that neutrality. The effect is simply this: Those who have used an excessive amount of grain must now make it up by foregoing the use of an equal quantity. In other words, the industry is placed on an equal footing.

The second safeguard would end the allocation whenever the price of corn has been at the support level or less for 30 days. This provision takes into consideration the apparent softening in the commodity market. The downward trend could continue, and it is possible but unlikely that the Government could buy corn to support its price. Certainly, in that event, the distilling industry should not be barred from using grain in whatever amount it wants. This provision assures that freedom.

Another safeguard is the allotment of at least 6,000 bushels a month to every plant. This provides an equitable minimum and recognizes the interest of the small processor.

The transfer of allotments from plant to plant is forbidden, except in the event of unusual hardship. This safeguard recognizes the interest of labor. Mr. Brannan, of the Department of Agriculture, testified that the Department intended to prohibit such transfers, but Walter J. Mason, of the A. F. of L., legislative representative of distilling labor, specifically asked that this protection appear in the legislation. The purpose is to prevent the consolidation of allotments in large plants with resulting unemployment in the other plants from which the allotments were taken. The report from the Banking and Currency Committee touches on this point, and I will read the committee's comment:

Transfers of allotments between plants are prohibited, unless specifically authorized in cases of undue hardship. This prohibition will protect labor in the distilling industry and minimize unemployment by requiring the use of grain in the plants to which it is allotted. This is designed to assure any community that its distilling industry will not be disrupted by the transfer of its allotment.

This resolution, Mr. President, does not provide a formula for allocation. The complexities of the industry which I have already described make the problem of finding a fair and workable formula exceedingly difficult. The industry has lived under allocations of one type or another since October 1942. In all this period, a number of different allocation methods have been tried. Capacity and historical production have been given varying degrees of weight. Never has any formula proved unanimously satisfactory, and the formula in use in Janu-

ary was not without its critics. This repeated experience indicates that a number of factors must be given weight and that the final formula must represent a compromise between the claims of various elements in the industry and the requirements of practical administration.

The formula which the Department of Agriculture used in January is such a compromise. The Department has told the committee that it intends to continue using this formula if the resolution is passed. Under this formula, the historical production of the industry is given two-thirds weight while distilling capacity is given one-third weight.

Our committee is not ready to say that this is a perfect formula. The committee does feel, however, that the Congress would find it very difficult to write a better one. The formula is the result of 6 years of Government experience in trying to arrive at a workable solution of the problem, and I believe that the problem of a fair and practicable allocation formula is a problem for the executive branch of the Government. This is the traditional practice of Congress, and I see no reason to deviate here in an effort to allocate grain for what is after all a brief period.

Mr. President, experience has proven that each formula adopted has needed revision from time to time in order to correct inequities that were not at first expected and in order to allow for changing factual conditions. If Congress fixed a formula now and it later appeared that the formula was defective, or that changing conditions made it in some way unfair, the responsibility would be ours and we would have to find time to debate and work out a new formula. If the defects did not appear until after adjournment, they could not be corrected at all. Therefore the responsibility for apportioning grain with the greatest degree of fairness properly should rest with those who have administrative responsibility.

Mr. President, I trust that the Senate will support the judgment of the Joint Committee on the President's Economic Report that grain allocation to the distilling industries should be extended. I trust that, furthermore, this body will support Senate Joint Resolution 186 which your Committee on Banking and Currency has prepared in support of the request of the President, properly presented under the terms of Public Law 395, and the report of the Joint Committee on the President's economic Report.

Since this morning I have had called to my attention a news item in today's New York Journal of Commerce which relates to one of the problems we have met in giving assurance that none of the grain exported to Canada would be used there under more favorable conditions than those allowed to our own distillers. I should like to read this news item at this time. It is as follows:

MONTREAL, February 24.—Canadian Government sources have indicated that Canada likely will curtail imports of American grains for distilling purposes if the United States decides to apply that restriction within its own borders.

They were commenting following Washington reports that the Senate Banking Committee had voted in favor of rationing grain to whisky makers in the United States until October 31.

Officials in Canada said there already have been discussions with American authorities and indicated Canada would adopt the plan on American grain imports if the United States puts the proposed measure into law.

At the same time, they pointed out that the only American grain which Canada imports in any quantity is corn, of which about 50 percent goes to Canadian distillers. Even at that, corn imports are comparatively small, totaling only 7,980,000 bushels last year.

There already is a Canadian restriction on the use of wheat for distillery purposes which allows distillers to process only wheat which is unfit for human consumption. This is part of the Dominion's effort to provide more grain for Europe. Rye, because of its high price, now is not widely used for distilling.

SERVICEMEN'S READJUSTMENT ACT OF 1944

Mr. JOHNSTON of South Carolina. Mr. President, when the Congress enacted the Servicemen's Readjustment Act of 1944 it was the ostensible purpose, and I believe the honest purpose, in fact, of title III of that act to assist the veterans of this country in obtaining homes by guaranteeing loans made for that purpose. By early 1946 it was apparent that title III had become a rather empty authorization.

Small banks and small private lending institutions had already exhausted the amount of their limited capital reserves which they could afford to invest in long-term, relatively low-interest-type real-estate loans as they were required to make to veterans in order to avail themselves of the guaranteed provisions of this act. Consequently, I approached the Honorable George Allen, then a director of the Reconstruction Finance Corporation, and recommended that that organization establish a secondary market for such loan paper; thereby permitting the private lender to discount this paper to RFC at a low interest cost. After considerable negotiation between my office, the RFC and the Veterans' Administration such a policy was formulated and effected in accordance with terms outlined to me in a letter from Mr. Allen under date of April 15, 1946. The situation then progressed satisfactorily until the first session of the Eightieth Congress began consideration of a bill to extend the authority of the Reconstruction Finance Corporation for an additional period. Into this extension bill our Republican colleagues wrote a specific prohibition against the purchase of any real estate mortgages by the RFC. An immediate result was the elimination of this secondary market for GI home loans made under authority of title III, Public Law 346, Seventy-eighth Congress. We were assured private lending agencies would gladly provide the necessary market for such paper. Since that time the GI home-loan program has completely bogged down. The bottleneck has been financing. Veterans all over the United States have felt the pinch.

In this connection, I should like to read a concurrent resolution adopted by the

South Carolina General Assembly on February 19, 1948:

Concurrent resolution to memorialize the Congress of the United States to enact such necessary legislation as to provide funds to the Reconstruction Finance Corporation and other Government agencies for the purchase of notes and mortgages of veterans so as to facilitate the operations of the Servicemen's Readjustment Act of 1944 (Public Law 346, 78th Cong., as amended, title 38, U. S. Code)

Whereas the Congress of the United States granted to honorably discharged veterans of World War II certain benefits and privileges outlined in the Servicemen's Readjustment Act; and

Whereas one of the major provisions of this Readjustment Act provided for the rehabilitation of veterans by the guaranty of loans for the primary purpose of aiding and assisting veterans in the borrowing of funds over a long period of time at a reasonable rate of interest to finance the purchase of homes, farms, or businesses; and

Whereas this provision of the act has failed to give any relief to the majority of veterans in that no provisions have been made in the act for the financing of these loans and the great majority of veterans desiring to build or purchase homes, farms, or businesses have been unable to obtain loans from local banks or other lending institutions largely because local institutions do not have the surplus funds to invest in long-term real-estate loans to any of the many governmental agencies financing almost every phase of American business life; and

Whereas the Reconstruction Finance Corporation's policy of purchasing these loans was discontinued as of July 1, 1947, and since that time no governmental agency has either the authority or the funds to underwrite or purchase loans made under the said Servicemen's Readjustment Act: Now, therefore, be it

Resolved by the house of representatives (the senate concurring), That the Congress of the United States be urged to enact such legislation and appropriate such funds as may be necessary to enable and direct the Reconstruction Finance Corporation, or such other governmental lending agency, to purchase such notes, mortgages, and securities as are given by the World War II veterans to banks and lending institutions under the provisions and regulations of the Servicemen's Readjustment Act of 1944 (Public Law 346, 78th Cong., as amended, title 38, U. S. Code); be it further

Resolved, That a copy of this resolution be forwarded to the Speaker of the House of Representatives of the United States of America and a copy to the President of the Senate of the United States of America and a copy to each of the Senators and Representatives in the Congress of the United States of America from South Carolina and copy to the Chairman of the Reconstruction Finance Corporation.

There is pending before the Senate Committee on Banking and Currency a bill, Senate bill 1587, which was introduced by me on July 9, 1947, and which would authorize the Reconstruction Finance Corporation to purchase home loans guaranteed or insured under the Servicemen's Readjustment Act of 1944. I urge this committee to report this bill or a similar bill which may be pending and allow us to vote on it in the Senate.

Mr. SPARKMAN. Mr. President, will the Senator from South Carolina yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. SPARKMAN. I should like to call the attention of the Senator to the fact that last July, right in the very closing days of Congress, the Senate passed a bill which authorized the RFC to resume the purchase of the GI home mortgages. That bill is now pending before the Banking and Currency Committee of the House of Representatives.

It is true that in order to get the bill through we had to agree to some amendments on the floor of the Senate which perhaps restrict it a little unduly. Yet, it was felt that if we could resume this secondary market, even with these restrictions, we might prove the real merit of this undertaking.

I certainly agree with the Senator from South Carolina as to the need for this action, and surely that need is easily seen in areas such as that represented by him and by me, that is, areas which are primarily agricultural, and where large financial institutions are not available to handle all these loans.

I know that in my own section, and in many other sections, the condition now prevails that the lending agencies which are available have in their portfolios all this type of mortgage they can possibly carry. I might say that before the Joint Committee on Housing recently some representatives from the State of Maryland appeared and said that a secondary market for the GI loans was one of the greatest needs in connection with the house-building industry.

Mr. JOHNSTON of South Carolina. Mr. President, I agree with everything the Senator from Alabama has said. I remember that the bill which passed the Senate, and is now pending in the House, prescribes a very small amount as the limit, and it would only be sufficient to last for a short time. Personally, I should like to see even more made available than was indicated by the measure which passed the Senate and went to the House, and I believe my colleague from Alabama will agree with me.

EXECUTIVE SESSION

Mr. KNOWLAND. 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 REPORTS OF COMMITTEES

The following favorable reports of nominations were submitted:

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

H. Graham Morison, of Virginia, to be an Assistant Attorney General;

Frank E. Flynn, of Arizona, to be United States attorney for the district of Arizona;

Benjamin F. Ellis, of Alabama, to be United States marshal for the middle district of Alabama; and

Rupert Hugo Newcomb, of Mississippi, to be United States marshal for the southern district of Mississippi, vice Wyatt T. Reese.

Mr. TOBEY. Mr. President, from the Committee on Banking and Currency, I report favorably the nominations of Henry T. Bodman, of Michigan; John D. Goodloe, of Kentucky; Harvey Jones Gunderson, of South Dakota; Harley

Hise, of California; and Henry A. Mulligan, of New York, to be members of the Board of Directors of the Reconstruction Finance Corporation for a term of 2 years.

Also, the nominations of J. Alston Adams, of New Jersey, and William K. Divers, of Ohio, to be members of the Home Loan Bank Board, succeeding themselves. They are now acting.

The PRESIDING OFFICER. Without objection, the nominations will be received and placed on the Executive Calendar.

If there be no further reports of committees, the nominations on the Executive Calendar will be stated.

DEPARTMENT OF STATE

The legislative clerk read the nomination of George V. Allen, of North Carolina, to be Assistant Secretary of State.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

UNITED NATIONS

The legislative clerk read the nomination of Coert du Bois, of California, to be a representative of the United States of America on the Good Offices Committee of the Security Council of the United Nations on Indonesia.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

DIPLOMATIC AND FOREIGN SERVICE

The legislative clerk proceeded to read sundry nominations in the Diplomatic and Foreign Service.

Mr. KNOWLAND. I ask that the nominations in the Diplomatic and Foreign Service be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations are confirmed en bloc.

COLLECTOR OF INTERNAL REVENUE

The legislative clerk read the nomination of John T. Jarecki, of Illinois, to be collector of internal revenue, first district of Illinois.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

COLLECTORS OF CUSTOMS

The legislative clerk proceeded to read sundry nominations of collectors of customs.

Mr. KNOWLAND. I ask that the nominations of collectors of customs be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations are confirmed en bloc.

NATIONAL MEDIATION BOARD

The legislative clerk read the nomination of John Thad Scott, Jr., of Texas, to be a member for the term expiring February 1, 1951.

Mr. TAFT. Mr. President, at the request of another Senator I ask that the nomination be passed over.

The PRESIDING OFFICER. The nomination will be passed over.

UNITED STATES PUBLIC HEALTH SERVICE

The legislative clerk proceeded to read sundry nominations in the United States Public Health Service.

Mr. KNOWLAND. I ask that the nominations in the United States Public Health Service be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations are confirmed en bloc.

Without objection, the President will be notified of all nominations confirmed today.

That completes the nominations on the Executive Calendar.

LEGISLATIVE PROGRAM

Mr. KNOWLAND. Mr. President, for the information of the Senate, I merely wish to say that after the pending joint resolution shall have been disposed of it is our intention to take up for consideration House bill 2298, Calendar No. 936; Senate bill 1004, Calendar No. 897; Senate bill 1481, Calendar No. 485; and House bill 3051, Calendar No. 657.

Mr. BARKLEY. Mr. President, it is difficult to identify the bills by their numbers. Will the Senator state what the various bills are?

Mr. TAFT. Mr. President, the first bill is the railroad reorganization bill.

Mr. KNOWLAND. Yes. The second is the bill to amend the Atomic Energy Act. The third bill is the daylight-saving bill. The fourth bill deals with the repeal of profit limitations and certain other limiting provisions of the act of March 27, 1934.

I think it should be made clear that if we do not by tomorrow afternoon at 5 or 6 o'clock pass these bills, they will not be reached this week, because on Friday at 12 o'clock noon the Senate proceeds to consideration of the unfinished business, the St. Lawrence seaway.

Mr. SPARKMAN. Mr. President, will the Senator from California repeat the calendar numbers?

Mr. KNOWLAND. Calendar Nos. 936, 897, 485, and 657.

Mr. SPARKMAN. I thank the Senator.

RECESS

Mr. KNOWLAND. I move that the Senate now take a recess until the hour of 12 o'clock noon tomorrow.

The motion was agreed to; and (at 5 o'clock and 10 minutes p. m.) the Senate took a recess until tomorrow, Thursday, February 26, 1948, at 12 o'clock meridian.

CONFIRMATIONS

Executive nominations confirmed by the Senate February 25 (legislative day of February 2), 1948:

DEPARTMENT OF STATE

George V. Allen to be an Assistant Secretary of State.

UNITED NATIONS

Coert du Bois to be the representative of the United States of America on the Good Offices Committee of the Security Council of the United Nations on Indonesia.

DIPLOMATIC AND FOREIGN SERVICE

Richard P. Butrick to be Envoy Extraordinary and Minister Plenipotentiary of the United States of America to Iceland.

John C. Wiley to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Iran.

Henry F. Grady, now Ambassador Extraordinary and Plenipotentiary to India, to serve concurrently and without additional compensation as Envoy Extraordinary and Minister Plenipotentiary of the United States of America to Nepal.

Monnett B. Davis to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Panama.

Leonard N. Caswell to be a consul of the United States of America.

Edward W. Mill to be a secretary in the diplomatic service of the United States of America.

R. Borden Reams to be a Foreign Service officer of class 2, a consul, and a secretary in the diplomatic service of the United States of America.

TO BE FOREIGN SERVICE OFFICERS OF CLASS 3, CONSULS, AND SECRETARIES IN THE DIPLOMATIC SERVICE OF THE UNITED STATES OF AMERICA

Myron L. Black
Charles P. O'Donnell
Thomas K. Wright

TO BE FOREIGN SERVICE OFFICERS OF CLASS 4, CONSULS, AND SECRETARIES IN THE DIPLOMATIC SERVICE OF THE UNITED STATES OF AMERICA

Frederick H. Awalt
Neill M. Coney, Jr.

TO BE 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
Robert J. MacQuaid

COLLECTOR OF INTERNAL REVENUE

John T. Jarecki to be collector of internal revenue for the first district of Illinois.

COLLECTORS OF CUSTOMS

Joseph A. Ziemba to be collector of customs for customs collection district No. 39, with headquarters at Chicago, Ill.

Alden H. Baker to be collector of customs for customs collection district No. 40, with headquarters at Indianapolis, Ind.

Joseph T. Sylvester to be collector of customs for customs collection district No. 1, with headquarters at Portland, Maine.

Martin R. Bradley to be collector of customs for customs collection district No. 38, with headquarters at Detroit, Mich.

Bernice Pyke to be collector of customs for customs collection district No. 41, with headquarters at Cleveland, Ohio.

Elaine Beadling to be collector of customs for customs collection district No. 12, with headquarters at Pittsburgh, Pa.

UNITED STATES PUBLIC HEALTH SERVICE

Leonard A. Scheele to be the Surgeon General of the United States Public Health Service for a term of 4 years.

PROMOTIONS IN THE REGULAR CORPS OF THE PUBLIC HEALTH SERVICE

To be temporary senior assistant surgeons (equivalent to the Army rank of captain)

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

APPOINTMENT IN THE REGULAR CORPS OF THE PUBLIC HEALTH SERVICE

To be senior assistant surgeons (equivalent to the Army rank of captain), effective date of acceptance

David D. LeGrand Arthur H. Maybay
Wayland J. Hayes, Jr. James A. Salmons
Gerald R. Clark

To be assistant surgeons (equivalent to the Army rank of first lieutenant), effective date of acceptance

David S. Citron	Ray W. Goens
Leon T. Atlas	Eugene A. Vaccaro
Albert V. Myatt	Stuart H. Martel
John C. Wrye III	Maurice W. Peterson
Raymond G. Halvorson	Harry E. Halden III
James R. Green	Clarence A. Velat
Harrison F. Wood	Howard W. Halfman
Carroll D. Savage	John P. Lombardi
Charles Sherter	Charles L. A. Wehr
Carl R. Reed	Herbert Wieder

APPOINTMENT AND PROMOTION IN THE REGULAR CORPS OF THE PUBLIC HEALTH SERVICE

To be senior assistant veterinarian (equivalent to the Army rank of captain), effective date of acceptance

James H. Steele

To be temporary medical director (equivalent to the Army rank of colonel)

Walter E. Doyle

To be temporary senior assistant surgeons (equivalent to the Army rank of captain)

Milton J. Miller

Robert H. Dysinger

To be temporary veterinarian (equivalent to the Army rank of major)

James H. Steele

HOUSE OF REPRESENTATIVES

WEDNESDAY, FEBRUARY 25, 1948

The House met at 12 o'clock noon.

Rev. John C. Smith, Presbyterian pastor, Pittsburgh, Pa., offered the following prayer:

Eternal God, our Heavenly Father, we bow humbly before Thee, for Thou art our Creator and Creator of our world. Where our intelligence ends, Thine begins. Where our finite power becomes weakness, Thou art sovereign and supreme over all. We would thank Thee that Thou art past our understanding and that Thy will knows no human limitations.

But we are most thankful for Jesus Christ, that in Him Thou hast revealed Thyself unto our discovery, that in the simple Carpenter and Teacher of Galilee we see God. In the presence of His purity, in the shadow of His Cross, we would confess our sins, our ambitiousness for self, our jealousies, our envyings, our strife. Cleanse us, O God, of all that is evil.

We would thank Thee for our Nation—a land of freedom—with the dream of justice and equality for all. We would acknowledge humbly the responsibility Thou hast given to our Nation in our time. And we pray sincerely that Thou wouldst lead this House and its Members, and that they may under Christ do Thy will in all things.

Through Jesus Christ our Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE PRESIDENT

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

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced

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

S. 2182. An act 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 the conditions justifying such controls no longer exist, and for other purposes.

DR. JOHN COVENTRY SMITH

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

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

There was no objection.

Mr. FULTON. Mr. Speaker, Dr. John Coventry Smith, who gave the prayer this morning, is the pastor of the Mount Lebanon United Presbyterian Church, of Pittsburgh, Pa., the largest congregation in that denomination. He is the first vice president of the Council of Churches in Pittsburgh and one of the outstanding preachers of Pennsylvania.

Dr. Smith was a missionary of the Presbyterian Church of the United States of America in Japan from 1929 to 1942, engaged in educational and evangelistic work. He was interned in Yokohama by the Japanese for the first 6 months of the war and came home on the first trip of the *Gripsholm*.

Dr. Smith is here today on a very pleasant mission, which is the installation this evening of the Reverend Harry Rankin, his present assistant, as the pastor at the River Road United Presbyterian Church in Washington, D. C.

We all wish Dr. Smith and the Reverend Rankin the very best in this ceremony this evening, and know that Washington, D. C., will be as proud of the Reverend Rankin in his future service to this community as we have been of his service in Pittsburgh.

CZECHOSLOVAKIA IS AGAIN IN CHAINS

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

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

There was no objection.

Mr. STEFAN. Mr. Speaker, Czechoslovakia is again in chains. This small country, great in its men and women, with its constitution based upon our own, has temporarily passed under the Communist yoke and into the concentration camp of subject nations.

I say "temporarily" because I mean just that. Czechoslovakians cannot permanently remain enslaved. Throughout the centuries these people have known many conquerors. But their determination to be free has emerged unabated when their erstwhile masters mingled with the dust. Other Masaryks will arise to lead them once more toward the light of liberty.

The Czechoslovakia as we so lately knew it began in this country. Their constitution was written here. Their freedom was announced from these shores. Even in the anguish of their second captivity in 9 years they have left

the people of the United States a priceless legacy.

And what is this challenging inheritance from a people who have so recently undergone their Lidice as a nation? It is this: they have revealed to us the ominous pattern of Communist conquest.

Communist puppet Premier Gottwald is only the symbol of Soviet savagery. Czechoslovak industry was first nationalized. Then the labor unions were brought under Communist domination. Then the press and radio were given over to Communist control. Finally, the police and the military were placed in the hands of the Communists. From that point it remained only a short step to the stifling of the legislative body and the ringing down of the iron curtain over the prostrate nation.

This must not happen here. We of the United States must be eternally vigilant. We must beat down any attempt at the nationalization of industry. We must eradicate Communist influence from the labor unions. We must destroy, without mercy, efforts to throttle our free press and our free radio. We must demand absolute loyalty on the part of all Government workers. We must particularly see to it that the Federal Bureau of Investigation and the American Military Establishment are not Communist-ridden and used as political police.

If we relax in our alertness, even for a moment, the present sacrifice of Czechoslovakia will have been fruitless, our own Constitution will have been trampled to earth, and our more than a century and a half of freedom will have been in vain.

We have no assurance that we are not next on the Kremlin's plan of world conquest. But we are also forewarned. Czechoslovakia has given her life as a nation that we might know what is in store for us.

Gentlemen, we have been forewarned. There can be no misinterpretation of the message of what has happened in Czechoslovakia.

Let us, therefore, be forearmed against the peril which has demonstrated that today's freemen may be tomorrow's slaves.

RAILROAD RETIREMENT ACT

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

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

There was no objection.

Mrs. ST. GEORGE. Mr. Speaker, yesterday this House unanimously passed the conference report on an excellent retirement bill. While we are thinking about retirement, I would like to call the attention of the House to the present Railroad Retirement Act, which leaves much to be desired. When it was established, the rates which were set up were probably fairly adequate. It is obvious that since then the constant increases in the cost of living have made these rates wholly inadequate. The survivor benefits are also far too low for the present cost-of-living index and