By Mr. THOMPSON of Texas:

H. R. 5909. A bill for the relief of Lilli Weiser Sommerfreund; to the Committee on the Judiciary.

By Mr. BARRETT:

H. Res. 301. Resolution authorizing payment of salary due to James M. Hazlett, deceased; to the Committee on House Administration.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

358. By Mr. CANFIELD: resolutions of the Independent Calabrese Club, of Paterson, N. J., urging Congress to empower the Secretary of Agriculture to release surplus foods now on hand and subject to spoilage to the starving people of the world; to the Committee on Agriculture.

359. By Mr. SCOTT: Resolution of the Federation of American Citizens of German Descent of Greater New York and endorsed by the national office of the federation in Philadelphia, in behalf of the allotment, under the foreign aid program, of surplus food for free distribution among suffering people; to the Committee on Foreign Affairs.

SENATE

WEDNESDAY, JUNE 24, 1953

(Legislative day of Monday, June 8, 1953)

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

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Eternal Spirit, without whose guidance our wisdom is but folly, keep us this day in serenity and confidence as our hearts and minds are stayed on Thee. May we guard our words with the seal of understanding charity. Save us from being embittered by ingratitude, pettiness, or meanness, and from turning coward in the day of battle. May we be satisfied with nothing less than our best, however difficult, and testing the duty before us. May the voice of the past warn us from paths which lead to national disaster. May the voice of the present call us to be prophets of good will in today's crisis. Yet save us from trying to purchase a spurious good will by bartering moral principles or the right of men to make their own choices. May the voice of the future challenge us to a golden day when earth's dismal deserts shall blossom into gladsome gardens. We ask it in the dear Redeemer's name. Amen.

THE JOURNAL

On request of Mr. KNOWLAND, and by unanimous consent, the reading of the Journal of the proceedings of Tuesday, June 23, 1953, was dispensed with.

MESSAGES FROM THE PRESIDENT

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

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had passed the bill (S. 2112) to provide for the transfer of price-support wheat to Pakistan with an amendment in which it requested the concurrence of the Senate.

COMMITTEE MEETING DURING SENATE SESSION

On request of Mr. KNOWLAND, and by unanimous consent, the Committee on Finance was authorized to meet today during the session of the Senate.

ORDER FOR TRANSACTION OF ROUTINE BUSINESS

Mr. KNOWLAND. Mr. President, I ask unanimous consent that immediately following the quorum call there may be the customary morning hour, to permit Senators to introduce bills and joint resolutions, to make insertions in the RECORD, and transact other routine business, under the usual 2-minute limitation on speeches.

The VICE PRESIDENT. Without objection, it is so ordered.

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

The VICE PRESIDENT. The Secretary will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. KNOWLAND. Mr. President, I ask that the order for the quorum call be rescinded, and that further proceedings under the call be dispensed with.

The VICE PRESIDENT. Without objection, it is so ordered.

EXECUTIVE COMMUNICATIONS, ETC.

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

REPORT ON ADMINISTRATION OF YUGOSLAV EMERGENCY RELIEF ASSISTANCE PROGRAM

A letter from the Secretary of State, transmitting, pursuant to law, a report on the administration of the Yugoslav emergency relief asistance program, for the period December 16, 1952, through March 15, 1953 (with an accompanying report); to the Committee on Foreign Relations.

READJUSTMENT OF POSTAL RATES

A letter from the Postmaster General, transmitting a draft of proposed legislation to readjust postal rates, and for other purposes (with an accompanying paper); to the Committee on Post Office and Civil Service.

SUSPENSION OF DEPORTATION OF ALIENS—WITHDRAWAL OF NAMES

A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, withdrawing the names of sundry aliens from reports relating to aliens whose deportation had been suspended, heretofore transmitted to the Senate (with accompanying papers); to the Committee on the Judiciary.

ADDITIONAL EXPENDITURES BY COMMITTEE ON APPROPRIATIONS

Mr. JENNER. Mr. President, from the Committee on Rules and Administration I report favorably, without amendment, Senate Resolution 121, and ask unanimous consent for its present consideration.

The VICE PRESIDENT. The resolution will be stated by title for the information of the Senate.

The CHIEF CLERK. A resolution, Senate Resolution 121, authorizing additional expenditures by the Committee on Appropriations.

Mr. JENNER. Mr. President, this resolution provides the regular $10,000 additional appropriation for the Appropriations Committee.

The VICE PRESIDENT. Is there objection to the present consideration of the resolution?

There being no objection, the resolution (S. Res. 121) reported by Mr. BRIDGES from the Committee on Appropriations on June 23, 1953, was considered and agreed to, as follows:

Resolved, That the Committee on Appropriations hereby is authorized to expend from the contingent fund of the Senate, during the 83d Congress, $10,000 in addition to the amount, and for the same purposes, specified in section 134 (a) of the Legislative Reorganization Act approved August 2, 1946.

EXTENSION OF AUTHORITY FOR EXAMINATION AND REVIEW OF ADMINISTRATION OF TRADING WITH THE ENEMY ACT

Mr. JENNER. Mr. President, from the Committee on Rules and Administration I report favorably, without amendment, Senate Resolution 120, and I submit a report (No. 457). I ask unanimous consent for the present consideration of the resolution.

The VICE PRESIDENT. The resolution will be stated by title for the information of the Senate.

The CHIEF CLERK. A resolution (S. Res. 120) extending authority for examination and review of administration of the Trading With the Enemy Act.

Mr. JENNER. Mr. President, this resolution provides for no appropriation. It provides merely an extension of authority under the Trading With the Enemy Act, the authority to expire January 31 next year.

The VICE PRESIDENT. Is there objection to the present consideration of the resolution?

There being no objection, the resolution (S. Res. 120), submitted by Mr. DIRKSEN on June 22, 1953, was considered and agreed to, as follows:

Resolved, That the authority of the Senate Committee on the Judiciary under Senate Resolution 245, 82d Congress, agreed to March 24, 1952, and Senate Resolution 47, 83d Congress, agreed to January 30, 1953 (authorizing a full and complete examination and review of the administration of the Trading With the Enemy Act), and the time for reporting the results of its study and investigation thereunder is hereby extended to January 31, 1954.

SEC. 2. The sums previously authorized to be expended under such resolutions shall be available for the expenses of the committee covering obligations incurred on or before January 31, 1954.

AUTHENTICATED U.S. GOVERNMENT INFORMATION GPO

BILLS INTRODUCED

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

By Mr. LANGER:

S. 2201. A bill to provide that pensions shall be extended to the widows and children of deceased World War II veterans on the same conditions as they are now extended to the widows and children of deceased World War I veterans; to the Committee on Finance.

S. 2202. A bill for the relief of Mary Beck;

S. 2203. A bill for the relief of certain Palestinian Arab refugees;

S. 2204. A bill to provide that United States commissioners who are required to devote full time to the duties of the office may be allowed their necessary office expenses;

S. 2205. A bill for the relief of certain Palestinian Arab refugees;

S. 2206. A bill for the relief of certain Palestinian Arab refugees; and

S. 2207. A bill for the relief of certain Palestinian Arab refugees; to the Committee on the Judiciary.

By Mr. BRIDGES:

S. 2208. A bill for the relief of Oton Franges; and

S. 2209. A bill for the relief of Roland E. Jenkins and Harvey V. Harrison; to the Committee on the Judiciary.

By Mr. MARTIN:

S. 2210. A bill for the relief of Frank (Franz) Homolka, Olga Homolka (nee Mandel), Adolf Homolka, Helga Maria Homolka, and Frieda Homolka; to the Committee on the Judiciary.

By Mr. MILLIKIN (for himself and Mr. JOHNSON of Colorado):

S. 2211. A bill conferring jurisdiction upon the United States District Court for the District of Colorado to hear, determine, and render judgment upon the claim of J. Don Alexander against the United States; to the Committee on the Judiciary.

By Mr. ANDERSON:

S. 2212. A bill for the relief of Alma S. Wittlin-Frischauer; to the Committee on the Judiciary.

By Mr. McCARRAN:

S. 2213. A bill to provide for the conveyance, upon completion of the payment of construction charges, of the Newlands project, including lands and works, to the Truckee-Carson Irrigation District, Fallon, Nev.; to the Committee on Interior and Insular Affairs.

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

By Mr. HOEY:

S. 2214. A bill for the relief of Peter James Copses, Beatrice Copses, Victoria Copses, and James Peter Copses; to the Committee on the Judiciary.

By Mr. KERR:

S. 2215. A bill for the relief of Thomas D. Hanly; to the Committee on the Judiciary.

By Mr. DIRKSEN:

S. 2216. A bill for the relief of Vasilios Demetriou Kretsos and his wife Chrussa Thomaidou Kretsos; to the Committee on the Judiciary.

CONVEYANCE OF NEWLANDS RECLAMATION PROJECT TO TRUCKEE-CARSON IRRIGATION DISTRICT, FALLON, NEV.

Mr. McCARRAN. Mr. President, I introduce for appropriate reference a bill that is designed to return to the people of my State of Nevada the ownership and control of the country's first federally financed reclamation project now that the Federal Government has been almost repaid all construction, operational, and maintenance costs plus accrued interest.

I ask unanimous consent that the bill, together with a statement by me, be printed in the RECORD.

The VICE PRESIDENT. The bill will be received and appropriately referred, and, without objection, the bill and statement will be printed in the RECORD.

The bill (S. 2213) to provide for the conveyance, upon completion of the payment of construction charges, of the Newlands project, including lands and works, to the Truckee-Carson Irrigation District, Fallon, Nev., introduced by Mr. McCARRAN, was received, read twice by its title, referred to the Committee on Interior and Insular Affairs, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That the Secretary of the Interior is authorized and directed, upon the completion of the payment, either in installments or in lump sum at any time after the date of the enactment of this act, of construction charges (as defined in the Reclamation Project Act of 1939) due the United States with respect to any land, works, or other property authorized to be transferred under this act, to convey by quitclaim deed, subject to the condition in section 2 of this act, to the Truckee-Carson Irrigation District, Fallon, Nevada, all of the right, title, and interest of the United States in and to the Newlands Project, including the lands described in section 3 of this act and all dams, reservoirs, buildings, distribution and drainage systems, pipe lines, power distribution lines, telephones and telephone lines, local records, files, maps, and data pertaining to such project, and any other works, equipment, or improvements which are a part of such project.

SEC. 2. Such conveyance shall be subject to the condition that all leases, permits, agreements, easements, and licenses with respect to such lands or works or the use thereof, which are in effect at the time of such conveyance and to which such district is not a party at such time, shall continue in effect, subject to compliance with the terms and conditions set forth in such leases, permits, agreements, easements, and licenses, until terminated in accordance with the provisions thereof.

SEC. 3. The lands to be conveyed under the provisions of this act are described as follows:

MOUNT DIABLO MERIDIAN

T. 15 N., R. 17 E., That part of section 7 beginning at a point on the west boundary of the northeast quarter of the northwest quarter, situate 450 feet south from the northwest corner thereof and running thence south 2,190 feet, more or less, to the south line of the northwest quarter of said section; thence east 1,978.8 feet, more or less, to the meander line of Lake Tahoe; thence with meander line north 19° 00′ west 110.1 feet; north 12° 30′ east 165 feet; north 8° 15′ east 237.5 feet; thence north 40° 04′ west 1,062.8 feet; thence north 51° 00′ west 463 feet to a point 20 feet easterly from the easterly bank of the Truckee River; thence south 52° 00′ west 463 feet, more or less, to the south boundary of the northeast quarter of the northwest quarter of said section 7; thence west along said south boundary of the northeast quarter of the northwest quarter of section 7, 204 feet; thence north 870 feet; then west 400 feet to the place of beginning; being the property deeded to the United States of America by the Mercantile Trust Company of San Francisco by deed dated the ninth day of August, 1904, and recorded in Book 86, at page 23, Records of Deeds, Placer County, California, containing sixty-four (64) acres, more or less; less existing rights-of-way for public highways;

T. 16 N., R. 28 E., sections 1 through 4, inclusive, and sections 9 through 12, inclusive;

T. 16 N., R. 29 E., sections 1 through 7, inclusive;

T. 16 N., R. 30 E., sections 5 and 6;

T. 17 N., R. 25 E., section 1, S½, S½NW¼, NW¼NW¼, and SW¼NE¼; section 2, all; section 3, N½ and NW¼SW¼; section 4, E½ and NW¼; section 11, S½SE¼ and E½NE¼; sections 12 through 14, inclusive; section 15, S½SE¼ and NE¼SE¼; section 22, NE¼, N½NW¼, and SE¼NW¼; sections 23 through 26, inclusive; section 27, SE¼, E½NE¼, and S½SW¼;

T. 17 N., R. 26 E., sections 1 and 2; section 3, S½; section 4, all; section 5, S½; sections 6 through 8, inclusive; section 9, S½ and NE¼; sections 10 through 36, inclusive;

T. 17 N., R. 27 E., section 1;

T. 17 N., R. 28 E., section 2, W½; sections 3 through 10, inclusive; section 11, W½; section 14, W½; sections 15 through 22, inclusive; section 23, W½ and W½E½; section 24, all of E½ south and east of Carson Lake meander line; sections 25 through 34, inclusive; section 35, SE¼, SW¼, and NW¼; section 36, all;

T. 17 N., R. 29 E., sections 1 and 2; section 3, SE¼, S½NE¼, and S½SW¼; second 9, SE¼, E½NE¼, SE¼SW¼, and those parts of the SW¼NE¼, SW¼SW¼, and NE¼SW¼ lying south and east of Carson Lake meander line; sections 10 through 16, inclusive; section 17, SE¼ and those parts of the NE¼, SW¼, and NW¼ lying south and east of Carson Lake meander line; sections 19 through 36, inclusive;

T. 17 N., R. 30 E., sections 5 through 8, inclusive; sections 17 through 20, inclusive; sections 29 through 32, inclusive;

T. 18 N., R. 25 E., sections 2, 4, 6, 8, 10, 12, 14, and 16; sections 17, S½SE¼ and SE¼SW¼; sections 18, 20, 21, and 22; section 23, S½ and SW¼NW¼; section 24, all; section 25, N½NE¼; section 26, all; section 27, W½NW¼ and NE¼NE¼; section 28, all; section 29, S½SE¼, NE¼SE¼, and SE¼NE¼; sections 30, 32, 33, and 34; section 35, SW¼ and SW¼SE¼; section 36, all;

T. 18 N., R. 26 E., section 2, all; section 4, W½NW¼ and NW¼SW¼; section 6, all; section 8, NW¼, W½NE¼, N½SW¼, SW¼SW¼, and NW¼SE¼; sections 10 and 12; section 16, NE¼ and SE¼NW¼; section 18, all; section 20, E½, S½SW¼, and NE¼SW¼; sections 22, 24, 26, 28, 30, 32, 34, and 36;

T. 18 N., R. 27 E., sections 1, 2, 4, 6, and 8; section 9, S½; sections 10 through 16, inclusive; section 18, all; section 19, S½; sections 20 through 28, inclusive; sections 33 through 36, inclusive;

T. 18 N. R. 28 E., section 5, SE¼SE¼, NW¼SW¼, and SW¼NW¼; section 6, W½, SE¼, S½NE¼, and NW¼NE¼; section 7, all; section 8, all except NW¼NE¼; section 9, SE¼SW¼ and E½SE¼; section 15, S½SW¼, NE¼SW¼, SE¼NW¼, and NW¼NW¼; sections 16 through 21, inclusive; section 22, SW¼, E½NW¼, and E½W½NW¼; section 27, SW¼ and W½NW¼; sections 28 through 33 inclusive; section 34, W½ and S½SE¼; section 35, SW¼SW¼, SW¼SE¼, E½SW¼, and SE¼NW¼;

T. 18 N., R. 29 E., section 1, all except SW¼SW¼; section 2, NE¼, N½SE¼, and NE¼NW¼; section 3, NE¼NW¼, NW¼NE¼, S½SW¼, and NW¼SW¼; section 4, SW¼NE¼, NE¼SE¼, and those parts of the SE¼SE¼ and NW¼SE¼ north of "LK" Lateral; section 6, N½SE¼; section 9, E½W½ and SE¼; section 12, NE¼, S½SE¼, SE¼SW¼, and that part of the NW¼ north of L Line Canal; section 13, S½, S½NW¼, and N½NE¼; section 16, NE¼ and N½SE¼; section 18, SE¼SE¼; section 21, SE¼; section 24, N½SW¼, SW¼SW¼, NW¼SE¼, NW¼, W½NE¼, and NE¼NE¼; section 25, SW¼SE¼ and SE¼SW¼; section 26, N½N½; section 35, S½SE¼;

T. 18 N., R. 30 E., sections 1 through 10, inclusive; sections 16 through 18, inclusive; section 19, E½, E½W½, and NW¼NW¼; sections 20 and 29; section 30, E½, E½W½, and W½SW¼; section 31, E½, SW¼, and N½NW¼; section 32, all;

T. 19 N., R. 23 E., sections 2, 4, 6, 8, 10, 12, 14, 16, 18, 20, 22, 24, 26, 28, 30, 32, 34, and 36;

T. 19 N., R. 24 E., sections 2, 4, 6, 8, 10, 12, 14, 16, 18, 20, 22, 24, 26, 28, 30, 32, 34, and 36;

T. 19 N., R. 25 E., sections 2, 4, 6, 8, 10, 12, 14, 16, 18, 20, 22, 24, 26, 28, 30, 32, 34, and 36;

T. 19 N., R. 26 E., section 2, all; section 4, E½E½, W½W½, NE¼NW¼, NW¼NE¼, SE¼SW¼, and SW¼SE¼; sections 6, 8, 10, 12, 14, 16, 18, 20, and 22; section 24, N½, SW¼, and NW¼SE¼; section 26, N½, SW¼, and NW¼SE¼; sections 28, 30, 32, and 34; section 36, all except NW¼NW¼;

T. 19 N., R. 27 E., section 2, all except S½SE¼ and N½SW¼; section 4, all; section 6, all except S½SE¼; section 8, E½SE¼, NE¼, and NE¼NW¼; section 10, all except SW¼SE¼; section 12, all except SW¼NW¼; section 14, N½ and N½SW¼; section 16, all; section 18, N½NW¼, SW¼NE¼, E½SW¼, W½SE¼, and SE¼SE¼; section 20, N½ and NE¼SE¼; section 22, SE¼, E½SW¼, SW¼SW¼, and NW¼NW¼; section 24, SW¼SW¼; section 26, all; section 28, all except NW¼NW¼; section 30, all except NW¼NW¼; sections 32, 34, 35, and 36;

T. 19 N., R. 28 E., sections 1 and 2; section 3, E½; section 4, all except SW¼SW¼; section 6, SE¼, S½SW¼, and S½N½; section 8, SE¼, W½NE¼, and that part of the E½NE¼ lying north and east of Soda Lake meander line; section 10, all except SW¼NW¼ and NW¼SW¼; sections 11 and 12; section 13, N½N½ and SE¼NE¼; section 14, NW¼, NE¼, N½SW¼, SW¼SW¼, and NW¼SE¼; section 15, N½, N½S½, SW¼SW¼, and SE¼SE¼; section 16, SE¼, NE¼NE¼, S½SW¼, NE¼SW¼ and E½NW¼; section 17, W½W½, E½NW¼, NE¼SW¼, N½SE¼, and S½S½SE¼; section 18, SE¼ and N½SW¼; section 20, E½W½, NW¼NW¼, SW¼SW¼, NE¼NE¼, SW¼NE¼, and NW¼SE¼; section 21, NE¼, E½NW¼, SW¼NW¼, N½SW¼, SW¼SW¼, W½SE¼, and SE¼SE¼; section 22, SW¼NW¼, NW¼, and NE¼NE¼; section 23, NE¼SE¼; section 24, NW¼NE¼; section 26, N½NW¼; section 30, W½SW¼; section 31, W½ and W½SE¼;

T. 19 N., R. 29 E, section 1, all; section 2, SE¼, S½SW¼, and SE¼NE¼; section 3, S½; section 4, SE¼; section 5, W½; section 6, all; section 7, all except SE¼SE¼; section 8, NW¼, W½NE¼, N½SW¼, and NW¼SE¼; section 9, E½; sections 10 through 14, inclusive; section 15, S½, NE¼, and E½NW¼; section 16, N½NW¼, and SW¼NW¼; section 17, SE¼SE¼; section 18, E½NW¼ and NE¼SW¼; section 20 E½, E½SW¼, SW¼SW¼, and SE¼NW¼; sections 21 and 22; section 23, NW¼, W½SW¼, NE¼SW¼, W½NE¼, and NE¼NE¼; section 24, N½NW¼ and NW¼NE¼; section 27, NW¼; section 28, N½; section 29, N½ except SW¼NW¼; section 36, S½S½.

T. 19 N., R. 30 E., section 2, NW¼ and W½NE¼; section 3, W½ and NE¼; sections 4 through 7, inclusive; section 8, W½ and NE¼; section 18, N½ and W½SW¼; section 23, NE¼NW¼; section 24, S½, E½NW¼, and W½NE¼SE¼NE¼; section 25, all; section 26, SE¼ and S½NE½; section 27, SE¼SW¼ and W½NW¼; section 28, W½, W½SE¼, SE¼SE¼, and E½NE¼; section 29, all; section 30, E½SE¼ and S½SW¼; section 31, S½, W½NW¼, and E½NE¼; sections 32 through 36, inclusive.

T. 19 N., R. 31 E., sections 1 through 3, inclusive; section 4, E½, E½W½, and SW¼SW¼; section 6, N½NW¼; section 8, S½SE¼; sections 9 through 11, inclusive; sections 14 through 16, inclusive; section 17, E½, SW¼, and NE¼NW¼; section 18, E½SE¼; section 19, S½, E½NW¼, and NE¼NE¼; sections 20 through 22, inclusive; sections 27 through 34, inclusive;

T. 20 N., R. 23 E., section 20, S½; section 22, S½; sections 24, 26, 28, 30, 32, 34, and 36;

T. 20 N., R. 24 E., section 10, NW¼; section 12, W½NE¼ and N½NW¼; section 16, all; section 18, S½SE¼, NE¼SE¼, NW¼NE¼, and NW¼; sections 20 and 22; section 24, SW¼ and SW¼NW¼; sections 26, 28, 30, 32, 34, and 36;

T. 20 N., R. 25 E., sections 2, 4, 6, 8, 10, 12, 14, and 16; section 18, S½NE¼ less railroad right-of-way; section 22, S½SW¼; section 24, NE¼ and NE¼NW¼; sections 26, 28, 30, 32, 34, and 36;

T. 20 N., R. 26 E., sections 4, 6, 8, 16, 18, and 20; section 26, N½, SE¼, and NW¼SW¼; sections 28 and 30; section 32, all except E½NE¼NE¼; section 34, SE¼, E½SW¼, SW¼SW¼, SW¼NW¼, and SE¼NE¼; section 36, all;

T. 20 N., R. 27 E., sections 2, 10, 12, 14, 16, 18, 20, 22, 24, 26, 28, 30, 32, 34, and 36;

T. 20 N., R. 28 E., sections 2, 4, 6, 8, 10 12, 14, 16, 18, 20, 22, 24, 25, 26, 28, and 30; section 32, E½, NE¼NW¼, W½SW¼, and SE¼SW¼; section 34, all; section 35, S½; section 36, all;

T. 20 N., R. 29 E., sections 4, 6, and 8; section 10, W½NW¼, NE¼NW¼, SE¼NE¼, SE¼, E½SW¼, and SW¼SW¼; section 12, all; section 13, S½, NE¼, NE¼NW¼, and SW¼NW¼; section 14, E½, E½SW¼, SW¼SW¼, SE¼, NW¼, and NW¼NW¼; section 15, NE¼, N½NW¼, SE¼NW¼, NE¼SW¼, NW¼SE¼, and SE¼SE¼; section 16, W½; sections 18 and 20; section 21, W½; section 22, N½NE¼ and E½NW¼; sections 23 through 26, inclusive; section 27, E½E½, SW¼NE¼, S½NW¼, and N½SW¼; section 28, W½; sections 29 through 32, inclusive; section 33, all except NE¼NE¼; section 34, E½NE¼; section 35, NW¼, NE¼, and N½SE¼; section 36, all.

T. 20 N., R. 30 E., sections 1 through 5, inclusive; section 6, E½, S½SW¼, S½NW¼, and NE¼NW¼; sections 7 through 17, inclusive; section 18, N½, SE¼, and NE¼SW¼; section 19, all except NW¼NW¼; sections 20 through 25, inclusive; section 26, NW¼ and SE¼; sections 27 through 33, inclusive; section 34, NW¼, SW¼, and SE¼; section 35, all; section 36, NW¼, SW¼, and N½SE¼;

T. 20 N., R. 31 E., section 1, all; section 2, W½, E½SE¼, W½NE¼, and NE¼NE¼; sections 3 and 4; section 5, W½NW¼, E½, SE¼SW¼, and NW¼SW¼; section 6, all; section 7, NW¼, W½NE¼, W½SW¼, NE¼SW¼, and NW¼SE¼; section 8, all except NW¼NW¼; section 9, all; section 10, NW¼, SW¼, and NE¼; section 11, E½, SE¼NW¼, E½SW¼, and SW¼SW¼; sections 12 through 14, inclusive; section 18, W½W½; section 22, E½; sections 23 through 26, inclusive; section 27, all except NW¼NW¼; section 28, E½SE¼; section 30, W½W½; section 31, E½SW¼; section 33, E½, SW¼, and SE¼NW¼; sections 34 through 36, inclusive;

T. 20 N., R. 32 E., sections 3 through 10, inclusive; sections 16 through 21, inclusive; sections 29 and 30;

T. 21 N., R. 25 E., sections 12, 14, 24, 26, 28, 34, and 36;

T. 21 N., R. 26 E., sections 4, 6, 8, 18, 20, 28, 30, and 32;

T. 21 N., R. 27 E., section 36, all;

T. 21 N., R. 28 E., sections 12, 14, 22, 24, 26, 28, 32, 34, and 36;

T. 21 N., R. 29 E., sections 2, 4, 6, 8, 10, 12, 14, 16, 18, 20, 22, 24, 26, 28, 30, 32, 34, and 36;

T. 21 N., R. 30 E., sections 2, 4, 6, 8, 10, 12, 14, 16, 18, 20, 22, 24, 25, 26, 28, 30, 32, 34, 35, and 36;

T. 21 N., R. 31 E., sections 1, 2, 4, and 6; sections 8 through 36, inclusive;

T. 21 N., R. 32 E., sections 2 through 11, inclusive; sections 14 through 22, inclusive; sections 27 through 34, inclusive;

T. 22 N., R. 26 E., sections 2, 4, 10, 12, 14, 22, 24, 26, 28, 30, 32, 34, and 36;

T. 22 N., R. 29 E., sections 2, 4, 6, 8, 10, 12, 14, 16, 18, 20, 22, 24, 26, 28, 30, 32, 34, and 36;

T. 22 N., R. 30 E., sections 2, 4, 6, 8, 10, 12, 14, 16, 18, 20, 22, 24, 26, 28, 30, 32, 34, and 36;

T. 22 N., R. 31 E., sections 2, 4, 6, 8, 10, 12, 14, 16, 18, 20, 22, 24, 26, 28, 30, 32, 34, and 36;

T. 22 N., R. 32 E., sections 1, 2, 4, 6, and 8; section 9, E½; sections 10 through 16, inclusive; sections 18 and 20; sections 22 through 36, inclusive;

T. 22 N., R. 33 E., sections 6, 7, and 18;

T. 23 N., R. 26 E., sections 26, 34, and 36;

T. 23 N., R. 29 E., sections 24, 26, 32, 34, and 36;

T. 23 N., R. 30 E., sections 8, 10, 12, 14, 16, 18, 20, 22, 24, 26, 28, 30, 32, 34, and 36;

T. 23 N., R. 31 E., sections 2, 4, 6, 8, 10, 12, 14, 16, 18, 20, 22, 24, 26, 28, 30, 32, 34, and 36;

T. 23 N., R. 32 E., sections 2, 4, 6, 8, 10, 12, 14, 16, 18, 20, 22, 24, 26, 28, 30, 32, 34, 35, and 36;

T. 23 N., R. 33 E., sections 30 and 31;

T. 24 N., R. 31 E., sections 24, 26, 32, 34, and 36;

T. 24 N., R. 32 E., sections 20, 22, 26, 28, 30, 32, and 34.

The statement by Mr. McCARRAN is as follows:

STATEMENT BY SENATOR McCARRAN

I am the first to appreciate the landmark effect this legislation might well have across the length and breadth of this country. It is my firm conviction that the Federal Government when it has been repaid every dollar of its investment, should divest itself of ownership and control. Those responsibilities, and the advantages and disadvantages inherent in them, should be placed in the farmers who have paid in their hard-earned dollars on repayment contracts. That is the basic purpose of this bill.

If I might take several minutes, I would like to turn back the pages of history on federally financed reclamation development in this country. One of my late distinguished predecessors who represented the State of Nevada in both Houses of the Congress was the Honorable Francis G. Newlands, popularly called the father of reclamation development in the United States.

He introduced the first reclamation act in 1901 while a Member of the House of Representatives. He worked against great odds for the passage of this act in 1902. President Theodore Roosevelt paid him the highest of compliments for his foresight and understanding at the time the act was signed into law.

One year later the country's first reclamation project was authorized by the Congress in the State of Nevada and work estimated to cost $8 million was begun. In 1919 this development was named the Newlands' project in honor of Senator Newlands.

I need not recount what reclamation has meant to the Nation and especially the West in developing natural resources, irrigating untold thousands of acres of farmlands, harnessing water power, and building industrial empires.

Originally the Newlands' project was designed to place under cultivation some 20,000 acres of arid Nevada land in addition to providing hydroelectric power in the Truckee-Carson River Basins. Today that project has 53,458 acres under cultivation, and carrying out the prophecy of the late Senator Newlands, the desert has bloomed.

The project includes storage facilities at Lake Tahoe on the Nevada-California border and Boca Reservoir on the Truckee River and the Lahontan Reservoir on the main Carson River. In addition there are many miles of canals, a powerplant at Lahontan Dam, distribution and drainage systems, pipelines, power-distribution lines, telephones and telephone lines, and some buildings, in addition to the land involved.

I might point out that the farmers on the Newlands' project have been the victims of multiple mistakes which experience has

given the Reclamation Bureau a better perspective and guidance from which the country has benefited. It was a trial-and-error operation by necessity, but the farmers of Nevada paid for those mistakes. Now they believe they have earned the right to own and control the project which their labors have purchased.

The Truckee-Carson irrigation district contracted with the Federal Government in December 1926, to become the operating agency of the Newlands' project and a repayment program was begun. Today the farmers have an outstanding indebtedness of less than $300,000 owing to the Federal Government.

At a time in the near future when these farmers have repaid every dollar of the Government's investment, I believe those farmers should be given full ownership. Such would be to the best interests of the Federal Government. It would be divested of future expenses and the criteria of private enterprise from governmental investment would be served.

This legislation is not a Department of Interior bill although I am most hopeful that the Department will sanction its passage. My bill merely restates the demands of the people of my State.

I believe this bill truly represents democracy at work where the farmers themselves by their initiative and years of toil have repaid construction and interest costs to a Federal Government which envisoned the need for great reclamation development and used the State of Nevada and its farmers as the trial stage.

I believe it wholly consistent that Nevada as the site of the first reclamation project should also be the site of the first such project that the Federal Government returns to ownership and control of the people it was designed to serve.

JURISDICTION OVER SUBMERGED LANDS OF OUTER CONTINENTAL SHELF—AMENDMENTS

Mr. DANIEL submitted an amendment intended to be proposed by him to the bill (S. 1901) to provide for the jurisdiction of the United States over the submerged lands of the outer Continental Shelf, and to authorize the Secretary of the Interior to lease such lands for certain purposes, which was ordered to lie on the table and to be printed.

Mr. LONG submitted an amendment intended to be proposed by him to Senate bill 1901, supra, which was ordered to lie on the table and to be printed.

Mr. CASE (for himself and Mr. McCLELLAN) submitted an amendment intended to be proposed by them, jointly, to Senate bill 1901, supra, which was ordered to lie on the table and to be printed.

Mr. ELLENDER (for himself and Mr. LONG) submitted amendments intended to be proposed by them, jointly, to Senate bill 1901, supra, which were ordered to lie on the table and to be printed.

NOTICE OF MOTION TO SUSPEND THE RULE—AMENDMENT TO CIVIL FUNCTIONS APPROPRIATION BILL

Mr. KNOWLAND submitted the following notice in writing:

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 5376) making appropriations for civil functions administered by the Department of the Army for the fiscal year ending June 30, 1954, and for other purposes, the following amendment, namely: On page 4, line 23, after the matter stricken out, insert the following: ": *Provided further*, That funds appropriated herein may at the discretion and under the direction of the Chief of Engineers be used in payment to the accounts of the Confederated Tribes of the Yakima Reservation; the Confederated Tribes of the Warm Springs Reservation; the Confederated Tribes of the Umatilla Reservation; or other recognized Indian tribes, and those individual Indians not enrolled in any recognized tribe, but who through domicile at or in the immediate vicinity of the reservoir and through custom and usage are found to have an equitable interest in the fishery, all of whose fishing rights and interests will be impaired by the Government incident to the construction, operation, or maintenance of the Dalles Dam, Columbia River, Wash. and Oreg., and must be subordinated thereto by agreement or litigation."

Mr. KNOWLAND also submitted an amendment intended to be proposed by him to House bill 5376, making appropriations for civil functions administered by the Department of the Army for the fiscal year ending June 30, 1954, and for other purposes, which was ordered to lie on the table and to be printed.

(For text of amendment referred to, see the foregoing notice.)

NOTICE OF CONSIDERATION OF CERTAIN NOMINATIONS BY COMMITTEE ON FOREIGN RELATIONS

Mr. WILEY. Mr. President, the Senate received today the nominations of Irving Salomon, of California, to be a Representative of the United States of America to the Second Extraordinary Session of the General Conference of the United Nations Educational, Scientific, and Cultural Organization, and Mrs. Elizabeth E. Heffelfinger, of Minnesota, to be the Alternate Representative of the United States of America to the Second Extraordinary Session of the General Conference of the United Nations Educational, Scientific, and Cultural Organization. I give notice that these nominations will be considered by the Foreign Relations Committee after 6 days have expired in accordance with the committee rule.

WHEAT FOR PAKISTAN

The VICE PRESIDENT. The Chair is about to lay before the Senate the amendment of the House of Representatives, in which the concurrence of the Senate is requested, to Senate bill 2112, providing for the transfer of price-support wheat to Pakistan.

Mr. KNOWLAND. Mr. President, although that is a privileged matter, I prefer not to have it called up until I have had a chance to notify the distinguished minority leader. Although the amendment of the House of Representatives itself makes no basic change in the bill, but is purely clarifying, I wish to give the minority leader an opportunity to look over the amendment.

The VICE PRESIDENT. Very well.

Mr. KNOWLAND subsequently said:

Mr. President, I ask unanimous consent that the Senate proceed to the consideration of a privileged matter, which is Senate bill 2112, to provide for the transfer of price-support wheat to Pakistan, which has been amended by the House. It is noncontroversial, involving merely the matter of accepting the House amendment which adds only three words to the bill.

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 2112) to provide for the transfer of price-support wheat to Pakistan, which was, on page 3, line 9, after "the", where it appears the second time, insert "people of the."

Mr. AIKEN. Mr. President, the House has deliberated on this bill in the past 2 days and passed it yesterday with an amendment which adds three words to the bill. On page 3, paragraph (b), instead of reading "to give full and continuous publicity in Pakistan to the assistance furnished by the United States," the amendment would make it read, "to give full and continuous publicity in Pakistan to the assistance furnished by the people of the United States."

The administration has no objection to the amendment, and I know of no objection to it. I, therefore, move that the Senate concur in the House amendment.

The motion was agreed to.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE APPENDIX

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the Appendix, as follows:

By Mr. WILEY:

Address delivered by him before American Veterans of World War II convention in Beloit, Wis., June 20, 1953.

Commencement address delivered by Senator CARLSON at Springfield College, Springfield, Mass., June 14, 1953.

By Mr. BUTLER of Maryland:

Article entitled "New Dealers' Fifth Column Wired to Jobs," written by Walter Trohan and published in the Washington Times-Herald of January 11, 1953, relating to socialistic thinking and attitudes among certain Government employees.

By Mr. MONRONEY:

Statement prepared by him entitled "Circulation Building Through Smear."

By Mr. KEFAUVER:

Resolution adopted by the Memphis and Shelby County Council of Civic Clubs and an editorial from the Memphis Commercial Appeal of June 10, regarding the importance of keeping TVA in operation at maximum efficiency.

CONTINUED HIGH TAXES NECESSARY TO BALANCE BUDGET

Mr. BYRD. Mr. President, the deficit for the year ending June 30, 1953, was estimated at $5.9 billion. I confidently predict, however, that next week, when the books of the Government close for the fiscal year, the deficit will be close to $9 billion, an increase of $3 billion above the estimate.

This will result from the alarming decline in revenue. Receipts for the current fiscal year were estimated at $68.7 billion. They will actually be around $66 billion, a reduction of $2.7 billion or more.

On the expenditure side, I estimate the expenditures for this fiscal year will be about the same as the estimate of $74.6 billion. The deficit of $8.6 billion-plus for this fiscal year will be our largest deficit, except at times when this country was engaged in a war authorized by Congress.

This situation, whereby the deficit is much larger than anticipated, dramatically emphasizes the necessity for continuing the excess profits tax, which expires July 1.

I want to repeat what I have said so often before, that after 21 years of deficits our number 1 job at home is to achieve a balanced budget. Our taxes are burdensome, but high taxes are better than insolvency. I, therefore, think it is imperative that we continue our present level of income from taxation until the budget is balanced; then we can look forward with certainty to a general tax revision which will give relief to the overburdened taxpayers.

We have been on a spending spree for 20 years. In the sobering-up process, we must continue the burdens of high taxes until expenditures are reduced to permit a balance between income and outgo.

The VICE PRESIDENT. Morning business is concluded.

JURISDICTION OVER SUBMERGED LANDS OF THE OUTER CONTINENTAL SHELF

The Senate resumed the consideration of the bill (S. 1901) to provide for the jurisdiction of the United States over the submerged lands of the outer Continental Shelf, and to authorize the Secretary of the Interior to lease such lands for certain purposes.

The PRESIDING OFFICER (Mr. KUCHEL in the chair). The question is on agreeing to the amendment offered by the Senator from Texas [Mr. DANIEL], striking out on page 25, line 25, the words "credited to miscellaneous receipts," and inserting in lieu thereof certain other words.

Mr. DANIEL obtained the floor.

Mr. KNOWLAND. Mr. President, will the Senator from Texas yield for a unanimous-consent request? I assure the Senator that it has been cleared with the minority leader [Mr. JOHNSON of Texas]. I do not believe it will require very long.

Mr. DANIEL. I yield for that purpose.

EXECUTIVE SESSION

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of executive business for the consideration of new reports on the Executive Calendar.

The PRESIDING OFFICER. Is there objection?

There being no objection, the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. KUCHEL in the chair) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

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

EXECUTIVE REPORT OF A COMMITTEE

The following favorable report of a nomination was submitted:

By Mr. MILLIKIN, from the Committee on Finance:

George F. Jameson, of Oregon, to be collector of customs for customs collection district No. 29, with headquarters at Portland, Oreg.

The PRESIDING OFFICER. If there be no further reports of committees, the nominations on the Executive Calendar, under the heading "New Reports," will be stated.

UNITED NATIONS

The legislative clerk read the nomination of John C. Baker, to be representative of the United States of America to the 16th session of the Economic and Social Council of the United Nations.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

DIPLOMATIC AND FOREIGN SERVICE

The legislative clerk read the nomination of James S. Kemper to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Brazil.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of L. Corrin Strong to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Norway.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of M. Robert Guggenheim to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Portugal.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

FEDERAL MARITIME BOARD

The legislative clerk read the nomination of Louis S. Rothschild to be a member of the Federal Maritime Board for the remainder of the term expiring June 30, 1956.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

UNITED STATES ATTORNEY

The legislative clerk read the nomination of William F. Tompkins to be United States attorney for the district of New Jersey.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the President be notified of the nominations confirmed today.

The PRESIDING OFFICER. Without objection, the President will be notified forthwith.

LEGISLATIVE BUSINESS

Mr. KNOWLAND. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

CONTINUATION OF PROVISIONS OF TITLE II OF FIRST WAR POWERS ACT, 1941

Mr. KNOWLAND. Mr. President, yesterday, as the acting majority leader, I gave notice that today I would like to have the unfinished business temporarily laid aside and the Senate proceed to the consideration of Calendar Nos. 410, 411, and 412, which, respectively, are Senate bill 1237, House bill 3853, and House bill 2313. I have discussed the bills with the minority leader, and he has stated that there is no objection to the procedure proposed.

With respect to Calendar No. 411, H. R. 3853, I understand an amendment has been offered to that bill by the Senator from Minnesota [Mr. THYE], on behalf of the Committee on Small Business, but that he has agreed to withdraw the amendment. I have also cleared the procedure with the chairman of the Committee on the Judiciary. I am assured that, so far as these Senators know, the bills are noncontroversial.

Therefore, Mr. President, I ask unanimous consent that the unfinished business, Senate bill 1901, be temporarily laid aside, and that the Senate proceed to the consideration of Senate bill 1237.

The PRESIDING OFFICER. Is there objection?

There being no objection, the Senate proceeded to consider the bill (S. 1237) to amend the act of January 12, 1951, as amended, to continue in effect the provisions of title II of the First War Powers Act, 1951 .

Mr. BUTLER of Maryland. Mr. President, when the calendar was called on Thursday, June 18, I had a colloquy with the Senator from Minnesota [Mr. THYE] in connection with the pending bill. At that time he offered an amendment to the bill, which, I understand, he now has agreed to withdraw. The Senator from Minnesota is not on the floor, but he has agreed to withdraw the amendment. I have discussed the matter with the Department of Defense, and they have assured the Senator from Minnesota and me that failure to pass the pending bill immediately would very seriously interfere with ammunition procurement and other procurement programs of the Department of Defense. I therefore ask that the bill be passed.

The PRESIDING OFFICER. Without objection, the amendment offered by the Senator from Minnesota [Mr. THYE] will be withdrawn.

There is an identical House bill on the calendar, H. R. 2557. Without objection, the House bill will be considered. The clerk will state the House bill by title.

The LEGISLATIVE CLERK. A bill (H. R. 2557) to amend the act of January 12, 1951, as amended, to continue in effect the provisions of title II of the First War Powers Act, 1941.

The Senate proceeded to consider the bill.

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

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

Mr. THYE subsequently said: Mr. President, earlier today while I was attending a hearing, Calendar 410, Senate bill 1237, a bill to amend the act of January 12, 1951, as amended, to continue in effect the provisions of title II of the First War Powers Act, 1941, was passed.

I wish to mention the fact that question about the bill was raised with me this morning by representatives of the Armed Forces, who urged the necessity of its prompt passage. So I agreed that I would withdraw my amendment. I am as much concerned with the importance of my amendment as I ever was, but I realize that the bill should be passed, and I wanted it to pass. I so advised the Senator from Maryland [Mr. BUTLER].

I am concerned with the amendment, however, and I ask unanimous consent to have printed in the body of the RECORD a statement which I prepared in explanation of the amendment which I offered to the bill. I discussed the subject with members of the Committee on Government Operations, and it is my understanding that that committe will give serious consideration to the legislative policy embodied in my amendment. In due time we should receive a report on the legislative proposal embodied in my amendment. Because I have been unable to get a report, I endeavored to amend Senate bill 1237, continuing the First War Powers Act. I express the hope that the Committee on Government Operations will give us a report on the proposed amendment.

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

STATEMENT BY SENATOR THYE CONCERNING AMENDMENT TO S. 1237 AND H. R. 2557

I desire to make a brief statement in explanation of the amendment which I have offered to S. 1237 (Calendar Order No. 410) and which I would likewise offer to the identical bill passed by the House of Representatives H. R. 2557 (Calendar Order No. 446). The purpose of these bills is to continue in effect the provisions of title II, of the First War Powers Act, 1951, as amended, until June 30, 1954.

The title in question now reads as follows:

"SEC. 201. The President may authorize any department or agency of the Government exercising functions in connection with the national defense, in accordance with regulations prescribed by the President for the protection of the interests of the Government, to enter into contracts and into amendments or modifications of contracts heretofore or hereafter made and to make advance, progress, and other payments thereon, without regard to the provisions of law relating to the making, performance, amendment, or modification of contracts whenever he deems such action would facilitate the national defense: *Provided*, That nothing herein shall be construed to authorize the use of the cost-plus-a-percentage-of-cost system of contracting: *Provided further*, That nothing herein shall be construed to authorize any contracts in violation of existing law relating to limitation of profits: *Provided further*, That all acts under the authority of this section shall be made a matter of public record under regulations prescribed by the President and when deemed by him not to be incompatible with the public interest: *Provided further*, That all contracts entered into, amended, or modified pursuant to authority contained in this section shall include a clause to the effect that the Comptroller General of the United States or any of his duly authorized representatives shall have access to and the right to examine any pertinent books, documents, papers, and records of the contractor or any of his subcontractors engaged in the performance of and involving transactions related to such contracts or subcontracts."

The authority contained in title II, First War Powers Act, 1941, was utilized by the defense agencies during World War II to enable those agencies to amend contracts where such amendments would "facilitate the prosecution of the war." Regulations promulgated by the military departments during World War II provided for amendments which would result in the following:

"(1) obtaining continued operations by contractors engaged in national defense production;

"(2) encouraging greater diligence on the part of contractors;

"(3) protecting contractors from the consequences of unforeseen or unexpected events; or

"(4) adjusting contracts to new conditions and circumstances, including those created by the rules, orders, instructions and determinations of Government departments."

In December 1950 representatives of the Department of Defense urgently requested the Congress to reenact the provisions of title II. Public Law 921 of the 81st Congress, enacted January 12, 1951, amended the original law by striking the phrases "prosecution of the war effort" and "prosecution of the war" and substituting the words "national defense."

Public Law 921 provided that title II powers should not remain in force beyond June 30, 1952. Public Law 426, 82d Congress, enacted June 30, 1952, extended the operations of title II powers until June 30, 1953. The pending legislation provides for a further 1-year extension.

The Senate Committee on Government Operations (formerly the Committee on Expenditures in the Executive Departments), which considered the bill which became Public Law 921, submitted a report to the 81st Congress in which it stated that the main objective of the legislation was "not to prevent losses on Government contracts because of increased costs except in extreme hardship cases, but to afford relief to small-business firms who might otherwise be prevented from completing deliveries on such contracts because of increased costs."

Joint regulations promulgated by the three military departments under date of February 21, 1951, authorized the granting of an amendment to a contract without consideration under title II powers "where an actual or threatened loss on a defense contract, however caused, will impair the productive ability of a contractor whose continued operation as a source of supply is found to be essential to the national defense. * * *"

At hearings conducted by the Senate Small Business Committee in February 1952, it was found that many small concerns had suffered extreme hardship under fixed-price defense contracts as a result of rising costs and material shortages resulting from Korea. It was also found that the Department of Defense was utilizing title II powers to protect "essential" military sources of supply but that it was refusing to afford relief to businesses incurring heavy losses except where they could be shown to be "essential." The practical effect of the regulation was that regardless of the severity of the hardship, a contractor was unable to obtain relief except in a situation where he was a sole source of supply or one of a very few sources of supply at the time his application for relief was being considered by the Department of Defense.

In a report on the administration of Public Law 921 (S. Rept. 1459, 82d Cong.), the Senate Small Business Committee recommended an amendment to the regulations to delete the requirement as to essentiality. In its report recommending the extension of title II powers until June 30, 1953 (S. Rept. 1498, 82d Cong.), the Senate Committee on Government Operations endorsed the conclusions of the Senate Small Business Committee and stated, "It is the conviction of the Committee on Government Operations that where a defense contractor has suffered extreme financial hardship due to rising costs, material shortages, or other economic factors beyond his control, and not within his contemplation at the time he accepted a fixed-price contract, such a contractor should be entitled to the relief the Congress intended title II to afford."

After the filing of the report of the Committee on Government Operations and after Senate approval of the bill extending title II powers until June 30, 1953, the Department of Defense advised the Senate Small Business Committee that it was reluctant to amend its regulations in the absence of new legislation. This advice was received June 6, in the closing days of the 82d Congress, and title II powers were not amended but were simply extended until June 30, 1953.

On March 4 I introduced S. 1175, a bill to amend and extend the provisions of title II of the First War Powers Act of 1941 giving authority to the defense agencies to adjust contracted prices. Ten of my associates on the Small Business Committee joined me in sponsoring the bill, which was referred to the Committee on Government Operations. This committee had previously stated its conclusions in a report to the Senate "that the present policy of the Department of Defense should be broadened so that proper consideration may be given to the defense contractor or subcontractor, who, because of economic factors completely beyond his control, faces severe financial hardship or bankruptcy, as was intended under the original act."

The Government Operations Committee has not as yet been able to report on the new bill, but some studies, in addition to those on which previous reports were based, have been made during the past several months.

The bill now on the Senate Calendar was reported out by the Senate Judiciary Committee which has not dealt with this problem over the past 3 years. S. 1237 was approved by the Judiciary Committee and sent to the floor without public hearings or extensive studies. I do not say this in any way to be critical of that committee, but to point out that it may not have been aware of all the issues involved or of the comprehensive work which has been done by the Small Business Committee and the Government Operations Committee.

The amendment which is now before the Senate with relation to the extension of title II of the First War Powers Act contains the same provisions as S. 1175. The language in the first portion of the proposed amendment, to line 21 on page 2 as printed is the same as Public Law 921, with the following exceptions:

1. The counterpart of line 4 of page 2 in the World War II legislation and the public laws extending it contained the phrase "whenever he deems such action * * *." The proposed amendment as noted in line 4 of page 2 would delete the words "he deems" in order to indicate that the standards proposed in the bill should control in the promulgation of regulations.

2. Lines 10 through 12 of page 2 contain a proviso bringing the functions of the bill under the provisions of section 3 of the Administrative Procedure Act. The purpose of the language is to remove any doubt that may exist as to the applicability of this section of the Administrative Procedure Act. While the military departments have in the past generally complied with the contemplated publication of procedures, forms and instructions, there has been a failure to publish, or make available for public inspection, the final decisions or opinions of the Contract Adjustment Boards. It has been the practice, moreover, to refuse to show to an applicant for an amendment without consideration a copy of the opinion in his particular case. Adherence to section 3 of the Administrative Procedure Act will correct this situation. At the same time, the public interest will be protected inasmuch as information "required for good cause to be held confidential" is excepted from the operation of the section.

The remainder of the amendment, as printed, beginning with the phrase "As used in this section," in line 21 of page 2, constitutes new matter.

First, it is to be noted that Public Laws 921 and 426 contain the following language:

"SEC. 3. Nothing in this act shall prejudice anything heretofore done under the said title II of the First War Powers Act, 1941, or the continuance in force of any action heretofore taken thereunder."

This would not be included if the amendment is adopted.

Beginning on line 21 of the amendment to S. 1237 as printed, the new language to be added to the present provisions of title II would be as follows:

"As used in this section, the term 'facilitate the national defense' shall be deemed to include, but without limitation thereto, the following:

"(1) obtaining continued operations by contractors engaged in national defense production;

"(2) affording relief to contractors incurring extreme financial hardship on fixed-price contracts due to factors beyond their anticipation or control; or

"(3) adjusting contracts to new conditions and circumstances, including those created by the acts, rules, orders, instructions, or determinations of Government departments and agencies.

"This section shall also apply to a contractor who has suffered extreme financial hardship after June 24, 1950, regardless of the fact that final payment on the contract has been received prior to the enactment of this sentence or that relief has been denied prior thereto: *Provided, however,* That such a contractor must file an application for relief within 6 months after the date of enactment of this section."

This language is designed to incorporate in the law the clear intent of the Congress not only to keep key suppliers in business but also to afford relief to contractors suffering extreme financial hardship because of circumstances beyond their control.

This language spells out the standards to be utilized by the defense agencies. It will be noted that the numbered standards incorporate the substance of the World War II regulations but that the language has been amended to encompass the congressional intent as noted in the reports of the Senate Committee on Small Business and the Senate Committee on Government Operations.

In brief, as I have previously stated to the Senate, the amendment is designed to render practical justice to small business. I believe that it merits the support of the Senate, since it is in accordance with the intent expressed by Congress on various past occasions and following extensive study of the problem by two Senate committees.

The PRESIDING OFFICER. Without objection, Senate bill 1237 is indefinitely postponed.

CRIMES AND CRIMINAL PROCEDURE

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the unfinished business be temporarily laid aside, and that the Senate proceed to the consideration of House bill 3853.

The PRESIDING OFFICER. Is there objection to the request of the Senator from California?

Mr. KNOWLAND. After consultations with the minority leader, the Senator from Texas [Mr. JOHNSON], I understand that an amendment is to be proposed to the bill, and his approval of the bill was contingent upon the amendment being adopted.

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

There being no objection, the Senate proceeded to consider the bill (H. R. 3853) to amend title 18 of the United States Code, entitled "Crimes and Criminal Procedure," with respect to continuing the effectiveness of certain statutory provisions until 6 months after the termination of the national emergency proclaimed by the President on December 16, 1950, which had been reported from the Committee on the Judiciary with amendments.

Mr. BUTLER of Maryland. Mr. President, I send to the desk certain amendments, including three amendments to committee amendments. These amendments have been agreed to by the Department of Defense, and they have been drawn up by the Senator from Nevada [Mr. MCCARRAN] in consultation with the Department of Defense and with myself.

The PRESIDING OFFICER. The committee amendments will be stated.

The first amendment of the Committee on the Judiciary was on page 2, line 4, after "(66 Stat. 333)," to insert "as further amended by Public Law 12, 83d Congress."

The amendment was agreed to.

The next committee amendment was, in line 10, after "(Proc. 2912, 3 C. F. R., 1950 Supp., p. 71)," to insert "or such earlier date as may be prescribed by joint resolution of the Congress."

Mr. BUTLER of Maryland. Mr. President, I send to the desk an amendment to the committee amendment, and ask that it be stated.

The PRESIDING OFFICER. The clerk will state the amendment to the amendment.

The LEGISLATIVE CLERK. In the committee amendment on page 2, line 11, after the word "by", it is proposed to strike out "joint" and insert in lieu thereof "concurrent."

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The next amendment of the committee was, on page 3, line 10, after "(66 Stat. 333", to insert "as further amended by Public Law 12, 83d Congress."

The amendment was agreed to.

The next amendment of the committee was, on page 3, line 16, after "(Proc. 2912, 3 C. F. R., 1950 Supp., p. 71)", to insert "or such earlier date as may be prescribed by joint resolution of the Congress."

Mr. BUTLER of Maryland. I offer an amendment to the amendment of the committee, on page 3, line 17, after the word "by", to strike out "joint" and to insert "concurrent."

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The next amendment of the committee was, on page 4, line 10, after "(66 Stat. 333)", to insert "as further amended by Public Law 12, 83d Congress."

The amendment was agreed to.

The next amendment of the committee was on page 4, line 16, after "(Supp., p. 71)", to insert "or such earlier date as may be prescribed by joint resolution of the Congress."

Mr. BUTLER of Maryland. Mr. President, I move to amend the amendment of the committee on page 4, line 17, after the word "by", by striking out the word "joint" and inserting the word "concurrent."

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The PRESIDING OFFICER. That completes the committee amendments.

Mr. BUTLER of Maryland. Mr. President, I offer an amendment, which I ask to have stated.

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. On page 2, line 11, after the word "acts", it is proposed to strike out "of the kind giving" and to insert in lieu thereof "which would give."

The amendment was agreed to.

Mr. BUTLER of Maryand. Mr. President, I offer another amendment, which I ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 2, after line 16, it is proposed to strike out lines 17 to 23 inclusive, as follows:

(b) Effective for the period above provided for, the words "conduct of war" as used in section 2151 are extended to include defense activities.

(c) Effective for the period above provided for, the words "carrying on the war" as used in section 2153 and 2154 are extended to include defense activities wherever they appear therein.

And in lieu thereof to insert:

(b) Effective in each case for the period above provided for, title 18, United States Code, section 2151, is amended by inserting the words "or defense activities" immediately before the period at the end of the definition of "war material", and said sections 2153 and 2154 are amended by inserting the words "or defense activities" immediately after the words "carrying on the war" wherever they appear therein.

The amendment was agreed to.

Mr. BUTLER of Maryland. Mr. President, the next amendment I offer is on page 3, line 17, after the word

"acts", to strike out "of the kind giving" and to insert "which would give."

The amendment was agreed to.

Mr. BUTLER of Maryland. Mr. President, my next amendment is on page 4, line 17, after the word "acts", to strike out "of the kind giving" and to insert "which would give."

The amendment was agreed to.

Mr. BUTLER of Maryland. Mr. President, I ask unanimous consent to have inserted in the RECORD at this point, as a part of my remarks, an explanation of the amendments which have just been agreed to.

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

STATEMENT BY SENATOR BUTLER OF MARYLAND

The following three amendments to committee amendments have as their purpose a reservation to Congress of the right to terminate the period during which the extended penalties and offenses provided under this bill shall be in force.

The committee amendment purports to reserve such a right to the Congress, to be exercised by joint resolution. But this is in fact no reservation at all, since the Congress at any time, by an act approved by the President, could effectuate this result. By changing the word "joint" to "concurrent," it would be provided that the Congress might effectuate this termination by concurrent resolution, which would not require approval of the President.

In this connection, it should be noted, as a part of the legislative history, that this is not a case where Congress is attempting to reserve to itself the right to accomplish a legislative act by some process less than legislation. This is only a situation in which Congress is providing for a contingency which shall mark the termination of a temporary period.

The accompanying three amendments are identical in language, but would be made at different places in the bill.

The purpose of these amendments is to eliminate uncertainty with respect to what would constitute an offense under one of the provisions of the bill. The present language of the bill is borrowed from the emergency powers continuation act. However, that act dealt with continuation of a large number of different statutory enactments, and there was, therefore, some justification for using general language in that act. The present bill deals specifically with two sections of the criminal code. To provide that acts of the kind giving rise to legal consequencies and penalties under these sections shall themselves be criminal is to be so lacking in clarity and exactness as to run the risk of having the penalty provision declared ineffective and void for lack of certainty. The proposed amendments do not change the intent of the bill in any way, but do entirely eliminate the danger of having the sections declared void for lack of certainty.

This amendment accomplishes the purpose of the language contained in the bill as reported but eliminates the uncertainty inherent in the reported language. This amendment accomplishes the extension of the section to defense activities in the same manner that was used in the Emergency Powers Extension Act, that is, by direct amendment of the sections affected, rather than by indirect amendment as proposed by the present language of the bill.

The PRESIDING OFFICER. The bill is open for further amendment. If there be no further amendment, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

INSPECTION AND AUDIT OF PLANTS, BOOKS, AND RECORDS, OF DEFENSE CONTRACTORS

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the unfinished business be temporarily laid aside and that the Senate proceed to the consideration of House bill 2313.

The PRESIDING OFFICER. Is there objection?

There being no objection, the bill (H. R. 2313) to continue the effectiveness of the act of March 27, 1942, as extended relating to the inspection and audit of plants, books, and records of defense contractors, for the duration of the national emergency proclaimed December 16, 1950, and 6 months thereafter was considered, ordered to a third reading, read the third time, and passed.

Mr. ELLENDER subsequently said: A parliamentary inquiry, Mr. President.

The PRESIDING OFFICER. The Senator from Louisiana will state it.

Mr. ELLENDER. Has Calendar No. 412, H. R. 2313 been passed?

Mr. KNOWLAND. It has been passed.

Mr. ELLENDER. I desired to ask a question with reference to it.

Mr. BUTLER of Maryland. I am glad to yield to the Senator from Louisiana for the purpose of answering his question.

Mr. ELLENDER. What does the bill do other than extend the time?

Mr. BUTLER of Maryland. It does nothing other than extend the time.

Mr. KNOWLAND. I discussed the bill with the distinguished minority leader.

Mr. ELLENDER. I understand.

Mr. BUTLER of Maryland. It does nothing other than extend the time.

Mr. ELLENDER. I thank the Senator.

JURISDICTION OVER SUBMERGED LANDS OF THE OUTER CONTINENTAL SHELF

The Senate resumed the consideration of the bill (S. 1901) to provide for the jurisdiction of the United States over the submerged lands of the outer Continental Shelf, and to authorize the Secretary of the Interior to lease such lands for certain purposes.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Texas [Mr. DANIEL] striking out on page 25, line 25, the words "credited to miscellaneous receipts," and inserting in lieu thereof certain other words.

The Senator from Texas is entitled to the floor.

THE TENNESSEE VALLEY AUTHORITY

Mr. KEFAUVER. Mr. President, will the Senator from Texas yield to me to permit me to make a brief address?

Mr. DANIEL. I should like to inquire how much time the Senator's address will require.

Mr. KEFAUVER. I do not think it will require more than 7 or 8 minutes.

Mr. DANIEL. Mr. President, with the understanding that I shall not lose my right to the floor, I yield 8 minutes to the Senator from Tennessee.

The PRESIDING OFFICER. The Senator from Tennessee is recognized, with that understanding.

Mr. DANIEL. Mr. President, do I have unanimous consent to yield to the Senator from Tennessee without losing my right to the floor?

The PRESIDING OFFICER. If there is no objection, it is so ordered.

Mr. KEFAUVER. I appreciate the courtesy of the Senator from Texas.

Mr. President, the Senate soon will begin considering the TVA appropriations, which are part of the independent offices appropriation bill.

It has been highly gratifying to me to have a number of my fellow Senators ask me what is involved in this issue. In other words, they are already giving it consideration. Therefore, although the Senate committee hearings have not yet been completed, I should like to take advantage of this opportunity to make a very brief summary of the principal issues regarding TVA, for the consideration of my fellow Senators. The issues will be debated fully upon the Senate floor at a later date. My effort today will be merely to present basic information concerning the TVA and to refer to some of the questions on which the debate will turn.

THE TVA IDEA

Mr. President, throughout the Tennessee Valley this year we are holding a series of celebrations to mark the 20th anniversary of the Tennessee Valley Authority. It was just 20 years ago that TVA was established in a region which then was at the bottom of the wheel economically. Today the picture is entirely different, and it is this difference that we set out to observe with appropriate celebrations all over the valley's seven States.

Our observance of this anniversary, however, is tinged with an increasing amount of forebodance, for during the past few months it has become increasingly evident that neither the idea nor the results nor the basic needs of this most successful of all Government operations are fully appreciated at the seat of Government today.

TVA is sometimes thought of as a Government power operation. It is that, but it is much more than that. Therefore, Mr. President, at the risk of being elemental to some, I should like to take just a few minutes to explain the TVA idea.

Francis Bacon wrote:

In order to master nature, we must first obey her.

The TVA idea was to take a river and a valley where nature frequently went on rampage and seek to master her. In order to do that, the entire region had to have a unified development program, for the rampages of nature do not result

from any single cause, nor are they confined to any one spot or to any one time. In order to control nature, it also was necessary to correct some of the mistakes that had been made in the past—to remove some of the man-made offenses against nature.

TVA ACT

Therefore, TVA was not set up as a power program only. The basic provisions of the TVA Act provided that its responsibility is the unified development of all of the resources of the watershed of the Tennessee River and its tributaries. TVA was directed to improve the navigability and to provide for the flood control of the Tennessee River; to provide for the reforestation and the proper use of marginal lands in the Tennessee Valley; to provide for the agricultural and industrial development of the valley and to provide for the national defense.

Mr. President, do you see how logical is this program?

Take the matter of flood control, for instance. It is a good illustration of how man must understand nature and work with nature in order to control nature.

Floods do not just suddenly occur. They start with the rainfall or the melting snows and ice in the headwaters of a stream. They build up to flood proportions as the waters rush through the stream and are added to along its course.

In the beginning, nature itself prevented such headlong rushes, for the forests and brush and growth slowed the waters before they reached the stream. But the axmen denuded the valley forests, as they wastefully did many other forests in the United States. Therefore, as part of its flood control program, TVA seeks reforestation and conservation measures in the region. TVA seeks to correct this offense to nature.

THE POWER PROGRAM

Therefore, the power development program, for which TVA is most generally known in the United States, is just one phase of its total development program. Power is a natural by-product of the TVA dams, which serve also for flood control and navigation.

Mr. President, you have heard of, and you will hear of, many misconceptions about TVA power. You will hear, among other things, that the rest of the Nation is subsidizing cheap power for the benefit of the valley residents. This simply is not true.

Every cent of money invested by the Government in the TVA power program is being paid back over a 40-year period. In addition, the profit made by TVA from its power program belongs to the Government.

Last year the average investment in TVA's power program was $555 million. On that investment, TVA returned to the Government earnings of nearly 4¾ percent. The year before it was 5½ percent. For the 19 years since 1933, the return has averaged 4¼ percent.

Where can the Government get a better investment than that?

Yes, but TVA does not pay taxes, you will hear.

Let me give you the facts on that, Mr. President. In fiscal year 1952, TVA made—in lieu of tax payments—payments to States and counties of $3,036,207. During the same year distributors of TVA power made payments of $4,333,240. This total payment of $7,369,447 is well over twice as much as the property taxes paid on private power property prior to its acquisition by TVA and by private power distributors, prior to their acquisition, and on all reservoir land later acquired by TVA.

But that does not include income taxes paid by the private power, you will hear.

No, it does not, Mr. President; instead, every cent made by the TVA belongs to the Government; and as I said a moment ago, its return on the total investment last year was 4¾ percent. Just the other day, TVA paid $10 million into the Federal Treasury.

For the full 19 years of operation, TVA's net income before interest totaled $216 million. Interest at 2 percent during the entire period would have amounted to almost exactly $100 million. The remaining $116 million is the Government's margin over and above all operating and maintenance expense, depreciation, payments in lieu of State and local taxes, and interest.

It is, in fact, slightly insulting to us of the valley to be told that we are seeking subsidization at the hands of the rest of the Nation.

Just as insulting, and just as false, is the charge that we use this power to pirate industry from other sections of the country. It is a hard charge to answer because it is rare that those who make it will give an example. During the House debates this year one example was given, and after a thorough check had been made, it was found that the industry cited moved to the valley in 1931, 2 years before TVA came into being.

No, Mr. President, we are not pirating industry from anyone. We are building our own industry. Some firms located elsewhere are establishing branches in the valley, which they feel are entirely justified, because TVA, which is the best friend private enterprise ever had, has so expanded the local markets for many products that they need branches to keep up with their orders.

As a matter of fact, the TVA is helping industry in all parts of the United States. In the construction and operation of the dams, generators and other equipment are purchased by the Tennessee Valley Authority in every State of the Union. I have before me a statement listing by States the amounts of the purchases from 1934 to 1952, which I ask to have printed in the RECORD at this point in my remarks.

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

TVA procurement sources, 1934–52, by States listed in order of amounts

Tennessee	$249,823,813
Pennsylvania	193,238,427
New York	91,987,911
Kentucky	90,906,401
Alabama	85,760,467
Ohio	78,651,764
Illinois	77,183,959
Wisconsin	45,258,618
Massachusetts	30,210,506
New Jersey	28,193,864

TVA procurement sources, 1934–52, by States listed in order of amounts—Continued

Missouri	$20,182,041
Georgia	20,143,317
Indiana	16,949,808
Michigan	13,696,026
North Carolina	12,256,545
Delaware	10,361,242
Louisiana	7,204,601
Virginia	7,171,042
California	6,902,997
Mississippi	6,563,450
Minnesota	5,978,716
Maryland	4,991,780
Florida	4,779,965
Connecticut	4,487,467
Texas	3,189,900
West Virginia	2,840,235
Utah	2,772,706
Idaho	2,301,474
District of Columbia	2,102,167
South Carolina	1,617,160
Oregon	1,377,251
Washington	1,193,915
Iowa	1,099,732
Rhode Island	1,026,433
Oklahoma	909,542
New Hampshire	904,983
Arkansas	897,190
Colorado	824,179
South Dakota	696,358
Kansas	453,125
Nebraska	380,895
Montana	161,598
Nevada	133,503
Vermont	85,944
Arizona	70,752
North Dakota	53,126
Maine	42,604
New Mexico	36,267
Wyoming	28,625

Mr. KEFAUVER. Mr. President, in addition to the purchase of generators, turbines, and things of that kind by the Tennessee Valley Authority itself, TVA assists industries in all other sections, since the refrigerators and other electrical equipment, including farm equipment, such as tractors, which the farmers and other users of electricity are able to buy in the Tennessee Valley, are manufactured in other States of the Nation. The industries themselves will tell any inquirer that their sales of equipment within the TVA area have increased greatly, and that it is one of the best markets for their products.

THE POWER ISSUE

The power program may be an issue before this body, because the Budget Bureau cut out of the budget funds for a proposed new steam plant near Memphis, Tenn., and the House passed the appropriation in that form.

Mr. President, we are very earnestly asking the Appropriations Committee of the Senate to restore the appropriation of $30 million for the commencement of the Fulton steam plant. It is essential that funds be provided to start that new plant, and we hope that the Senate Appropriations Committee will restore them. Although the Budget Bureau cut approximately $61 million from TVA's power program, we shall not complain about $31 million of that cut, but we certainly shall complain about the $30 million necessary to begin construction on this new plant.

Our reason for urging the Appropriations Committee to grant these funds is because 3 years are required for the building of a steam plant. Orders must

be placed with manufacturers for boilers, generators, and other items of large equipment needed in the plant. Unless the plant is started now, there will be a power shortage in the Tennessee Valley by 1956.

Mr. President, my word need not be taken for that statement, since I am not an engineer, but the word of the TVA can be taken, and TVA has a record of being more nearly accurate than any power company in its estimates of demand, but still on the conservative side my word need not be taken for that, either. It is a matter of record.

Following are the estimates filed with Congress by TVA for the years 1950, 1951, and 1952, during appropriation hearings, along with the actual demands that developed:

[Millions of kilowatts]

Year	Estimated demand	Actual demand
1950	2.7	3.2
1951	2.9	3.8
1952	3.5	4.2

A review of 2-year forecasts reported by TVA to the Federal Power Commission for years preceding 1950 provide this additional information:

[Millions of kilowatts]

Year	Estimated by TVA 2 years in advance	Actual demand
1947	1.8	2.2
1948	2.2	2.5
1949	2.5	2.7

POWER FOR DEFENSE

Mr. President, we of the valley have been more than generous in making power available to the Nation for national defense. By far the greater part of the new generating capacity which TVA plans to put into operation between now and the fall of 1956 will supply power vital to the defense of our Nation. More than half of it is required to help power the new and expanded atomic-energy installations at Oak Ridge and Paducah, Ky.; other parts will supply industries producing vital defense materials, large power-consuming industries supplied directly by TVA, and a large number of smaller industries served by the municipal and cooperative distributors of TVA power.

Surely, it is not the purpose of this Administration to tell us of the valley that we who are giving so generously and so happily of this power for the Nation's uses will get in return only a rationing and blackout for our homes and for our farms.

RESOURCE DEVELOPMENT

The other phase of TVA which may be an issue before this body is the resource-development program. The budget in its original form asked for $2,377,000 for these activities. In the special budget review this was reduced to $2,209,000. Then the House eliminated it altogether. It was reduced to zero. Again we hope that these funds will be restored by the Appropriations Committee and approved by the Senate.

Chairman Gordon Clapp said in testimony before the Senate committee:

> Although resource-development activities account for about 1 percent of the 1954 appropriation request, in many ways they constitute the heart of the regional program as set out in the TVA Act.

Resource development activities bind together into a joint approach to the development of the Tennessee Valley what otherwise might be separate Federal and State efforts.

I ask that a summary table be included in the RECORD to show what is involved in the resource development.

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

Summary table

Agricultural resource development	$244,000
Forest resource development	654,000
Tributary watershed development	705,000
Mineral resource development	8,000
Reservoir development	286,000
Industrial development assistance	33,000
Topographic mapping	300,000
Analysis of regional business and Government activities	147,000
Total, original budget	2,377,000
Less reduction made in budget review	168,000
Revised budget	2,209,000
Eliminated by the House	2,209,000

Mr. KEFAUVER. Mr. President, what has happened under this resource development phase of the TVA plan is perhaps the most thrilling part of the TVA story. It is the very essence of democracy. It represents a tremendous return on dollar investment.

Take the agricultural program for example. There are more than 300,000 farms in the Tennessee Valley. TVA experts met with the local farmers and in agreement they set up farm programs designed to conserve the soil, to rebuild the denuded land that had been left by flood waters of the past, and to help prevent floods of the future. In forestry, TVA provides the technical know-how, advice and encouragement, and the seven Valley States themselves are developing the effective forestry organizations that do the job. Stream pollution is controlled, not by TVA, which simply offers technical advice and assistance, but by the States which spent some $366,000 on stream sanitation in 1950. They are doing the work.

Mr. President, I could go on talking on this subject for hours, but the purpose of my short address today is simply to point up the fields in which the fight over TVA may occur, for the benefit of the many Senators who have asked me about it.

Therefore, I shall conclude these remarks with one additional word. We have heard much about the centralization of Government in Washington. Let me say that Congress in creating TVA took the greatest single step it has ever taken to decentralize Government. There is no large TVA office here. There is one official, who has three office assistants.

Congress organized TVA on the regional level, returning the authority and the initiative to the region. On a regional basis the States, the local governments, and the local people were given the opportunity and the challenge to reassert themselves, and were given the tools with which they, not the Government, could on a regional basis, lick the problems which beset them.

The result is one of the most thrilling success stories since Horatio Alger, but, unlike Alger's stories, this one is true. Let us not in this Congress and in this administration give that story an unhappy ending.

Mr. President, I had expected to amplify some of the questions and answers concerning the Tennessee Valley Authority which were prepared by the Tennessee Valley Public Power Association, which is not a TVA organization. It is an association of municipal authorities and rural cooperatives distributing TVA power. It is an association which is financed in no way by the TVA, but it is very much interested in the subject. That association prepared a number of questions and answers relative to facts which I know all Senators would like to have, if they do not already have them, and I therefore ask unanimous consent to have printed in the RECORD as a part of my address the questions and answers prepared by the Tennessee Valley Public Power Association relative to the Tennessee Valley Authority.

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

QUESTIONS AND ANSWERS ABOUT TVA

Question. What do the letters TVA stand for?

Answer. Tennessee Valley Authority.

Question. What is TVA?

Answer. TVA is an independent corporate agency of the Federal Government.

Question. When was TVA created?

Answer. In May, 1933.

Question. How was TVA created?

Answer. By a law or act approved by the Congress and the President.

Question. What are the basic provisions of the Act creating TVA?

Answer. TVA is to provide for the unfied development of all resources of the watershed of the Tennessee River and its tributaries, i. e., to improve the navigability and to provide for the flood control of the Tennessee River; to provide for reforestation and the proper use of marginal lands in the Tennessee Valley; to provide for the agricultural and industrial development of said valley and to provide for the national defense.

Question. What area comprises the Tennessee Valley?

Answer. The drainage basin of the Tennessee River and its tributaries, an area of 40,910 square miles.

Question. Through what States does the Tennessee River System flow?

Answer. Virginia, Tennessee, North Carolina, Georgia, Alabama, Mississippi, and Kentucky.

Question. Where are the offices of TVA located?

Answer. Muscle Shoals, Alabama; Knoxville and Chattanooga, Tennessee. A small liaison staff is located in Washington and

other offices are at various points within the valley.

Question. How is TVA financed?

Answer. Appropriations by the Federal Government and revenues from the sale of power and fertilizer. TVA's power operations are self-supporting; in fact, the net income in fiscal year 1952 represented a 4.7 percent return on the power investment.

Question. By whom are the TVA financial statements examined?

Answer. The United States General Accounting Office.

Question. By whom are top affairs of TVA administered?

Answer. Board of directors and general manager.

Question. Who are the present TVA directors?

Gordon R. Clapp, chairman; Dr. Harry A. Curtis, and Dr. Raymond Ross Paty.

Question. How are TVA directors chosen?

Answer. They are appointed for 9-year terms by the President and confirmed by the United States Senate.

Question. How many employees in TVA?

Answer. As of April 1, 1953, the number of TVA employees totaled 21,311.

Question. What was peak employment by TVA?

Answer. 40,801 on September 30, 1942.

Question. What is the population of the Tennessee Valley counties?

Answer. Approximately 3,544,500 inhabitants (1950 census). Area served with TVA power: 5,900,000 estimated population.

Question. What is the rainfall in the valley area?

Answer. Rainfall averages 52 inches a year.

Question. Where are the headwaters of the Tennessee River and its tributaries?

Answer. In the Unaka, Iron, Blue Ridge, and Great Smoky Mountains and national forests of Virginia, North Carolina, Tennessee, and Georgia.

Question. Where does the Tennessee River begin?

Answer. Four and four-tenths miles above Knoxville (Gay Street Bridge) at the junction of the Holston and French Broad Rivers.

Question. Where does the Tennessee River enter the Ohio?

Answer. Paducah, Ky.

Question. TVA dams are called multiple-purpose dams. Why?

Answer. To serve the interests of flood control, navigation, and electric power production.

Question. What is the useful storage capacity of TVA dams for flood control and other purposes?

Answer. Total storage capacity of TVA dams is more than 22 million acre-feet of water, of which 14,500,000 acre-feet is useful storage.

Question. What is the area of lakes impounded by TVA dams?

Answer. Six hundred and two thousand acres.

Question. Do TVA dams provide a deep-water commercially usable channel on the Tennessee River?

Answer. Yes; from its mouth at the Ohio River to Knoxville, Tenn., a sailing distance of 627 miles.

Question. Do all TVA dams have navigation locks?

Answer. No. Only 9, all of which are located on the main Tennessee River between Knoxville and the Ohio River.

Question. How many major dams are located on tributaries of the Tennessee?

Answer. Twenty-one, of which five are owned by the Aluminum Co. of America. Alcoa and TVA have a contract under which TVA directs releases of water from these dams.

Question. What are the principal TVA dams visited by the public?

Answer. Kentucky, Pickwick, Wilson, Wheeler, Guntersville, Chickamauga, Watts Bar, Fort Loudoun, Hiwassee, Norris, Fontana, Douglas, Cherokee, South Holston, Watauga, and Boone.

Question. Do all TVA dams have electric-generating stations?

Answer. Yes. Two of these, Nottely and Chatuge, were being installed in 1953.

Question. Are the various dams of TVA accessible by automobile?

Answer. Yes.

Question. What is the minimum depth of the improved Tennessee River channel created by TVA dams?

Answer. Eleven feet, suitable for boats and tows drawing up to 9 feet of water.

Question. What were limiting channel depths prior to TVA?

Answer. Four feet from the mouth of the river to Wilson Dam, Ala., a distance of 259 miles; 3 feet for the next 45 miles; 2 feet for the next 160 miles; and 1½ feet for the next 188 miles at headwaters in Knoxville, Tenn.

Question. Compare river traffic on the Tennessee in 1933 and today.

Answer. River traffic in the 1952 calendar year was approximately 800 million ton-miles, compared with 33 million ton-miles in 1933. (A ton-mile is 1 ton of freight moved 1 mile.)

Question. What are the principal products shipped on the Tennessee River?

Answer. Automobiles, coal and coke, grain, petroleum products, chemicals, forest products, pig iron, and steel.

Question. How many barge lines operate on the Tennessee?

Answer. At the present time there are about 24 barge lines operating on the Tennessee River, most of which are for hire.

Question. Where are the principal public-use freight terminals on the Tennessee?

Answer. At Knoxville, Harriman, and Chattanooga, Tenn., and at Guntersville, Decatur, and Sheffield, Ala.

Question. How many private-use terminal facilities have been constructed on the Tennessee River?

Answer. Forty-six. These are all designed to handle the specific traffic of their owners, and for the most part handle only such bulk commodities as petroleum, coal, or grain.

Question. What is the integrated TVA power system?

Answer. The integrated power system includes major hydroelectric plants at 31 dams, 13 major steam-electric-generating stations (of which 6 were under construction in 1953), and a number of minor plants. It includes the dams of the Aluminum Co. of America. The power output of Army Corps of Engineers on the Cumberland River is disposed of by TVA.

Question. What is the installed generating capacity of the integrated TVA system?

Answer. 4,941,885 kilowatts as of April 15, 1953.

Question. What is the net generation?

Answer. 19,701,930,000 kilowatt-hours (fiscal year 1952).

Question. What area is served by TVA power?

Answer. Practically all of Tennessee, substantial portions of Alabama and Mississippi, and smaller parts of Georgia, Kentucky, North Carolina, and Virginia. The power service area covers 80,000 square miles.

Question. How many miles of high voltage transmission lines serve this area?

Answer. 8,300 miles.

Question. What is TVA's net income from sale of power?

Answer. $25,100,000 for fiscal year 1952.

Question. Who distributes TVA power?

Answer. TVA power is being distributed under TVA rates by 97 municipalities, 51 cooperatives, and 3 private companies.

Question. How many consumers of TVA power?

Answer. 1,273,000 as of March 1, 1953.

Question. What is average TVA rate for residential use?

Answer. 1.33 cents per kilowatt-hour.

Question. What is the average rate for residential use in United States?

Answer. 2.76 cents per kilowatt-hour.

Question. Compare average use of electricity in TVA service area with that in the United States as a whole.

Answer. The residential consumers of TVA power used an annual average of 4,106 kilowatt-hours for which they paid $54.61; the residential consumers in the United States used an average of about 2,170 kilowatt-hours for which they paid $59.89.

Question. Compare the number of electric-power consumers in TVA service area today with the number prior to TVA.

Answer. There are over 1¼ million consumers today, about 4 times the number served by the private utility companies in the area in 1933, the year TVA was created.

Question. Compare the percentage of farms with electricity today with that prior to TVA.

Answer. Ninety percent of farms in the valley States have electricity today whereas in December 1932 only 3.5 percent were electrified.

Question. What was net income of the municipal and cooperative distrbutors of TVA power in 1952?

Answer. Combined net earnings amounted to $17,412,129.

Question. How were the municipal and cooperative distributors financed?

Answer. The municipal systems were financed principally through the issuance of electric system revenue bonds. Many cooperatives borrowed funds from the Rural Electrification Administration.

Question. What is the annual return on TVA's average power investment?

Answer. Five percent for fiscal years 1948–52.

Question. What is TVA investment assignable to power program?

Answer. Average depreciated investment in facilities assignable to power, including working capital, $555 million, fiscal year 1952.

Question. How is TVA's total investment allocated?

Answer. Power, 67.8 percent; flood control, 17.2 percent; navigation, 15 percent.

Question. Must TVA repay the Federal Government the cost of power investment?

Answer. Yes; TVA is required to pay into the United States Treasury out of its power revenues, within 40 years from 1948, an amount equal to the funds which the Government has advanced for the power program. Similar payments over 40-year periods are required against appropriations for projects going into service after 1948.

Question. Do States and counties benefit financially from TVA power program?

Answer. Yes. In fiscal year 1952 TVA made, in lieu of tax, payments to States and counties of $3,036,207. During the same year distributors of TVA power made payments of $4,333,240. The total payments of $7,369,447 compare with $3,233,792, which represents all former property taxes paid on private power property prior to acquisition by TVA or distributors and on all reservoir land acquired by TVA.

Question. What are the principal crops and livestock?

Answer: Corn, cotton, tobacco, small grains, and hay are principal crops; livestock includes beef and dairy cattle, hogs, sheep, and poultry.

Question. What is the average size farm in Tennessee Valley?

Answer. 77 acres as of 1953.

Question. To what peacetime use has TVA adapted the World War I constructed chemical plants at Muscle Shoals, Ala.?

Answer. To the experimental production of fertilizers, primarily highly concentrated phosphates, and for research relating to

various mineral raw materials in the valley and for other purposes.

Question. How were the plants utilized during World War II?

Answer. In accordance with plans worked out with the War Department, TVA rehabilitated and modernized the facilities of the plant to produce ammonia and ammonium nitrate for explosives, elemental phosphorus for war purposes, and calcium carbide for use in the manufacture of synthetic rubber. The plant also produces phosphatic and nitrogenous fertilizers important in the production of foods.

Question. How did TVA acquire the chemical plants?

Answer. They were turned over to TVA in 1933 by the War Department.

Question. How many farms are testing and demonstrating TVA manufactured fertilizers in actual farming operations?

Answer. 2,451 farms in 21 States in 1953.

Question. How many of these farms are located in the seven Tennessee Valley States?

Answer. 1,805.

Question. Who selects the farms to test and demonstrate the TVA fertilizers?

Answer. The farmers in each community in cooperation with TVA and the extension division of the State universities. Those chosen become test-demonstration farmers.

Question. Who sponsors the test-demonstration activities?

Answer. TVA and the extension division of the State universities.

Question. How much of the Tennessee Valley is in forests and farm woodlands?

Answer. Fourteen million acres, or 54 percent.

Question. What are the principal types of timber?

Answer. Hardwoods, mixed types of hardwoods, and conifers.

Question. What is the ownership of the forest land?

Answer. Eighty-three percent is privately owned and 17 percent is publicly owned.

Question. What is the valley's estimated annual income from timber and wood products?

Answer. Three hundred fifty million dollars. Under sound forest development and management this annual income could be increased many times.

Question. What is the length of the shoreline created by TVA lakes?

Answer. Ten thousand miles.

Question. Does TVA operate any recreation facilities for the public on its properties?

Answer. No. All public parks and commercial recreation facilities are operated by private business, concessioners, or by public agencies other than TVA.

Question. What recreation facilities have been built on the lakeshore?

Answer. Recreation facilities on the lakes include parks, boat docks, swimming beaches, camps, summer cabins, resort centers, and vistas for sightseeing.

Question. How many public parks and boat docks are located on TVA lakes?

Answer. Fifty-two parks and 230 boat docks as of January 1, 1953.

Question. Does TVA exercise control of private operations on leased lands?

Answer. Only to a very limited extent. Structures are not permitted where they will be damaged by floods. State and local laws and regulations apply.

Question. How does one acquire or lease property from TVA?

Answer. Leases are handled through the Division of Reservoir Properties, Knoxville, and purchases are handled through the Division of Property and Supply, Chattanooga.

Question. What is the investment in recreation facilities located on the lakes?

Answer. Approximately $38 million as of January 1, 1953.

Question. How many pleasure craft are in use on the lakes?

Answer. Nearly 2,200 inboard boats, ranging from cabin cruisers to runabouts and nearly 21,000 smaller craft, as of April 1, 1953.

Question. What fish are caught in TVA lakes?

Answer. Game fish chiefly are bass, walleye, sauger, and crappie.

Question. What is the catch and number of fishing trips on TVA lakes?

Answer. The number of individual, 1-day fishing trips on TVA waters is estimated at 2 million per year. The catch on all TVA waters exceeds 10 million pounds annually.

Question. Is there a closed season on fishing on TVA lakes?

Answer. No. (Note: The State temporarily closes newly impounded lakes.)

Question. What is the area developed for game refuges?

Answer. To date approximately 140,000 acres have been developed for State and Federal controlled game refuges.

Question. Are TVA dams open to the public?

Answer. Most of the dams are open to visitors except during emergency conditions. TVA Public Safety Service Officers on duty escort visitors through the powerhouses.

Question. What is TVA's highest dam?

Answer. Fontana Dam, 480 feet high.

Question. How many persons have visited TVA dams?

Answer. An estimated 40 million.

Question. What have the benefits of upstream storage of TVA dams been on floods in Chattanooga?

Answer. During the past 18 years damages estimated at over $45 million have been prevented.

Question. What damage would be caused at Chattanooga if floods equal to that of 1867 were to come and there were no TVA dams?

Answer. Loss would be $100 million. With today's regulation the loss would be cut to $12,300,000. With local protection works recommended by TVA there would be no loss.

Question. What is the effect on the Mississippi Valley of flood protection furnished by TVA dams?

Answer. Existing dams in the Tennessee Valley are capable of reducing floods at Cairo, Ill., by 2 to 4 feet and lesser amounts downstream. This will provide security from flood to 6 million acres of Mississippi Valley productive land and will reduce the frequency of flooding on an additional 4 million acres.

Question. Does TVA aid in reducing malaria in the Tennessee Valley?

Answer. Yes. Twenty years ago some areas showed as high as 30 percent malaria incidence. In the same areas today there has been no evidence of locally transmitted malaria for several years. TVA's malaria-control operations are correlated with State regulations, and the States participate in surveys, studies, and the planning and selection of control practices.

Question. How long does it take to "lock" a boat through a TVA dam?

Answer. It varies with the dams. Kentucky, Pickwick, Chickamauga, Wheeler, and Watts Bar each take 40 minutes; Fort Loudoun, 45 minutes; Guntersville and Hales Bar, 35 minutes; Wilson (2 locks), 60 minutes.

Question. Does TVA carry on its operations alone?

Answer. By no means. Dams and chemical plants are operated by TVA, but most of the program is carried on in close cooperation with about 100 public and private agencies, with whom TVA has working agreements.

Question. How may one obtain additional information of TVA and its activities?

Answer. Write to the Director of Information, TVA, Knoxville, Tenn.

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

Mr. KEFAUVER. I shall be happy to yield to my good friend from Florida for a question.

The PRESIDING OFFICER. The Senator from Texas has the floor.

Mr. HOLLAND. Mr. President, I ask unanimous consent that the Senator from Tennessee may be permitted to yield for a limited number of questions, without the Senator from Texas losing his right to the floor.

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

Mr. HOLLAND. Mr. President, first, I congratulate the distinguished Senator from Tennessee for placing this information in the RECORD. I have two questions which I should like to ask him. I note in particular the contribution he has made by showing the great distribution of the purchasing or procurement of the many kinds of assets which have been used by the TVA as such.

Mr. KEFAUVER. I thank the distinguished Senator from Florida.

Mr. HOLLAND. In connection with that, I think it will be of great interest to a manufacturing State, such as is Pennsylvania, to realize that $193 million in procurement purchases have been made in that great State. Similarly, in the great State of New York nearly $92 million have been expended in connection with TVA construction activities.

I should like to ask the distinguished Senator from Tennessee, with reference to the State of Florida, if he knows what commodities are represented by the purchase in that State of $4,779,000 worth of articles or products used by TVA. Does it mostly represent phosphate rock purchased from the State of Florida?

Mr. KEFAUVER. I may say to the able Senator from Florida that, unfortunately, I do not have a breakdown of precisely what is represented by purchases of the TVA from various States. My understanding of the table which was submitted is that it represents purchases by the TVA which have gone into its installations. I would not know what was purchased from the State of the distinguished Senator, but Florida makes so many articles that we of Tennessee like to have and which are necessary in the TVA system, that they may take a very wide range.

Mr. HOLLAND. I thank the distinguished Senator.

If I may make a suggestion, I believe it would be helpful to Senators who want to get the full picture clearly to ask the TVA to furnish a breakdown of the procurements from their particular States.

Mr. KEFAUVER. I think that would be useful, and I appreciate the Senator's suggestion. I shall ask the TVA to give me a breakdown of the principal things purchased in various States.

I should like to point out to the distinguished Senator from Florida that the list which has been placed in the RECORD represents only a small part of the total purchases from various States resulting from the operations of the Tennessee Valley Authority. It represents only things purchased by the TVA itself. It does not represent the tremendous

amount of purchases by the distribution systems of copper, steel, and other products which the distribution systems must buy. It does not represent purchases by the people living in the Tennessee Valley, such as television sets, and all kinds of electrical equipment which are largely manufactured outside the valley. The purchases of fishing equipment in connection with the recreational features of the Tennessee Valley have added much to the business of manufacturing such equipment in various areas of the Nation.

Mr. HOLLAND. There is one other comment I should like to make, if I may, and that is that in traversing the area, which I frequently do, I have noted the immense improvement in conditions and the great degree of prosperity which prevails there, but I have not noticed any difference in that respect between the two congressional districts of the great State of Tennessee which I understand are traditionally Republican, and those districts which are Democratic. My question is this: Has there been any difference in the degree of support and of belief in TVA and its usefulness, from the political point of view, in Tennessee, between the persons who belong to one of the great parties and those who belong to the other great party?

Mr. KEFAUVER. The Senator has asked a question which I am glad to have an opportunity to answer. Anyone who has ever visited the TVA region will agree that the TVA is one Federal agency in which political consideration has never played any part whatsoever. The TV Act provides that there shall be no political consideration, and the Board has scrupulously followed that procedure.

Mr. HOLLAND. Have not the headquarters of the TVA been located at Knoxville, which is not notable for its adherence to the Democratic cause?

Mr. KEFAUVER. That is correct. The headquarters are located in Knoxville—and properly so—in the Second District, which, ever since the War Between the States, has been represented in the Congress by a Republican as is the case with some parts of Virginia and of North Carolina. I think the unanimous opinion in favor of the Tennessee Valley Authority is shared equally by Democrats and Republicans in the area. Representatives REECE and BAKER of Tennessee and other Republicans have been just as vigorous in their support of TVA as have the Democrats.

Although the TVA employs a great many persons, I do not believe any Senator or Representative from the TVA area ever receives more than an occasional letter from a constituent asking any assistance in trying to help him secure employment with the Tennessee Valley Authority, because we know and they know that it is not operated on the basis of patronage in any sense.

Mr. HILL. Mr. President, will the Senator from Tennessee yield?

Mr. KEFAUVER. Mr. President, I ask unanimous consent——

Mr. DANIEL. Mr. President, do I have the floor?

The PRESIDING OFFICER. The Senator from Texas has the floor.

Mr. KNOWLAND. Mr. President, will the Senator from Texas yield?

Mr. DANIEL. I yield.

Mr. KNOWLAND. Mr. President, I have not raised the point of order, and I do not want to do so at this time. I understood, however, that the Senator from Texas yielded to the distinguished Senator from Tennessee for a few minutes; but quite a substantial amount of time has been taken. I did not want to raise the point, but I was going to make an inquiry as to what the unanimous-consent request was which the Senator was about to make.

Mr. KEFAUVER. Mr. President, I ask unanimous consent that I may yield to the distinguished Senator from Alabama for a question without the Senator from Texas losing the floor.

Mr. KNOWLAND. Mr. President, I should like to have some kind of understanding about the length of time desired by the Senator from Tennessee, because a number of inquiries have been made as to when the Senate would resume consideration of the unfinished business.

Mr. KEFAUVER. Mr. President, the Senator from Alabama assures me that his questions will be brief, and I give assurance that my answers will be brief.

Mr. HILL. Mr. President, the Senator from Tennessee referred to the fact that there had been no politics in TVA. I was the Member of the House who introduced the TVA bill in that body, just as the late Senator Norris introduced the TVA bill in the Senate. I was a member of the committee of conference between the Senate and the House. One provision in the bill about which I had the greatest skepticism was the one prohibiting politics in TVA. Frankly, I did not know whether under our American democratic system there could be a Government agency entirely free of politics. However, 20 years' experience with TVA has demonstrated that there can be such an agency, because, surely, as the Senator from Tennessee has so well said, there has been no politics in any way, shape, fashion, or form in the TVA. The officers and employees have been hired, have been promoted, and have been kept in their offices, solely on the basis of merit, without any consideration whatsoever of politics. Likewise, the decisions and policies of the Board have been entirely free of politics.

I thank the Senator from Tennessee.

Mr. KEFAUVER. I thank the able Senator from Alabama for his statement. He is entirely correct. I believe that in both the Senate and the House TVA has very substantial support from the Republican side of the aisle. The TVA is considered on a nonpartisan basis.

The Senator from Florida [Mr. HOLLAND] a few minutes ago asked if there was any difference in the treatment by TVA as between Republican and Democratic districts in Tennessee. The fact is that there are more dams and other installations in the two Republican districts than there are in any other part of the State. That is because those districts are the logical locations for them.

The TVA is a great agency, which has done much for the people of the Tennessee Valley, for the cause of national defense, and for the Nation. It is a great asset of the United States. It is a great example to the world of what a democracy can do.

I hope that the Committee on Appropriations will not stifle TVA or reduce funds for its development.

I appreciate the courtesy of the Senator from Texas [Mr. DANIEL] in yielding to me.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had agreed to the amendment of the Senate to the bill (H. R. 4126) to continue the effectiveness of the act of December 2, 1942, as amended, and the act of July 28, 1945, relating to war-risk hazard and detention benefits, until July 1, 1954.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

S. 1839. An act to amend section 32 of the Fire and Casualty Act, so as to provide that an agent or solicitor may secure a license to solicit accident and health insurance in the District of Columbia under that act without taking the prescribed examination if he is licensed under the Life Insurance Act; and

S. 2032. An act to modernize the charter of Washington Gas Light Co., and for other purposes.

JURISDICTION OVER SUBMERGED LANDS OF THE OUTER CONTINENTAL SHELF

The Senate resumed the consideration of the bill (S. 1901) to provide for the jurisdiction of the United States over the submerged lands of the outer Continental Shelf, and to authorize the Secretary of the Interior to lease such lands for certain purposes.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Texas [Mr. DANIEL], striking out, on page 25, line 25, the words "credited to miscellaneous receipts" and inserting in lieu thereof certain other words.

Mr. DANIEL. Mr. President, I shall take only a few minutes to explain the amendment now pending before the Senate.

Mr. KNOWLAND. Mr. President, would the Senator be willing to yield for the purpose of my suggesting the absence of a quorum?

Mr. DANIEL. I thank the distinguished majority leader, but my remarks will be brief.

Mr. President, I believe that any revenues derived from the Continental Shelf adjacent to coastal States should be divided, at least to some extent, with the coastal States. The coastal States need revenues with which to carry on their services to companies and to individuals who reside on shore but who work on the outer Continental Shelf. Oil companies operate trucks over our

highways and roads, and the employees likewise use our highways. The children of oil company personnel attend our schools; their aged employees receive old age pensions; and some of their employees receive hospitalization under certain conditions. The States render many valuable and expensive services on shore to those engaged in outer-shelf operations.

I believe that in all fairness the States should receive some percentage of the revenues, or at least have the right to tax the private lessees who operate on the outer Continental Shelf. However, I realize that is not the sentiment of a majority of the Members of Congress, and is not the sentiment of the President of the United States. Therefore, if revenues received from leases on the outer Continental Shelf are to be earmarked, I think there could be no better purpose for which they could be dedicated than for the payment on the principal of the national debt.

I realize that the proposals of the Senator from New Jersey [Mr. HENDRICKSON] and the Senator from Alabama [Mr. HILL], as also of Senators who have associated themselves with the Senator from Alabama, are for a worthy cause. They provide that these funds shall be used for national defense purposes during the present emergency, and then for Federal aid to education. However, as I understand, the House of Representatives has never agreed upon a Federal aid to education bill. There has always been controversy about that subject. In the Senate there have been 2 or 3 different proposals as to how these funds should be applied to Federal aid to education. To say the least, there is considerable controversy as to how a Federal aid to education program should be handled, and a vast amount of legislation would be required to settle that controversy.

I think we would be helping the schoolchildren of the United States just as much if we were to begin paying some dollars on the national debt, instead of leaving that debt for them and their children to pay. The United States has a tremendous national debt, larger than the national debts of all the other nations of the world combined. In my opinion, this may be the only opportunity the United States Senate will have at this session to begin paying some money on the principal of the national debt. That is what my amendment would do. It would provide that all revenues received from leases on the outer Continental Shelf shall be applied to payment of principal of the national debt.

Mr. HILL. Mr. President, I offer an amendment to the pending Daniel amendment.

The PRESIDING OFFICER. The clerk will report the amendment to the amendment.

The LEGISLATIVE CLERK. The Senator from Alabama [Mr. HILL], for himself and other Senators, proposes, in lieu of the language proposed to be inserted by the Daniel amendment, to insert the following: "held in a special account and, except for the payment of refunds under the provisions of section 10 of this act, such moneys shall be appropriated exclusively as grants-in-aid of primary, secondary, and higher education: *Provided, however*, That during the present national emergency, but not for more than 3 years, the moneys in such special account may be appropriated for such urgent developments essential to the national defense as the Congress may determine."

On page 26, lines 11 and 12, strike out of subsection (a) of section 10 the words "not otherwise appropriated" and insert in lieu thereof the following: "in the special account established under section 9 of this act."

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Alabama, for himself and other Senators, to the amendment offered by the Senator from Texas [Mr. DANIEL].

Mr. HILL obtained the floor.

Mr. HENDRICKSON. Mr. President, will the Senator yield for a parliamentary inquiry?

Mr. HILL. I yield for that purpose.

The PRESIDING OFFICER. The Senator will state his parliamentary inquiry.

Mr. HENDRICKSON. Am I correct in my understanding that the amendment offered by the Senator from Texas [Mr. DANIEL] is a perfecting amendment?

The PRESIDING OFFICER. The Senator is correct.

Mr. HENDRICKSON. Then, if the amendment or the substitute offered by the Senator from Alabama fails, the vote comes on the perfecting amendment?

The PRESIDING OFFICER. The vote would come on the amendment of the Senator from Texas.

Mr. HENDRICKSON. That is my understanding. Do I understand correctly that following that, the vote would come on my amendment?

The PRESIDING OFFICER. If no other perfecting amendment were proposed, that would be the procedure.

Mr. HENDRICKSON. I thank the Senator from Alabama for yielding.

The PRESIDING OFFICER. The Senator from Alabama may proceed.

Mr. HILL. Mr. President, I have offered my amendment for myself and for Mr. DOUGLAS, Mr. NEELY, Mr. TOBEY, Mr. LANGER, Mr. MORSE, Mr. SPARKMAN, Mr. KEFAUVER, Mr. CHAVEZ, Mr. HUMPHREY, Mr. HENNINGS, Mr. LEHMAN, Mr. MURRAY, Mr. GILLETTE, Mr. FULBRIGHT, Mr. CASE, Mr. KILGORE, Mr. GREEN, Mr. MAGNUSON, Mr. JACKSON, Mr. MANSFIELD, Mr. PASTORE, Mr. KENNEDY, Mr. WILEY, Mr. CLEMENTS, Mr. YOUNG, Mr. MUNDT, Mr. SYMINGTON, Mr. JOHNSON of Colorado, Mr. AIKEN, Mr. JOHNSTON of South Carolina, Mr. GEORGE, Mr. MONRONEY, and Mr. MCCLELLAN.

The amendment has the endorsement and strong support of the National Education Association, the American Council on Education, the American Federation of Teachers, the American Library Association, the American Vocational Association, the National Grange, the National Farmers' Union, the Co-op League of the United States, the American Federation of Labor, the Congress of Industrial Organizations, 23 of the railroad brotherhood organizations, and many other fine organizations. Altogether, some 40 great national organizations endorse the amendment and urge its adoption by the Senate.

The amendment recognizes the vital importance from the standpoint of the strength and security of our country, of meeting today's crisis in American education by providing that income from the development of outer Continental Shelf lands shall be appropriated as grants-in-aid to primary, secondary, and higher education. In other words, following the precedent set many times in the past of using the returns from the public domain for education in the States and throughout the United States, the amendment proposes that the revenue derived from submerged lands, a part of the great public domain, be used for educational purposes, for primary, secondary, and higher education.

With a consciousness of the present critical world situation, we have provided in our amendment that during the present national emergency, but not to exceed a period of 3 years, the funds may be appropriated for such urgent developments essential to the national defense as Congress may determine.

We could make no greater contribution toward the payment of the national debt than by meeting the present crisis in American education, by providing better opportunities for education, more nearly equal opportunities, greater opportunities for our children. Such a program would increase the productive capacity and enlarge and strengthen the economy of our country in direct proportion to what we do to provide better training and education for our children, the future citizens of America. We can make no greater contribution toward the payment of the public debt than by educating and training our children, by training more engineers, more scientists, and more technicians of every kind, of which there is such a terrible shortage today. This would increase the productive capacity of the country, strengthen the economy, and make it more possible to pay the public debt.

Mr. President, I have said many times that it may be very difficult, if not impossible, for the free world to match the Communist world in terms of manpower. Of course, we all pray for the time when, without global war and by peaceful means, we may witness the liberation of those who are held in the bondage of totalitarian communism, but such a day may be long in coming, and as the struggle proceeds for the minds of men we must pit quality against quantity. The basic strength of the free world lies in the fact that free institutions, unlike the institutions of dictatorships, are capable of developing men and women with intelligence, with initiative, with originality, with discrimination, and with inquiring and adventurous minds.

OUR HERITAGE OF EDUCATION

That we have in so many respects outstripped the world technically and managerially is due in large part to our system of free education developed under free institutions. This was the essence of the American dream as it matured in

the great creative mind of Thomas Jefferson, and along with it grew and developed the traditional American policy of dedicating the proceeds of our public lands to the cause of education, a policy which we would now follow in dedicating the submerged lands under the sea to the cause of education.

Thomas Jefferson declared "that nation which expects to be ignorant and free in a state of civilization expects that which never was and never will be."

At various times on the floor of the Senate I have tried to indicate that our precious heritage of education for all our people was in danger of becoming a myth. I have cited the dilapidated condition of our schools, the huge increases in our child population, and the alarming exodus of our inadequately paid teachers from the teaching profession into better paying pursuits.

THE CRISIS IN EDUCATION

Our education system today faces a severe crisis.

The measures which we have taken to meet the crisis are not adequate. Competition with industry and defense-related jobs has taken many of the best teachers from the classrooms. Many communities are scraping the bottom of the barrel to get even inadequately prepared teachers. Too few young men and women today are going to our teachers colleges to prepare themselves for teaching, because they know that teachers are the lowest-paid group in the United States. Last year our teachers colleges and other colleges graduated less than 40 percent of the number of teachers needed to fill new teaching positions in our schools. Schools are not being built fast enough to meet the needs of a rapidly expanding enrollment. More than a million additional children entered the public schools last fall as compared with the year before. This rate of increase will continue for at least the next 6 years as the 1952 birthrate was the all-time high. For 6 years we shall have each year an influx of 1 million additional children in our schools.

The education of 4 million children is being impaired because of inadequate buildings, poorly trained teachers, and double sessions or part-time instruction.

SHORTAGE OF SCHOOL BUILDINGS SEVERE

Now let us consider for a moment the shortage of school buildings.

In community after community, classrooms are so overcrowded as to make effective teaching almost impossible. School basements, apartment house basements, empty stores, garages, churches, and even trailers are being utilized to take care of the overflow. In one community, children were found to be attending class in a morgue. What a pleasant memory they will have of their alma mater. Even with the use of such facilities, many communities are having to resort to half-day and even third-day sessions to carry the load.

NEEDS OF HIGHER EDUCATION

We are also facing a critical situation in the field of higher education.

Almost all our 1,900 institutions of higher learning are in financial trouble, whether they are State institutions, land-grant colleges, the large private universities, or the small colleges. A recent New York Times survey shows that 1 out of every 3 of our liberal-arts colleges is operating in the red.

Income from gifts and endowments is off sharply, as is student enrollment. Faculties have been reduced in many institutions. Some of them have begun to lower academic standards to keep their campuses open.

Completely aside from the question of the necessity for preparing our young men and women to be good citizens and to earn a livelihood, we are here posed with the question of providing for the future military security of our Nation, and the crisis in our educational system is already imperiling that security.

I shall not at this time review for the Senate the story of what happened when the Selective Service Act was put into effect during World War II, or what has happened in connection with the recent mobilization of armed forces for the Korean war. We know that during World War II more men were rejected for educational deficiencies by the selective service than the number of men who fought in combat divisions in the entire Pacific area during the period of World War II.

Even in the case of the mobilization for the Korean war, educational deficiencies have caused more rejections than all other disqualifying factors combined. In fact, in the very first year following the outbreak of hostilities in Korea more than 300,000 men were rejected because of illiteracy and educational deficiencies. Since that time the number has climbed higher and higher and higher.

The cold fact is that all the people in the United States are but 6 percent of the world population, and we cannot afford to neglect the education of a single person who is capable of receiving an education.

EDUCATION AND MOBILIZATION

The plain fact is that we need more specialists of every kind—more scientists, more chemists, more physicists, more doctors, more professional and business leaders, more agriculturists and more engineers and skilled workers.

The shortage of engineers and scientists is a source of growing anxiety for defense mobilization officials.

Defense officials have declared that to bring the United States to maximum military strength, there must be a tremendous acceleration in the training of scientists and engineers. They point out that a speedup in research and industrial technology is an integral part of the defense program and that, therefore, scientific development which normally would have been spread over a decade has had to be telescoped into less than half that time.

The Director of Defense Mobilization reports that—

> Acute shortages are continuing among highly skilled professional, scientific, and technical workers needed in defense and essential civilian industries. Under full mobilization, the lack of such workers would be critical. There are now 61 occupations on the critical list for which demand is greater than supply. The numbers now enrolled in college courses or taking other types of training are not sufficient to meet future needs.

The Engineering Manpower Commission of the Engineers Joint Council has warned that industrial production and expansion which the council said had been hampered for the past 2 years by a serious shortage of engineers and scientists will continue to be held back this year and will fail to attain full output of civilian and defense materials.

Voicing the same concern over the shortage of engineers, Mr. Maynard M. Boring, personnel manager of the General Electric Co. and a member of the American Society for Engineering Education, recently told an Armed Forces conference that, if the shortage in industry continues, defense contracts might have to be extended or canceled.

He said that a survey group in studying demand had questioned 357 industrial companies and Government agencies and found that the country was short about 40,000 engineers.

To understand the tremendously increased demand for engineers, we have but to note, for example, that the construction of a B-17 bomber in World War II took 350,000 engineer man-hours, whereas today the construction of a B-36, which is not our latest, but is perhaps our largest bomber, takes exactly 10 times as many man-hours, namely 3,500,000 man-hours.

Mr. KNOWLAND. Mr. President, will the Senator from Alabama yield?

Mr. HILL. I am glad to yield to my distinguished friend.

Mr. KNOWLAND. Mr. President, I should like to ask the distinguished Senator from Alabama to yield so that I may suggest the absence of a quorum, with the understanding that he will not lose his right to the floor.

Mr. HILL. I am very glad to yield to the Senator from California for that purpose.

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

The PRESIDING OFFICER (Mr. BARRETT in the chair). The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Gore	Maybank
Anderson	Green	McCarran
Barrett	Griswold	McCarthy
Beall	Hayden	McClellan
Bennett	Hendrickson	Millikin
Bricker	Hennings	Monroney
Bush	Hickenlooper	Mundt
Butler, Md.	Hill	Murray
Butler, Nebr.	Hoey	Neely
Byrd	Holland	Pastore
Capehart	Hunt	Payne
Carlson	Jackson	Purtell
Case	Jenner	Robertson
Chavez	Johnson, Colo.	Russell
Clements	Johnson, Tex.	Saltonstall
Cooper	Johnston, S. C.	Schoeppel
Cordon	Kefauver	Smathers
Daniel	Kennedy	Smith, Maine
Dirksen	Kerr	Smith, N. J.
Douglas	Kilgore	Sparkman
Duff	Knowland	Stennis
Dworshak	Kuchel	Symington
Ellender	Langer	Taft
Ferguson	Lehman	Thye
Flanders	Long	Watkins
Frear	Magnuson	Welker
George	Malone	Wiley
Gillette	Mansfield	Williams
Goldwater	Martin	Young

Mr. SALTONSTALL. I announce that the Senator from New Hampshire [Mr.

BRIDGES], and the Senator from Oregon [Mr. MORSE] are necessarily absent.

The Senator from Michigan [Mr. POTTER] is absent on official committee business.

The Senator from New Hampshire [Mr. TOBEY] is absent by leave of the Senate.

The Senator from New York [Mr. IVES] is absent by leave of the Senate, having been appointed a delegate to attend the International Labor Organization Conference at Geneva, Switzerland.

Mr. CLEMENTS. I announce that the Senator from Mississippi [Mr. EASTLAND] and the Senator from Minnesota [Mr. HUMPHREY] are absent on official business.

The Senator from Arkansas [Mr. FULBRIGHT] is absent by leave of the Senate.

The Senator from North Carolina [Mr. SMITH] is necessarily absent.

The VICE PRESIDENT. A quorum is present.

VISIT TO THE SENATE BY FORMER PRESIDENT TRUMAN

The VICE PRESIDENT. The Chair has learned that a distinguished visitor has arrived at the Capitol, the former President of the United States and former Senator from the State of Missouri, Mr. Truman.

The Chair appoints the acting majority leader, the Senator from California, and the minority leader, the Senator from Texas, as a committee to escort our distinguished visitor to his former seat in the Senate.

Without objection, the Senate will stand in recess, subject to the call of the Chair.

Thereupon, at 1 o'clock and 40 minutes p. m., the Senate took a recess subject to the call of the Chair.

The committee appointed by the Vice President escorted Mr. Truman to his former seat in the Senate and he was greeted with prolonged applause, Senators and occupants of the galleries rising.

The VICE PRESIDENT. On behalf of Members on both sides of the aisle, the Chair desires to extend a very warm welcome to the former President of the United States and our former colleague in this body. The Chair would like to say, incidentally, he is sure that our distinguished visitor, upon his return to Washington, has noted many changes. Some of those changes he may not like so well as some of the others of us may like them. The Chair is certain, however, he will agree that on this June day the weather man has done one of the best jobs of recent history. At least in that respect there has been an improvement. [Applause.]

The Chair is sure, too, that all Members of the Senate would like to have a word of greeting from our former colleague and the former President of the United States; and, consequently, if he will so favor us, we would like to have it at this time. [Applause.]

Mr. TRUMAN. Mr. President, distinguished Members of the greatest legislative body in the world, with one exception, the House, which is on a par with the Senate, I am highly pleased that the distinguished occupant of the chair and Senators are so cordial and so courteous to me. I did not expect to have the privilege of the floor of this great legislative body when I came to the Capitol for lunch with the minority, but I appreciate it very much.

I think I have told you before that the happiest 10 years of my life were spent on the floor of the Senate. I used to sit in this seat; and I had a seat here for the simple reason that, when the going became too rough, there was always a way to get out. [Laughter.]

This body, of course, has great responsibilities. Its Members do not need to be told that by a former Senator. But it is up to this body to help keep the peace of the world. My ambition has always been to see peace in the world for all nations; and if that happens, it means peace and prosperity for our own Nation.

I have had a most wonderful experience in driving across the country as a chauffeur in an automobile—a privilege which I had not enjoyed for about 8 years. I had a very excellent governor in the car—not on it. [Laughter and applause.] Mrs. Truman watched the speedometer very carefully, and we arrived safely.

I express sincere appreciation for the courtesy which this body has extended to me. I have enjoyed it very much. [Applause, Senators rising.]

At 1 o'clock and 50 minutes p. m., the Senate reassembled on being called to order by the Vice President.

JURISDICTION OVER SUBMERGED LANDS OF THE OUTER CONTINENTAL SHELF

The Senate resumed the consideration of the bill (S. 1901) to provide for the jurisdiction of the United States over the submerged lands of the outer Continental Shelf, and to authorize the Secretary of the Interior to lease such lands for certain purposes.

Mr. HILL. Mr. President, when I offered my pending amendment, I called attention to the fact that there were 34 sponsors of the amendment, whose names I read. I now wish to add, as the 35th sponsor, the name of the distinguished Senator from Mississippi [Mr. STENNIS].

Mr. President, when the Senate paused in its labors to greet the former President of the United States, the Honorable Harry S. Truman, I was speaking of the fact that we could make no greater contribution looking to the payment of the public debt than through the education and training of our children, because through their education and training we may hope to have, and we shall have, scientists, chemists, engineers, business, and professional people, agriculturalists, technicians, and skilled workers of all kinds who will give us greater productive capacity and an ever-expanding economy. Our best assurance of paying the debt is by having greater productive capacity and an expanding economy. I also addressed myself, Mr. President, to the question of the vital necessity of education to our national security and our national defense. I invited attention to the recent report of the Director of Defense Mobilization made not many days ago, in which he said:

> Acute shortages are continuing among highly skilled professional, scientific, and technical workers needed in defense and essential civilian industries. Under full mobilization, the lack of such workers would be critical. There are now 61 occupations on the critical list for which demand is greater than supply. The numbers now enrolled in college courses or taking other types of training are not sufficient to meet future needs.

Then, Mr. President, I invited attention to the fact that the Engineering Manpower Commission of the Engineers Joint Council has warned that industrial production and expansion, which the council said had been hampered for the past 2 years by a serious shortage of engineers and scientists, will, for the same reason, continue to be held back this year and will fail to obtain full output of civilian and defense materials.

Voicing the same concern over the shortage of engineers, Mr. Maynard M. Boring, personnel manager of the General Electric Co. and a member of the American Society for Engineering Education, recently told an Armed Forces conference that, if the shortage of such personnel in industry continues, defense contracts might have to be extended or canceled. He said that a survey group in studying demand had questioned 357 industrial companies and Government agencies and had found that the country was short approximately 40,000 engineers.

To understand the enormously increased demand for engineers, we have but to note, for example, that construction of a B-17 bomber—the bomber which we used over Japan and over Germany in World War II—took 350,000 engineer man-hours, whereas today a B-36 takes exactly 10 times as many man-hours—3,500,000. That gives us an idea of the terriffic increase in the need and demand for engineers and technicians of all kinds.

Senators will recall the deep concern over our waste of manpower that was so recently voiced by Dr. John K. Norton, head of the department of educational administration, Columbia University, and former chairman of the Educational Policies Commission when President Eisenhower and Dr. Conant of Harvard were members of the Commission. Dr. Norton declared:

> We have about a 50 percent educational system in the products it turns out and in the support it receives today.

He said further in his testimony before the committee:

> More than half of the children who enter the first grade fail to finish high school. Perhaps even more important in terms of its effects upon our preparedness is the fact that only half of our top talent, those who get high marks in high school, who pass intelligence tests, who it is generally agreed could do college work and do it well, actually do so.
>
> We are wasting one-half of our top talent in terms of giving them substantial professional, technical, or vocational training.

Mr. President, in the face of our failure to capitalize upon half the talent of our youth, to make the most of the talent

which God Almighty has given our people, we know that ever since World War II, which has been 8 years, our intelligence sources have told us that Russia and her satellites have been working feverishly to train large numbers of scientists, engineers, technicians, and skilled workers of all kinds.

Doubtless the report of the extent of the Red educational effort is subject to the usual discounting, but Dr. Alan T. Waterman, Director of the National Science Foundation, in his recent testimony before the House Appropriations Committee, warned that Russia is outstripping us in the training of scientists and engineers. Dr. Waterman told the committee:

> In the year 1955 the estimate is that 50,000 engineering graduates will be produced in the Soviet Union, compared to some 17,000 in the United States. A similar situation exists in the United States with respect to the production of trained scientists of all types.

Dr. Waterman also said to the committee:

> Our output of young scientists and engineers is now dropping to nearly one-third of the output in 1950, at a time when our research and development effort has approximately trebled.

I think Senators can well understand why there has been the great drop to one-third of the output in 1950. It is because the GI bill of rights has expired for the great bulk of the veterans of World War II. That means that many of our young people are not able to go to college. They are not in our colleges or universities. They are not able to educate or prepare themselves to be engineers, scientists, or technical workers.

The appalling waste of our human resources because of poor education or none at all is graphically pictured in a recent progress report of Columbia University's great research project known as the Conservation of Human Resources. Motivated by his wartime experience with manpower wastage in World War II, President Eisenhower initiated the project shortly after he became president of Columbia University.

The report is based on an exhaustive study of the poorly educated in military and civilian life. Let me read from it:

> From the viewpoint of public policy, one general conclusion is unmistakable. If the United States wants to strengthen its military arm, if it desires to contribute to the heightened productivity of the economy—

I might interpolate: If we wish to pay off our national debt—

> If it wants to buttress the foundations of American democracy, then it is incumbent upon the country to work for the eradication of illiteracy among the population. Its major attack must be directed toward the source which means the strengthening of elementary education, particularly in the poorer States.

The report concludes with this serious challenge to the Nation:

> Only recently have we seen the problem for what it is. In the struggle in which the United States and the other free nations are currently engaged to maintain their way of life, our strength lies in the quality of our human resources—in the competence, imagination, and dedication of the population—not in sheer numbers. We can no longer ignore the wastage of our human resources which results either from our failure to develop all latent potentials to the full or our failure to utilize them fully after they have been developed. For the welfare and security of the United States, in fact of the free world, have come to depend upon granting every individual citizen the opportunity for the full development and utilization of his human potentialities.

Let me conclude this portion of my statement by referring to the findings of another great body of experts on manpower resources—another body that was established by President Eisenhower himself while president of Columbia University—another action that was motivated by President Eisenhower's wartime experience with manpower shortages. President Eisenhower, while he was president of Columbia University, was so impressed, and, I may say, so challenged, by the crisis in education now facing our country that he not only appointed the commission to which I have just referred, but he appointed also a second commission, the National Manpower Council, composed of 17 members from among the Nation's foremost men and women in the fields of business, industry, labor, science, education, health, and government. The Council carried on its work at Columbia University with a grant from the Ford Foundation.

The objective of the exhaustive study by the Council was the evaluation of manpower problems of crucial concern in the United States in this period of continuing emergency.

All of us know that we are in a period of continuing emergency. Surely no one can say how long it may last. No one knows how many years it may continue or how long we may be under the threat, the danger, and the challenge that presents itself today, a challenge that goes to the very heart of the preservation of our country and its institutions.

It was 4 weeks ago yesterday that the National Manpower Council made its latest report and presented it to President Eisenhower, formerly president of Columbia University, now the Chief Executive of our Nation. Among other things, that report warns that our national security is now threatened because of our failure to build the full strength of our human resources, and the consequent severe shortages of engineers, scientists, teachers, doctors, nurses, and others with special skills.

The Council reported that the shortages of scientists and engineers—that are growing steadily more critical—have, in the Council's own words, "delayed defense production, slowed progress on research and development projects vital to our security and resulted in the production of some military items costly to operate and maintain."

In other words, we have failed to provide many of the essentials for our defense; and with respect to some of the things we have obtained, we have experienced great waste because we did not have trained, competent, adequate manpower to do the job.

The Council declared that our national security is weakened and our progress retarded by failure to provide proper education and training for "a vast reservoir of highly intelligent young people."

As evidence of our waste of brainpower, the Council revealed that less than half of those capable of acquiring a college degree enter college, and 40 percent of those who start college—many with superior ability—do not graduate. The Council reported that "for every high school graduate who eventually earns a doctoral degree, there are 25 others who have the intellectual ability to achieve that degree but do not." They do not have the opportunity to do so.

Calling for more intensified efforts to improve elementary and secondary education, as well as education at the college level, and in the universities, the Council declared:

> There is a hidden reservoir of brainpower that is composed of capable individuals who achieve low scores in tests of intellectual ability, primarily because of serious deficiencies in their early schooling.

They never get the foundation upon which to build.

The Council cited the tremendous demands of our research in atomic energy and electronics, and declared that in this age of science and technology "the security and progress of the country depend as never before upon the nurturing of creative minds that can push back the frontiers of the unknown."

We are reminded that several years ago Mr. Winston Churchill ascribed the fact that we had peace in the world to the atomic bomb. Where would we be today if we did not have the atomic bomb? How could we ever have got the bomb if we had not trained men to be physicists, chemists, engineers, and scientists, who could produce the bomb for us? Anyone who stops to think of the atomic bomb, or who rides in an airplane which takes him from Washington to Atlanta, Ga., the capital of the State of our good friend from Georgia [Mr. GEORGE] in 2 hours and 50 minutes; or anyone who sees a television program originating thousands of miles away, cannot help but know that we are living in an age of science. There is nothing more vital to our future and security and the preservation of our institutions than that we shall keep ahead of the game, keep ahead of our enemies. The only way we can do that is by training and preparation, by capitalizing upon the intellectual capacity which God Almighty has given to our children.

The Council made the basic observation that scientists and professional persons cannot be stockpiled like commodities against future shortages, and declared that "only a purposeful and sustained effort can insure that the United States will have adequate resources of scientific and professional manpower to meet its needs."

The reservoir of undeveloped brain power and intellect—the latent genius that lies in the minds and hearts of American boys and girls—the reservoir to which the Council called the attention of the President, is precisely the same as that of which Dr. Norton spoke when, in testifying before the committee,

he declared that "we are wasting one-half of our top talent in terms of giving them substantial technical and vocational training."

The Council in its report to President Eisenhower referred to the "historic leadership of the Federal Government in the field of education." Let me read one paragraph from the report of the Council. It deals with the Morrill Act, the great land grant act of 1862. The Council said:

> The most important, single governmental step in connection with the training of scientific and professional personnel was the Morrill Act of 1862, which laid the basis for the country's extensive State college and university system. This measure provided for grants of public land or land script to the States for the support of "at least one college where the leading object shall be, without excluding other scientific and cultural studies, and including military tactics, to teach such branches of learning as are related to agriculture and the mechanic arts * * * to promote the liberal and practical education of the industrial classes."

That is a quotation from the language of the Morrill Act. If we were writing it today we would perhaps use language a little more nearly in terms of the atomic bomb and the other great inventions with which our distinguished friend from Colorado [Mr. JOHNSON], former chairman of the Committee on Interstate and Foreign Commerce, is so familiar.

The Council continues:

> The State universities and land-grant colleges have provided low-cost education, have contributed to the supply of specialized manpower, and have stimulated by their example the development of other scientific, technological, and graduate schools.

Despite the record amount spent for schools this year, in terms of 1953 dollars, the percentage of national income which goes for public elementary and secondary schools is considerably lower than it was 20 years ago. We are spending for such schools less today than we spent 20 years ago, before we moved into the great technological and scientific age, with all its dangers, threats, and challenges. With this record can we honestly say that our pride in education, our respect for the teaching profession, our concern for our children, and our zeal to preserve our freedom, are all that we claim them to be?

I wish to emphasize that the pending amendment, the oil-for-education amendment, sponsored now by 35 Members of this body, proposes no new departure into uncharted seas. It is simply a continuation of one of our oldest and wisest national policies—the use of public lands and the revenues therefrom for educational purposes, for the benefit of the entire Nation.

Benefits accruing to the Nation from this fruitful and far-sighted policy of educational endowment have been great beyond measure. The grant of 175 million acres for primary, secondary, and higher education has been called the "endowment magnificent."

Indeed, it has given us the intellectual and scientific competence by which our Nation solves its productive problems to a degree never approached by any other nation.

Dr. Norton, chairman of the Educational Policies Commission when President Eisenhower was a member of that commission, declared that the land grants constituted "the greatest gift to the development of education in the history of the whole world."

Then he went on to say that enactment of legislation of the type proposed by the pending amendment "would represent an exhibition of statesmanship equivalent to what was done in 1785, 1787, 1862, and the other great landmarks in the leadership of the Federal Government in developing education in this country."

We do not suggest that the oil-for-education proposal will prove a cure-all for every ill and every need that vexes our educational institutions, but we do feel that the revenues which will eventuate from the development of these resources can contribute importantly to meeting the needs—to giving to our "50 percent" school system a degree of perfection hitherto undreamed of.

Here is a windfall for easing the financial straits of our elementary and secondary schools, for providing more and better paid and better trained teachers, and for building desperately needed classrooms.

Here is an opportunity, a bonanza for relieving the agonizing difficulties of colleges and universities, medical schools, dental schools, nursing schools, technological schools, and research institutions with scholarships and grants-in-aid for specific training and research projects. The possibilities challenge the imagination.

Let us recall the words of that great Frenchman, L'Enfant, whose genius turned a swamp into the most beautiful of all American cities—the city of Washington. We remember that he said:

> Make no little plans; they have no magic to stir men's blood.

The use of public lands resources set us on the road to realizing the dream of Washington, Jefferson, Madison, Monroe, John Quincy Adams, and other statesmen of our early history of a great system for the dissemination of knowledge. The challenge to this generation and to this committee is that we have the wisdom to use similar resources to give to that system the high standards of quality that they envisioned.

Let us not be less wise and foresighted than those early statesmen, who seized similar opportunities with respect to the then great public domain, and let us dedicate these great remaining natural resources to the furtherance of education, for the benefit of our country and of succeeding generations, as well as our own generation.

Here we have a magnificent opportunity to carry on the great American tradition of providing for the education of our children, of strengthening the wellsprings of our democracy, of following the policy established by the Founding Fathers, of dedicating great natural resources for the development of our precious human resources, the children of the Nation, and of building America strong that we may keep America free.

Mr. JACKSON. Mr. President, will the Senator from Alabama yield for a question?

Mr. HILL. I yield to the Senator from Washington for a question.

Mr. JACKSON. I wish to take this opportunity of congratulating the distingushed Senator from Alabama for making such a fine statement on the floor of the Senate this afternoon on behalf of the great human resources of America, namely, its schoolchildren. I do not know of a better purpose to which we could put our natural resources than to use them to help preserve, conserve, and better the human resources of America.

I commend the distinguished senior Senator from Alabama for the long fight he has waged over the years in behalf of the program of utilizing a portion of the Nation's natural resources in behalf of the schoolchildren of America.

Mr. HILL. Mr. President, I thank the distinguished Senator from Washington, than whom no one has been more devoted or more active in his support of the pending amendment, the oil-for-education amendment. From the very beginning he has been one of the most enthusiastic and one of the most devoted supporters of this amendment.

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

Mr. HILL. I yield to the distinguished Senator from Georgia.

Mr. GEORGE. Mr. President, I congratulate the Senator from Alabama on what I believe he is doing through this amendment, if the resources in these submerged lands prove highly profitable, and that is, in putting first things first.

There is no way to pay the national debt or to maintain the vast and specific character of government which we have developed in this country, from necessity or otherwise, except through a constantly expanding economy. There is no way to keep it constantly expanding except through the education of the people, from the ground up. I think that is especially true in a period when we are, if not exhausting, certainly diminishing our natural resources, and when skilled and highly technically trained men and women are the real future hope of this Nation.

Mr. HILL. Mr. President, I thank the senior Senator from Georgia for his very kind and generous words. We all know the authority with which he speaks. We all recognize and appreciate his great wisdom, his unwavering devotion to the public welfare, and his magnificent leadership, and we also recognize him as the author of one of the great landmarks in educational legislation in the history of our country, that great piece of legislation, the George-Dean Act, providing for Federal encouragement and assistance for vocational education. I thank the Senator.

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

Mr. HILL. I yield.

Mr. MONRONEY. Mr. President, I wish to compliment the distinguished senior Senator from Alabama for his eloquent and moving address in behalf of devoting the proceeds from the oil, which we hope will come from the underseas territory, to the great use of educa-

tion. The long and earnest fight he has made to devote the proceeds of this last frontier, perhaps, of public lands to better the education of the children of the Nation will long be remembered in our history. I am proud to be associated with the distinguished Senator from Alabama in the fight he is making for this amendment.

Mr. HILL. Mr. President, I thank the distinguished Senator from Oklahoma, and I am proud to be associated with him in the sponsorship of the oil-for-education amendment. I know how faithfully he has worked for and how loyally he has supported the amendment. I, for one, have deep appreciation for the fine support he has given to this amendment.

Mr. DOUGLAS. Mr. President, will the Senator yield for a question?

Mr. HILL. I yield.

Mr. DOUGLAS. Mr. President, I should like to join my colleagues in expressing my appreciation to the Senator from Alabama for the magnificent work he has done in promoting this cause. The Senator from Alabama took hold of the issue some years ago when no one thought it had a chance of success. It has been because of his devotion and his intelligent direction that it has been brought so close to success, with the vote today largely determining what the precise issue shall be.

The whole country is indebted to the Senator from Alabama. I know I express the feelings of a very large portion of the heartland of America when I say we are very grateful.

There is one other feature I should like to mention about which the Senator from Alabama has been very careful. I refer to the fact that the Senator from Alabama, who has been so active in furthering the cause of education, appreciates the complexity of this issue and realizes there is no simple formula by which Federal funds may be distributed. He realizes that the relative needs of the localities should be taken into account. He also realizes the importance of the public and private school issue and that we should be fair to both groups.

So I wish to commend the Senator from Alabama for the mixture of daring and caution which has always characterized his political life and which he evidences in very high degree this afternoon. I hope we may follow him, not only in his devotion but also in his caution.

Mr. HILL. Mr. President, I thank the distinguished Senator from Illinois. I only hope that in some small degree I may measure up to his very generous words.

He is one of the original sponsors of the amendment. Time and again he and I have worked together; we have spoken together; we have spoken on the radio and on television in behalf of this proposal. For the past 2 years we have done all we could to assure the adoption of the amendment. No one could be more devoted or more active in behalf of the amendment than the Senator from Illinois has been.

Mr. LEHMAN. Mr. President, will the Senator from Alabama yield to me for a question?

Mr. HILL. I yield.

Mr. LEHMAN. In a moment I shall seek recognition in my own right, in order to make some remarks on this subject; but I cannot refrain from expressing my extreme gratitude to the distinguished Senator from Alabama, not only for the magnificent speech he has just delivered, but for his leadership during the years. I have had the privilege of knowing the senior Senator from Alabama for a very long time, both in the Senate and for years before I came to the Senate. I think he is generally recognized in the Senate and in the country at large as the leader in the fight for the development of education, the development of research, the development of health services and facilities, and in connection with many of the collateral issues. He has done a magnificent job for all those things. I wish him to know that I am proud and happy to recognize, as I have for the 4 years I have been a Member of the Senate, his wise and inspirational leadership in all these fields. I intend to continue to follow him in that leadership.

Mr. HILL. Mr. President, I thank the Senator from New York for his very kind and gracious words. Let me say that he was almost an Alabamian; all his brothers and sisters were born in my home city in Montgomery, Ala.; and certainly through no fault of his own, his very eminent father and good mother left Montgomery and went to New York. But for that untoward circumstance, he and I would be fellow Montgomerians and fellow Alabamians.

Let me also say that the distinguished Senator from New York was one of the original sponsors of the amendment. No one has done more to bring about the adoption of the amendment than has the distinguished Senator from New York.

Mr. President, in a moment I shall yield the floor.

At the beginning of my remarks, I stated I would place in the RECORD the names of some 40 organizations, including the National Education Association, the American Council on Education, the American Federation of Teachers, the American Library Association, the American Vocational Association, the National Grange, the National Farmers' Union, the Cooperative League of the United States of America, the American Federation of Labor, the Congress of Industrial Organizations, and many other fine organizations. I now ask unanimous consent that the list of organizations be printed at this point in the RECORD.

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

The National Education Association; the American Council on Education; the American Federation of Teachers; the American Library Association; the American Vocational Association; the National Grange; the National Farmers Union; the Co-op League of the United States of America; the American Federation of Labor; the Congress of Industrial Organizations; the Oil Workers International Union; the Communications Workers of America; the Textile Workers Union of America; the United Mine Workers; the United Automobile Workers; the Friends Committee on National Legislation; Americans for Democratic Action; Students for Democratic Action; the Consumers Cooperative Association; the Brotherhood of Maintenance of Way Employees; Switchmen's Union of North America; the Order of Railroad Telegraphers; Brotherhood of Railway Clerks; American Train Dispatchers' Association; International Association of Machinests; International Brotherhood of Boilermakers; International Brotherhood of Blacksmiths; Brotherhood Railway Carmen of America; Sheet Metal Workers' International Association; International Brotherhood of Electrical Workers; International Brotherhood of Firemen and Oilers; Brotherhood of Railroad Signalmen of America; Railroad Yardmasters of America; Brotherhood of Sleeping Car Porters; Hotel and Restaurant Employees' and Bartenders' International Union, National Organization Masters, Mates, and Pilots of America; National Marine Engineers' Association; International Longshoremen's Association; the Order of Railway Conductors; the Brotherhood of Locomotive Firemen and Enginemen; and the United Rubber, Cork, Linoleoum, and Plastics Workers.

Mr. KEFAUVER. Mr. President, will the Senator from Alabama yield for a question?

Mr. HILL. I yield.

Mr. KEFAUVER. Before asking my question, I wish to join in paying the very highest tribute to the Senator from Alabama for his enlightened leadership in the cause of doing something substantial for education in the Nation.

Several persons to whom I have talked about the amendment fear that even if in the beginning the funds are earmarked for education, later demand might be made to have the funds used for some other purpose, and the funds might gradually be whittled away, by being taken from the cause of education and used for some unrelated purpose.

Has not it been the experience under the Morrill Act that there has been strict use of the funds coming from the sale of public lands for the purposes set forth in that act, and does not the Senator believe the funds we are now dealing with would follow the same course?

Mr. HILL. I feel confident they would follow the same course. There has been no deviation at all from the dedications which have been made not only in the Morrill Act but in many other acts even before there was a Federal Union—for instance, in 1785 and 1787. Whenever there has been a dedication of funds for education, that dedication has been scrupulously observed and carried out by Congress. So I am certain that Congress will continue to take that attitude.

Furthermore, the Senator from Tennessee knows that the people at home, whom we have the honor and privilege of representing here, are very conscious of the importance of this matter.

Mr. KEFAUVER. Mr. President, will the Senator from Alabama yield further to me?

Mr. HILL. I yield.

Mr. KEFAUVER. Does not the fact that there has been no deviation from the dedication of funds for education,

bear testimony to the support that dedication of public funds for education has received from the people, and to the wisdom of such dedication, for if it were not a wise dedication, there would be considerable agitation for diversion of the funds to some other use. Is not that correct?

Mr. HILL. That is entirely correct.

Mr. President, I wish to call attention to the fact that the Senator from Tennessee is one of the original sponsors of the amendment, and certainly he has been undeviating in his loyalty to the amendment and in his support of it. I thank the Senator from Tennessee.

Mr. President, during my remarks I referred to the testimony of Dr. John K. Norton, head of the department of educational administration, of Columbia University, and chairman of the Educational Policy Commission when President Eisenhower and Dr. Conant were members of the Commission. I now ask unanimous consent to have printed in the RECORD, following my remarks, excerpts from the testimony of Dr. Norton.

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

STATEMENT OF JOHN K. NORTON, HEAD OF THE DEPARTMENT OF EDUCATIONAL ADMINISTRATION, COLUMBIA UNIVERSITY

Dr. NORTON. Mr. Chairman and members of the committee, I want to make it clear first that I am not a lawyer and do not feel competent to go into these legal questions which have been discussed in such an interesting manner here this morning. I want to speak, rather, to a question of general policy, which is involved in a part of the Hill amendment here, in which certain of these funds might eventually be used as grants-in-aid of primary, secondary, and higher education.

I realize that there are a large number of considerations that enter into the decision affecting policy in this matter. I want to speak only as it affects education, the possible relationship of this whole question to the proper financing and operation of education in a period of national danger, and, furthermore, to point out the relation of good schools to national preparedness and national security.

I do not think I need to dwell upon the matter which we are more and more recognizing, that this is a dangerous period in which we live. I will merely say that it behooves all of us, the whole Nation, to be strong, strong internally and strong with reference to ability to resist outside aggression, or, we hope, even to prevent outside aggression.

I would suggest that one of the essential ingredients of that strength, both internal strength and strength to resist or prevent aggression, is good education for everybody.

The fact is that we do not have good education for everybody in this country today. If I were to make the best estimate I could—and this is on the basis of over 30 years of very careful study and intimate association with public education in this country—I think I would say that we have about a 50-percent educational system in the products it turns out and in the support which it receives today. I will give you some facts on that in just a moment.

May I add, parenthetically, I do not think we can any longer afford the luxury of a 50-percent educational system in the kind of world we live in.

What are some of the facts behind this statement, which may be startling to some of you, that we have a 50-percent educational system in this country? I will point out first the continuing—and I emphasize "continuing"—high rate of rejections of men called up in the draft. This has happened already in 3 wars since 1917. I suspect one of the reasons I am here testifying today is a most disillusioning experience which I had as a young man in the summer of 1917, when I went to one of the great Army camps and the men began coming into that camp. We were to examine them and classify them. At that time that particular camp consisted of some open fields and piles of lumber, and I might say complete disorganization for a good period of time. Some of you gentlemen remember that. Then the men began coming in, and I would not have believed what passed before my eyes day after day, week after week, month after month. Hundreds of thousands of young men, presumably at the age of the prime of life, completely illiterate, unable to write a letter home, unable to read a newspaper. That made an impression on me that I have never forgotten.

May I point out that something very similar happened in World War II. Apparently we learned very little from that experience. And the same thing is happening right now today.

May I point out, according to the figures for the last year available, 1950–51, 1,521,000 men were examined under selective service or the draft; 536,000, or 35.2 percent, were sent home as incompetent to defend their country. Those rejections were for various reasons.

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I want to deal next only with the rejections for educational reasons. As I have just said, Senator, these over one-third rejections were due to every cause—physical, mental, educational. I want next to deal just with the clean-cut cases that were purely due to lack of education, denial of educational opportunity.

Under that head, we know that at least 16 percent or perhaps nearly 20 percent, certainly 16 percent, were rejected for the purely educational reason that they could not pass the Armed Forces qualification test, the AFQ, the same test which was formerly called the Army general classification test. This particular test is not a test of physique or mental stability. It is a test of having had an educational opportunity or of not having had an educational opportunity.

We know from the studies that have been made over recent years and recently that men with little or no schooling generally fail this test. The fact is that a considerable number of our children get no schooling in this country still. We know also that if they had a reasonable amount of schooling they nearly always pass the test.

We know, second, that the men from States with the better-supported, better-organized school systems have a very small number of rejections, and the States that have the school systems that are far below a reasonable level of support have a very high percentage of rejections.

For example, the seven States with the poorest provision of education had over half of their men rejected in connection with selective service during World War II.

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"FACTS CONCERNING MEN REJECTED FOR ALL CAUSES DURING WORLD WAR II, FOR ONE PERIOD SINCE WORLD WAR II, AND FOR EXPENDITURES FOR PUBLIC SCHOOLS

"The figures for the United States for the men examined under selective service and for rejectees as of August 1945 are: Examined, 17,684,700; rejected, 5,249,200.

"In the following States the rate of rejection for men examined under selective service for certain periods of time during World War II ran from 50 to 55 percent: Alabama, Florida, Louisiana, Mississippi, North Carolina, South Carolina, and Virginia.

"The foregoing 7 States ranked as follows among the 48 States as to expenditure per pupil for public schools in 1939–40 (48 being the State with lowest expenditure per pupil).

Alabama	46
Florida	37
Louisiana	39
Mississippi	48
North Carolina	43
South Carolina	45
Virginia	40

"The rejections for the foregoing States during the total period from November 1940 through December 1944 averaged between 40 and 50 percent.

"Data for a recent 18-month period, from July 1950, through December 1951, show that rejections of selective-service men ran from 48.2 to 62.3 percent for these States: Alabama, Arkansas, Georgia, Louisiana, Mississippi, and South Carolina.

"The foregoing figures for rejections are affected by a great variety of factors. For example, in some cases they tend to underrate the percentage of rejections under selective service since they relate only to preinduction rejections. Some men are eliminated after induction. On the other hand, these rejection figures refer only to men examined under selective service and do not take account of men who enlisted.

"The Research Division of the NEA recently reported a study of the correlation between expenditures per pupil and rejection for failure to meet educational standards as follows (note that this study is concerned only with rejections for failure to meet education standards as opposed to the figures above which deal with rejection for all reasons):

" 'The expenditure per pupil for the current operating costs of schools is a single, simple measure of what the States are doing in the way of providing educational opportunity for children. A study by the American Teachers Association showed a high coeffecient of correlation ($r=0.86$) between the amount of money a State spent for education and the rate of rejections of registrants for failure to meet minimum education standards for military service in World War II.'

"(As indicated in the foregoing a correlation of 0.86 is high. If the correspondence between expenditures and rejections was perfect the correlation would be 1.00.)

"Sources of figures

"1. Periodic Reports of Physical Examinations. Summary and Detailed Reports, National Headquarters, Selective Service System.

"2. Summary of Registrant Examinations for Induction, Department of the Army, Office of Surgeon General, Medical Statistics Division.

"3. Statistics of State School Systems, 1939–40, United States Office of Education, Federal Security Agency.

"4. Implications of Armed Forces Qualification Test Results for Education in the United States. Compiled by the Research Division, National Education Association, October 1952."

Dr. NORTON. I do not want to go into technical statistics, but the fact is that there is a 0.87 correlation—1.00 would be perfect—between level of support provided by the States and rejections or acceptance.

Putting it another way, a State that has a low level of educational support is nearly always, in fact always, found high in rejections, and vice versa. I will give you some general statistics. I took the five States that spend least for education, their average expenditure. All of them spend less than $125 a year per pupil; some spend as little as $80 to $85. Considering just those 5 States at the bottom in educational support, there was not a 16 percent rejection, which is the national fig-

ure on this educational test, but a 42.2 percent rejection.

Let us look at the other level—the five States that spend most on education. All of them spend more than $260; some up to $300 or more. What is their rejection rate on the educational test alone; remember—7.1 percent. In other words, the rejections in the States with the least adequately financed schools are 6 times as high as the 5 States at the top with the best-financed schools.

During World War II, furthermore, the Army found that it was possible to salvage the functionally illiterate soldiers that it took on. They installed programs of education and 85 percent of the men who came in who were illiterate were sufficiently qualified in terms of ability to read and write so that they remained in the service.

A recent experience has been similar. I will come back to that point in a moment.

Furthermore, some improvement in education—very spotty, but some improvement in education—between the two wars permitted us to raise our score in education from being a fifth-grade nation to a seventh-grade nation. However, I do not think many of us would agree that that is adequate. I am speaking now in terms of averages. In the kind of world we live in we had better be better than a seventh-grade nation.

What are some of the causes back of this situation I have been describing—the fact that literally hundreds of thousands, millions, of young men show up at our Army camps almost completely lacking in mere ability to read and write and have missed practically all educational opportunity? I would say the first thing is that in this country as a whole we have never adequately supported education. At the present time the expenditures on the average for the whole country are about $225 per pupil.

Our researches show that if you want to get a really good school system—even one that just barely goes on beyond the three R's and which gets all the children in school instead of just a part of them—you have to spend somewhere around $400 per pupil. In fact, I suspect some of you gentlemen know what the typical private school charge is. Its rate typically begins at $400 or $500 and goes up to about $1,000 when people really want good education.

I do not want to go into the details of our researches. I could cite a book recently issued by the Larson committee, the National Commission for Public Education, a chapter which reviews all the researches, which shows the relationship between the level of support and the quality of education. They show those researches universally, every one of them, show there is a very important relationship; and furthermore, that the majority of our schools in this country have not got to the place where they provide a first-rate education system.

The CHAIRMAN. Doctor, can you give a reason for that?

Dr. NORTON. I will give you some in just a moment. There is a whole series of reasons.

I will go back 20 years. During the depression we said we could not afford to educate our children, and we cut school support and school programs generally. To my mind, that was one of the most stupid decisions that we as a people ever made. We paid for it later, paid through the nose. We had to pay extra to educate many of these uneducated people during World War II.

Then came World War II. We had to put all of our resources into the winning of the war. I suppose we did. Anyway, we could not afford good schools because we were fighting a major war.

Then after World War II, we let inflation outrun school-supporting regularly. The adjustments made for changing economic conditions were 2 or 3 years behind, as it affected the financing of education.

Now we are being told that with the enormous bill for preparedness—I guess we will all agree that it is enormous, and whether it is too much or not, I am not saying—we cannot afford schools.

In other words, in this period we have found easy excuses for shortchanging our children.

Now I want to go back to some of the other facts that bear on the statement that we have not adequately financed these schools.

There has been not only generally inadequate support, but the most unevenness and inequality of support, involving extreme inadequacy in many areas. I am not arguing that every State or every locality should spend the same amount for education, but I am willing to stand on the proposition that every American child, every child born in the United States or who comes into this country, should have an opportunity for at least a reasonable education. We are not providing that opportunity. I will give you the latest figures.

The CHAIRMAN. What do you call reasonable, Doctor?

Dr. NORTON. I would say any child who gets less than a $200 education per year is being seriously shortchanged today.

The CHAIRMAN. The point I am trying to make is, do you mean that they should finish the 8th grade or the 12th grade, or where, in the educational system?

Dr. NORTON. I would say at least the 8th grade, but I would rather state it this way; I think every American child—of course, I leave out the very small percentage of institutional cases—but every normal American child, and 98 or 97 percent would be in that category, should be able to read and write. Every normal American child should have some understanding of the great heritage of this country, our freedoms, how they were won, the great men who established our country, and how we won the freedoms.

Every American child should have either some vocational education or at least some prevocational education given either in schools or else in cooperation with industry and labor.

I could go on and say that these minima in terms of qualifying as a citizen in a great country that has many problems to deal with, all of these should be provided every child. I state a low figure when I say $200 per pupil.

Let me give you the figure as to what is really happening.

There were in 1949–50, the latest figures that I could get for the Nation as a whole and they are relatively about the same today, 200,000 children who are being educated in schools costing $35 per pupil per year. In fact, there are 35,000 children being educated in schools costing $6 and less per year.

Look at what this means. Suppose you have 30 children in a class; $6 per pupil per year, $180, with which to pay a teacher, to buy books, and supplies, to keep the school building up.

Do I need argue with you gentlemen that you cannot get anything like a decent educational opportunity for such a figure?

At the other extreme, we have tens of thousands of children who are getting an education costing $400 a year and up.

One of the startling facts is that in this country, in which we make a lot of fine speeches about equality of opportunity—and I am for equality of opportunity—the fact is that our educational system is characterized by the greatest extremes in educational opportunity, ranging all the way from excellent school systems—I could name some that are costing $600 or $700 a year—down to situations in our educational slums where maybe children hardly ever get into a school or, if they do, they go just a brief period of a few months for a few years and end up as functional illiterates.

This situation goes back to some of the things which we mentioned earlier when the Senator asked the questions, our easy complacency, but it also goes back to radical or sharp differences, disparities in ability to finance education. Within States those disparities are enormous, but as between States they are large. The poorer States have about one-half to one-third as much ability to finance education as the richer States.

So whatever you give as the causes—and there are others that could be mentioned—the fact is that we are short-changing millions of American children in what I would like to think is their fight to get a satisfactory educational opportunity, satisfactory in the terms which we mentioned just above.

That is the first point with reference to this 50 percent school system. I want to make a second point and point out a condition which again justifies this statement, which was perhaps startling to you, that we have a 50 percent school system.

I refer to the premature leaving, elimination from school. More than half of the children who enter at the first grade are eliminated before they get through high school. Perhaps even more important in terms of its effects on our preparedness is the fact that only half of our top talent, those who get high marks in high school, who pass intelligence tests and who it is generally agreed could do college work and do it well, actually go on.

There are various reasons for that, but one of the prime reasons is that their families are not able to finance the expensive college education. And college education is still expensive. Studies have been made in one State after another that confirm this fact.

Do we have too much well-trained manpower today? I would like to read you a paragraph from the report of the Director of Defense Mobilization dated January 1, 1953:

"Acute shortages are continuing among highly skilled professional, scientific, and technical workers needed in defense and essential civilian industries. Under full mobilization, the lack of such workers would be critical. There are now 61 occupations on the critical list for which demand is greater than supply. The numbers now enrolled in college courses or taking other types of training are not sufficient to meet future needs."

That, in a situation in which we are wasting one-half of our top talent in terms of giving them substantial professional, technical, or vocational training. In the future we will need those men, even if we assume continued peace or this cold war. If the worst should come, we would need them immediately and we would need them mightily.

If I may, I would like to point out a third factor which justifies the statement that we have a 50-percent school system.

Senator BARRETT. We are pretty close to the noon hour, Dr. Norton, and this might be a good point for us to recess, if it is agreeable to you.

Senator HILL. Mr. Chairman, may I ask, how long does the committee expect to recess?

Senator BARRETT. We will be in recess until 2:15 this afternoon.

(Whereupon, at 12 o'clock noon, a recess was taken until 2:15 p. m., of the same day.)

After recess

Senator BARRETT (presiding). The committee will come to order.

You may proceed, Dr. Norton.

STATEMENT OF JOHN K. NORTON, HEAD OF THE DEPARTMENT OF EDUCATIONAL ADMINISTRATION, COLUMBIA UNIVERSITY—RESUMED

Dr. NORTON. Mr. Chairman and members of the committee, you will remember this morning I had pointed out that many millions of the rank and file of our children are

getting something less than an adequate educational opportunity. I had also pointed out that we were capitalizing only about 50 percent of our top talent, and that all of these people are needed in this kind of world.

I want now to point out briefly some of the results, what I think can properly be called a period of financial malnutrition of education growing out of these circumstances we mentioned this morning, in which we always find a good excuse for doing something for education 10 or 15 years in the future.

One of them is the chronic shortage of qualified teachers. I don't know whether I need dwell upon that. We hear a lot about it, but, like Mark Twain's weather, we do very little about it. Back of that is the fact that teachers' salaries lost out seriously during a period of rising prices and inflation. While teachers' salaries only a little bit more than doubled between 1939 and 1952, wages in general went up 2½ times. The average income of physicians, to select a professional group, went up 3.18.

The result is that in 1939, teachers on the average, with a salary of $1,420, were 11 percent above the average wage of all wage and salary workers. They were not too much above, 11 percent, but they definitely were above the rank and file of workers in the country. By 1951, they were definitely below. Teachers were getting $3,190 a year, and all wage and salary workers were getting $3,253. Teachers were 2 percent below.

That has had a tremendous effect on our ability to hold good teachers and to recruit young people to come into the profession. This is not the only factor. There are some others that are very important.

In 1939, we were operating in a market where there was not nearly as high a rate of employment as there is now. We are now operating in a market of relatively full employment, as you know. Furthermore, one calling after another that did not use to be open to women is opening up to them. Teaching was about the only opportunity that women had some 20 or 30 years ago. Now they are going into one profession after another. The profession of nursing is developing. I do not need to develop that point.

Bright young women, to put it bluntly, can go other places to get recognition professionally and to get a good working wage.

Furthermore, another factor which came into the situation: Previous to 1939, teachers were exempt from the Federal income tax. I am not arguing that they should be. I always believe teachers should be full-fledged citizens. But the fact is that previous to 1939 they did not pay it; now they pay it. That is another differential against recruiting people into this calling.

The result of all this is that we have what is commonly called a shortage of 100,000 qualified teachers. Frankly, gentlemen, that is a complete underestimate, because the reason we have only a 100,000 shortage of qualified teachers is that so many States have dropped their standards down so low and by dropping their standards down low they can get some kind of person, frequently not very well qualified, to go in and hold down the classroom.

In this whole picture, really it is not the teachers that suffer. A lot of very good teachers have left the profession. A lot of bright young people who normally would have come into it have not come into it. Our teachers' colleges have a far smaller number of people than is needed to staff the teaching profession in the years just ahead. It is the children who are suffering, and that seems to me to be a matter that we cannot take lightly.

Now I will point out another illustration or result of this general financial malnutrition and finding good excuses for always putting education down low in the list of priorities. That is the lack of school buildings and other facilities. As you doubtless know, we have had a great increase in school population, and it is growing every year. We put off building new school buildings in the 1930's. We could not build them in the war for reasons that you know. We are barely keeping up to the point where we were a few years ago by building as rapidly as we can today.

The result is many double sessions, where schoolhouses operate from 7 or 8 o'clock in the morning until 5 o'clock at night, and frequently oversized classes are necessary because there are not enough classrooms. You can always presumably stick in a few more chairs. You have 30 or 35 children already in a classroom. They come crowding in. You can shove in a few more until you have 40 or more. The effect of this, once again, on children is tragic.

I would like to read 3 or 4 lines from a recent report of the Educational Policies Commission, which represents the NEA and the American Council on Education, which is one of the chief representatives of higher education. It says:

"Overcrowded schools, with their part-time classes, overworked teachers, mass instruction, and watered-down programs produce effects which are not always immediately observable, but are nonetheless serious. Pupils do not learn the things they should, and they master less well the things they do learn. Relations between home and school are weakened."

A teacher with 40 children just cannot keep contact with the home. She just cannot treat each individual pupil as an individual. She has to teach them in masses.

"Relations between home and school are weakened, and the well-balanced development of children is prevented. Ingenious administrative arrangements to utilize every building to the limit are helpful, but they are no substitute for the careful ministration of a teacher who has time to teach each child well. Fitness for freedom is not mass produced."

So we would emphasize that the shortage of teachers, the shortage of buildings and other facilities, is a major problem standing in the way of making our schools 100-percent effective.

Furthermore, the present prospects are that things will get worse before they get better. As you probably know, the annual crop of children, the seed corn of our Nation, is now about 4 million a year. It was 2½ million in the 1930's. This increased birthrate began shortly after 1940. I do not need to go into the reasons. It is a fact. That crop of children at a 4-million level as opposed to about 2½ million is about halfway up through the schools. It is at about the fifth, sixth, and seventh grades now. In the next 5, 6, or 7 years it is going clear through high school.

Incidentally, the high-school cost per pupil is higher than elementary. We are going to have the same pressure on teachers at the high-school level, the same need for more teachers there, the same need for new high-school buildings, that we are now feeling so severely at the secondary-school level.

Furthermore, the result of building so very few buildings from about 1930 to about 1945 is that many buildings are becoming obsolescent.

Furthermore, we have a very mobile population. The mobility of our population has greatly increased. It would be nice if we could use some of our partly empty school buildings, but frequently they are 10 or 20 or 30 miles away from where the children are. Many people, as you know, are leaving the great cities and going into the outer fringes of the cities. You have to make the choice between building new school buildings or transporting the children great distances, which is not desirable, and at considerable expense.

I mention these factors that I have described are not being corrected. They are actually becoming worse. Under present circumstances, they will become still worse in the next 5 or 6 years.

Now I want to go into a fourth factor bearing on this 50-percent school system that I mentioned. We recognize the necessity of military preparedness, but may I point out that full preparedness is more than just military preparedness. The worst thing we could do in this country would be to develop a Maginot-line psychology, with the idea if we get just enough bombs or tanks or battleships or planes, everything is all right. In fact, if we look back on the history of the world, it has been more often internal weaknesses rather than outside invasions that have resulted in the overthrow of great peoples.

I want to mention just one additional factor. I cannot develop this at great length. The economic factor. Wars are fought with the economy today quite as much as with armies. May I point out, second, that one of the crucial factors, one of the crucial ingredients of a strong nation economically is first-rate education.

I have a colleague at Columbia University who has literally visited, in the last 20 or 25 years, some 54 different countries to study the relation of education to the economic strength and well-being. The result of his studies—recently some of them were published on the front page and in other sections of the New York Times—shows 2 or 3 very striking things. One is that technology and education are the crucial factors in a strong, high level of productivity, a strong economy. Natural resources run a poor third.

If you will look around the world today, you will find many areas that are tremendously wealthy in natural resources in which the people are living in abject poverty. On the other hand, I could name countries which have relatively few, limited natural resources which, through the development of their economy and through the development of education throughout their people, technical education and all of that, have developed very high level economies. When you put the three together, when you apply science to industry, which is another way of expressing technology, when you give everybody education, good education, or a fairly good education and then if in addition you have natural resources, you get the United States, which has about twice as high an income per capita as even the wealthiest other nations.

We have capitalized education in this country to a certain extent, more than other countries, but still we have to come back to the conclusion that we have capitalized it only about 50 percent, even in this area, for reasons that I have given already.

We know that in our own country, once again it is not the States that are richest in natural resources that have the highest income. It is the States which over the century or century and a half that had the high education. If you look around the world you will not find any country that has achieved a strong economy without a lot of good education.

Instead of approaching this negatively, what would we do in our country if we made education 100 percent efficient economically in building up this essential ingredient of strength, of preparedness? Please understand, I know there is much more to education than a strong economy, but it is one important thing.

In the first place, we would give every child first-rate vocational and educational guidance. We would not be satisfied with just a bare elementary school education for anybody. We would send him on a considerable distance into high school. We would give him some acquaintance with his capacity in terms of what he could take in technical or professional education or education that only went part way or maybe all the way through high school. We would give him some knowledge of occupational trends,

where the overcrowding is and where there is a shortage.

I am ashamed to tell you that the typical youth who leaves our high school today does not get this at all. We give him some definite vocational training, or at least prevocational training, either in school or perhaps preferably in cooperation between the school and industry and labor, as is done in a few outstanding school systems. We would have a program for the smooth transition of youth from full-time school attendance to full-time occupational life.

Most communities have no such program. They shove the children out and let them sink or swim and, as you know, one of the high ages of juvenile delinquency is the years just after they are shoved out and are frequently marked as failures by our high schools.

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I want to get to the point of the place where the Federal Government has been sticking its nose into education in a way that alarms me very seriously. I refer to the establishment in every one of the armed services of a substantial program of straight education. I am not limiting myself to military training, but every one of the armed services—listen to the radio, look at the enlistment posters, and let me read to you, if I may, from a recent report from an officer at one of our great Army cantonments. This is quoted verbatim:

"With draft laws in effect throughout the United States the Army is discovering that a considerable number of personnel have been brought into the service who are unable to absorb military training because of their inability to read and write English and to do simple arithmetical problems. For these men who have not had the opportunity for a formal education"—I am still quoting—"For these men who have not had the opportunity for a formal education the Army's Information and Education Section has instituted a basic educational program designed to relieve this situation."

So I will not be misunderstood, I am not criticizing the Army at all. I am just pointing out a fact.

Here I am quoting:

"Classes are held either morning or afternoon, Mondays through Fridays, for a period of 4 hours a day over a period of 25 days. At the end of this time the students take a United States Armed Forces Institute examination which covers their period of instruction."

Then it goes ahead and says if they don't pass it, they get a little more schooling.

Here is another very interesting paragraph, and I will quote it in the light of something we said a moment ago:

"Only top instructors are selected to give the instruction in the basic subjects, reading, writing, and arithmetic. Instructors are all State-certified teachers and experienced in adult-education problems."

Then it goes on again:

"Some idea of the vastness of this program may be grasped from the statistics of an experimental period."

Then it goes ahead and analyzes a number of youth being educated under this program.

As I said, I do not blame the Army, or the Navy, or the Air Force, or the Coast Guard in the least when they find young men who have not had a chance to get an education to give it to them. If I were in any of these services, I would do the same thing. But I urge upon you gentlemen that there is something wrong with a situation where that is necessary. This is not only Federal control of education, it is Federal operation of education. And far more, it is military administration of education. It is Federal education; it is military administration.

Let me point out if you were going to pick out any one part of our Federal Government, the last one that should administer education is the armed services.

Why do I say that? Not that I have anything against military or naval men, but it is the one service that takes the men away from the locality. We think it is a good thing to keep education in the locality, to keep it in the States. But it takes them away from their homes. How do we know what goes on? It is probably all right, but look at it from the long-term point of view. Do we want as a permanent policy in this country to have the military services begin to pick up the pieces because of the inadequacy of the support and inadequacy of our educational program? I think you know the answer.

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Dr. NORTON. I think this whole development or trend—and please do not misunderstand me, I am making no argument against necessary military training. I think we would be completely foolish not to have military training in a period like this. But that is quite a different thing from an educational program under the military. It is not only bad general policy; if you will look up the figures and find out the cost per man of the education of these men who come into the service unprepared, you will find it is very expensive.

So I propose that there is a far better approach to this whole problem of dealing with our 50-percent educational system. I will sketch it briefly.

We ought to put a floor of support under all education. It should be impossible from the financial point of view for any child to live in a community where there is not enough money to educate him. We ought to have a program to capitalize the full possibilities of education in the field of vocational and technical training, and all of the other areas of education.

This would involve a pretty substantial thinking of the relation of education to our Nation in a period of great crisis and stress, a period that is not going to end tomorrow, from anything that we can see today. This program should be administered under State and local control.

Now, I am going to get into an argument, but I am going to say it without any qualification. This should be a cooperative program, financially and otherwise, that would involve the three levels of Government, the major control and management at the local level, some overall control from the State level, and no control from the Federal level but some Federal help.

May I point out that there is a justification for such a proposal. I want to give you just a few of the major justifications.

First, it would vastly increase our national security in terms of manpower, in terms of the quality of manpower. I do not think I need dwell on that further.

Second, it would be in accord with the historic American tradition as it concerns the very important role of leadership and financial help that the Federal Government has given to education since the very beginning of our Government.

Let us look at that just a moment. It is a noble tradition. We sometimes lose sight of the relation of the Federal Government to education. May I point out that Washington, Jefferson, Madison, Franklin, and many other great statesmen recognized the inescapable relationship between a society of freemen in a republic, the kind of government we were setting up, and education for everybody. They all made individual contributions. The program of education that Jefferson proposed we are just beginning to catch up with. You know, on that monument halfway up Monticello, he forgets to put on his epitaph that he was President of the United States, but he does put on it that he was the founder of the University of Virginia.

These great founders—and they were a remarkable group of men—the founders of our Republic did not just talk about it. They did something about it. When it was being decided in the Continental Congress how we should deal with the great lands to the west, the first decision was that they were under the jurisdiction of the Federal Government. The next thing that was decided was that they should be surveyed, and it was then decided that a part of the land in every township should be used for the development of a system of public education. Then this was repeated in the famous Ordinance of 1877, one of the noblest statements ever made. You find there:

"Religion, morality, and knowledge being necessary to good government and the happiness of mankind, schools, and the means of education shall forever be encouraged"—they did not say just encouraged by the State and locality—"encouraged by the Federal Government."

Let me read from a significant study that was made, I would say the outstanding study of this whole period, Mr. Taylor's. He says:

"The national land grants were the very foundation of public education in the United States."

At another place he says:

"In some respects the policy of national grants for higher education was the most significant of our early land ordinances and established higher education in this country."

They not only said those fine things that I have quoted, but when the first State was admitted in 1802, they put that fine statement into operation, and the 16th section in every township was set aside for education.

A little later they added the 32d section. A little later they began to give funds, too.

* * * * *

If I may go a step further, in 1862 President Lincoln signed another historic act, bill, making it a law, which established eventually 69 A. and M. colleges that we have today. They not only established them, but they gave lands and later hard cash for the development of those colleges.

May I suggest that one of the reasons why we are the great agricultural Nation as well as industrial nation, that we are today is the vision that was represented by the Federal Government in establishing this great system of rural education, agricultural education, whatever you want to call it. It was expanded by the Hatch Act in 1887 to provide experimental stations, research, the famous Smith-Lever Act of 1914 for the extension service.

Once again we have in this action on the part of these various acts the greatest single illustration in the history of the world of the development of higher education. You cannot point to anything like it anywhere else in the history of the whole world that is equal to the leadership of the Federal Government in establishing 69 higher educational institutions, giving it a little money to start with, and then the States and localities took hold, and you know what a very important factor they are in our educational system.

I want to come to another great landmark in the leadership of the Federal Government. In 1917 there was passed what was commonly called the Smith-Hughes Vocational Education Act. At that time, although we had had some vocational education in this country, the amount was extremely limited. You know something about that act. It was later developed further under the George-Dean Act, and the George-Barden Act. But suffice it to say for the first time a considerable number of our high schools, under the encouragement and financial help of this act, began to take the technical and vocational training of our youth seriously. It was a fortunate thing they did, because when we came into World War II, in spite of the very fine work that had been done under the

Smith-Hughes Act, the matching and overmatching of funds by the States and localities, we still found we were lamentably short of trained persons. Some of you remember that the two kinds of buildings that you saw with lights burning in them 24 hours a day were the war factories and the schoolhouses, because many of them ran three 8-hour shifts in order to get enough trained people to carry on a great war.

So, we have here the establishment of one of the greatest programs of vocational education in the history of the world by the leadership of the Federal Government and with some financial help.

The States and localities have taken hold of that. They now put considerably more than the Federal Government puts into it, and they have virtual control over that, as they do of our public schools, as they do of the land-grant colleges. In other words, I have only hit, as you know, a few of the high points. There are some 44 major enactments of the Federal Government in the history of its relation to education. I have picked out only a few. I will sum it up in just a few words.

We really have a great tradition in the statesmen who have sat in our Congress who have seen that, whereas education is properly a matter of State control and local control, there is also a national interest in education. We are all weakened when a child is denied education, whether he lives in Maine or California or Florida or Washington or somewhere in between. We cannot afford to have 35 percent of our youth rejected for physical and educational deficiency. We cannot afford even to have 16 percent rejected for educational deficiency. We cannot afford to give education only to a half of our top talent. Maybe we could have afforded that luxury in the easy days when we thought the oceans protected us, but let us remember that we will be the first to be attacked if war ever breaks out again.

Let us remember, further, that we are a sort of little island of freedom in a world of hungry and illiterate people. One person in 16 in the world is an American. The totalitarian, the slave societies, outnumber us 5 to 1. May I suggest that this is something we need to think about: that every one of our sons, when he reaches 17, 18, 19, should be fully prepared, as far as good education will prepare him, for all of the duties of peace or war; that we ought to hand over to our military services not some good men plus a lot of illiterates and physical incompetents. We ought to hand over 100 percent of men to our military services, as near to 100 percent as we can make it, through good education.

So, I end this portion by saying I see in this situation a great opportunity for statesmanship, a great opportunity for leadership. Look back and see what our great forebears did even before we had our Constitution in 1785, 1787. Look what Lincoln and the great leaders did in 1862. Look what subsequent people did in developing the Morrill Acts. Look at what we did under Wilson's administration in 1917, and compare it, frankly, gentlemen, with what we are doing today for education.

* * * * *

Dr. NORTON. Mr. Chairman, Could I add one point about our historical policy. When the Continental Congress and then the Federal Congress was confronted with this great issue of what to do with these public lands, I think we know that it took charge of their distribution and use, and wisely, as should have happened, most of them have passed into the hands of the States or into the hands of individuals, but there was one great act of statesmanship in that transfer which essentially founded our system of public elementary and secondary education and a good many of our State universities were started out of special land grants.

Against that background and without going into the legalities of this whole situation, I cannot look at a bill that is concerned with a great natural resource, the value of which we really do not know, although we can get estimates. I in no way wish to impugn what you said, Senator KUCHEL, but we really do not know in the long pull how much resource there is there.

Against the background of our policy, I must come to you at this time and say, Let us take time to look at this thing. Let us make no snap judgments. Let us consider all the questions of educational policy that are involved here as well as other questions. If you do that, I am perfectly willing to leave it to you gentlemen to decide it.

Senator BARRETT. Dr. Norton, you mentioned a moment ago that you had a colleague up at Columbia who was very interested in oceanic farming.

Dr. NORTON. That is right.

Senator BARRETT. Would that be Professor Clark?

Dr. NORTON. Yes, it would be; Prof. Harold Clark.

Senator BARRETT. He testified before this committee last week, and I might say to you that he went much further than any witness we have had before this committee by contending that not only submerged lands within the historic boundary of these States but, in addition to that, all of the lands beyond and out on the Continental Shelf should be surrendered to the States.

So it looks as if you and Professor Clark are in complete disagreement in that respect, anyway.

By the way, he, among all of these witnesses, assumes that there is terrific wealth in the lands in question, so he does not mean to say he is just giving away something of little or no value, because he thinks there is wealth far beyond the anticipations of all of the members of this committee.

Dr. NORTON. I know Professor Clark quite well, and I know his viewpoint on this. I would add, incidentally, that one of the characteristics of a great university is people who honestly try to look at the facts and then draw their own conclusions. Dr. Clark has done some very interesting work. I admire a great deal of his work.

Senator BARRETT. He made a very fine statement, I will say.

Dr. NORTON. I disagree with a number of the points he made in his testimony the other day. He happened to be enamored of the great State of Texas, and I do not blame him. It is a great State. He comes up here and he talks just like a Texan. [Laughter]

Senator BARRETT. I might say to you he is not a Texan. He is from the State of Kentucky.

Dr. NORTON. I can tell you his history. He goes as fast as he can get away at vacation time, just as hotfooted as he can, to San Antonio, where his wife lives, and where he has lived when he had any free time ever since he married that charming lady.

Senator BARRETT. He told this committee that his own home State of Kentucky got all of the public domain within its borders when it came into the Union. That, of course, is a fact?

Dr. NORTON. Upon decision of the Federal Government at the right time, yes.

* * * * *

Dr. NORTON. May I say just one thing to deal with this question positively. I would be very happy to see the Federal Government in its ultimate disposition of the public lands in the West follow a policy which is as wise and statesmanlike as it has done in dealing with the public lands up to date.

* * * * *

Without repeating myself, I would point out that we have had a kind of Federal legislation affecting education that has been of tremendous value and significance, the early land grants, the Morrill Acts, the Smith-Hughes Act, and others. You notice there is no control connected with any of those. That leadership with some financial help has been a major factor in shaping our great educational system.

I might surprise you by telling you that I am equally worried by and against the kind of piecemeal emergency, "hurry up, do something quick" legislation that this Congress—not this Congress, but Congress in general—has now been passing for some 20 or 25 years. We have waited until some pressure group, perhaps with needs that they think are significant, rushes in and asks for some kind of emergency legislation.

I could tell you about the story when I was first invited down here—I was invited only once—by Mr. Hopkins and Aubrey Williams. As soon as they found out I was for the kind of legislation that I thought was sound, I never was invited again. But we had the NYA. I said that is not the way to do it. It will not do anything for secondary education. Where is NYA now?

You can take one thing after another that I could mention in detail, and there have been 30 or 40 of them passed.

I am suggesting that the time is to stop, look, and listen. There is a great opportunity for just one piece of legislation that this Congress can pass that will have effects as great and tremendous as the original land grants, as the Morrill acts, and all these other acts.

That legislation in a few words would be something like this: What is an acceptable minimum of education for every American child? Let us keep our eye on the individual child. Let us not be led astray by specious arguments that the States ought to do it or any other argument. I have been hearing that argument for 35 years. Let us say we want every American child to have an opportunity.

The Federal Government has a relationship to that matter, which is a matter of national interest. It therefore sets up a minimum. It says to every State, "Contribute toward that minimum in terms of your capacity, and the Federal Government will supply the rest," a perfectly sound principle, as has been developed in our State financing and in even some of our Federal financing.

If we would do that, we could do education more good at less cost than all of these fly-by-night piecemeal, emergency bits of legislation that Congress has been playing with for the last 20 or 25 years.

Senator GOLDWATER. Do you believe the responsibility for this rests with the Federal Government or the States?

Dr. NORTON. I believe the responsibility for education is a joint and cooperative one. It is a matter of distribution of function. The major responsibility for management, the actual running of the schools, should be with the locality. I think that is one of the great strengths of our educational system. The trouble is that our localities just do not have the wealth to do it alone.

Another important overall responsibility should be exercised by the States, and they are more and more doing that. Some 45 percent of all school support today comes from the States as opposed to the localities. But under present situations we have reached the point of diminishing returns. We can somewhat hold the line with this 50-percent educational system that I mentioned, but to go on and develop the kind of educational system that this world crisis calls for once again calls for an act of great vision on the part of the Federal Government, one that is equal to that of our forefathers in the late 1700's, equal to that of the statesmen of 1862 when Lincoln signed the Morrill Act and the others that I have mentioned.

If the Federal Government would pass one bit of sound legislation equivalent in its general pattern and structure to those pieces of legislation, we would indefinitely improve

education in this country at a reduced total cost.

* * * * *

Dr. NORTON. * * * If it was a shortage of available manpower, a lack of human resources that was in the way, it would be really serious, but we have just thousands of capable young people that we know can take the training; and many of them are quite anxious to take the training, but their families are poor or they have younger children that they have to help through college.

There are all kinds of financial obstacles that stand in the way of their getting that training, including those who for one reason or another never get through high school. There are areas in this country where high schools are too far away, some of our slum areas need education. That being the situation, there is every reason why we should make every effort to capitalize all of our human resources, far more than any other time in our history.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the order for a quorum call be vacated, and that further proceedings under the call be dispensed with.

The PRESIDING OFFICER. Is there objection to the request of the Senator from California? The Chair hears none, and it is so ordered.

Mr. CORDON obtained the floor.

Mr. McCARRAN. Mr. President, would it be convenient to the Senator from Oregon to yield to me at this time for about 7 or 8 minutes? If not, I will not request him to yield.

Mr. CORDON. Mr. President, I would like to go forward with the measure pending before the Senate, if the Senator can wait; otherwise, I will yield to him.

Mr. McCARRAN. If preferable to the Senator, I shall wait.

Mr. CORDON. I appreciate that very much.

Mr. President, I first want to add my words of congratulation and appreciation to the words addressed by other Senators to the Senator from Alabama, for his most eloquent plea for further educational advantages for the youth of America. I sincerely appreciate the evangelism which he has shown in this cause, and which has extended over a number of years. I regret that I must rise at this time in opposition to his amendment to Senate bill 1901, though I say I am not rising in opposition to any sound system of aid for education, State or Federal.

HILL PROPOSAL NOT EFFECTIVE

I agree with the Senator from Alabama that one of the greatest forward steps ever taken by any nation was that taken by the United States when certain sections of the public lands were earmarked, as it were, and granted to the newly admitted States for the benefit of education. I certainly cannot stand here and validly criticize the dedication of net receipts from the outer Continental Shelf for the benefit of education, and I do not want to be understood as doing that. I doubt, however, the wisdom of the approach which is here made. I do doubt that this approach can be at all effective in achieving the result which has been so eloquently set forth as the target by the Senator from Alabama.

Mr. President, I have heretofore voted against Federal aid for education. I voted against it because I was fearful that involved in any such legislation was a possibility that the Federal Government, by virtue of holding the purse-strings for educational purposes, might influence and control the educational processes. That has been the danger which free peoples have faced through the centuries. I have always believed in a free public school. I believe in it now. I believe the public school system should be wholly under the control of the States and not under the control of the Federal Government.

STATE CONTROL OF FUNDS

However, Mr. President, if the net receipts from these lands were dedicated to public schools and the sole obligation of the Federal Government was that of an administrator receiving the money and allocating and prorating it to the States to be then expended under the direction of the States, the objection I have heretofore advanced would not be pertinent.

Mr. HENDRICKSON. Mr. President, will the Senator from Oregon yield?

Mr. CORDON. I yield.

Mr. HENDRICKSON. Is it not true that the amendment which I offered accomplishes that by making the Federal Government the administrator?

Mr. CORDON. That is unquestionably a fact. The amendment offered by the Senator from New Jersey, and which was considered by the Senate Interior Committee, does not carry any strings which might be pulled by an overzealous Federal Government in anywise to influence education. The point which bothers me is, to speak quite frankly, that I cannot understand how the amendment of the Senator from Alabama could have been offered again and again and again and still have within it such fatal deficiencies to achieve the purpose which it is sought to achieve, as we have heard the idea advanced by the Senator from Alabama. That is what bothers me, Mr. President. That is why I am on my feet at this time.

NO CERTAINTY IN PROPOSAL

I invite attention, Mr. President, to the fact that so far as the Hill amendment is concerned, if it were adopted and if this bill were passed and signed, there would be no certainty that any student in the elementary schools, in the high schools, or in the colleges would ever get a nickel of money from this source. That bothers me, Mr. President.

I hope the Senator from Alabama, when I finish, or, at least, before the debate is concluded, will advise the Senate as to his thinking in presenting an amendment with the fatal deficiencies which are now included in it.

For the benefit of Members of the Senate now on the floor, let me read the amendment. It is short.

On page 25, line 25, it is proposed to strike out the words "credited to miscellaneous receipts" and to insert in lieu thereof the following—and this is the amendment: "held in a special account and, except for the payment of refunds under the provisions of section 10 of this act, such moneys shall be appropriated exclusively as grants-in-aid of primary, secondary, and higher education: *Provided, however,* That during the present national emergency, but not for more than 3 years, the moneys in such special account may be appropriated for such urgent developments essential to the national defense as the Congress may determine."

The remainder of the amendment is of no consequence. It is perfecting only.

Mr. President, the amendment provides, in substance, that all receipts from the outer Continental Shelf shall be applied, first, to pay back any moneys which may have been overpaid or paid twice by those who are conducting oil operations on the Shelf, and that thereafter, after 3 years, all funds received may be used for national defense purposes. At the end of 3 years or sooner, should the emergency cease, the funds shall be "appropriated exclusively as grants in aid of primary, secondary, and higher education."

NO STANDARDS FOR DISTRIBUTION

That is the meat of the amendment. Appropriated, Mr. President, by whom? Appropriated, Mr. President, to whom? Appropriated, Mr. President, in what amount, in what percentages? Appropriated to primary education as distinguished from secondary education, or secondary education as distinguished from higher education, or higher education as distinguished from either of the other two? What yardstick is to measure the appropriation as between the classes of education, as between the beneficiaries, whether they be State, county, or school districts?

Where in the amendment are there any standards, any directions, any provisions of any kind or character by which 1 red cent could ever get out of the Federal Treasury and go to the benefit of anyone for any kind of education? I cannot find it. It is not there.

Mr. President, I can only assume that those who have studied this matter, who have been responsible for offering this amendment, are fully aware of the fact that heretofore, time after time, the Congress has endeavored to do something in the way of granting, from the Federal Treasury, aid to education. Never since the passage of the Land Grant Act—and that was not a grant of money, but a grant of land to the several States without strings, except that the money was for the use of the common schools—never since that time has there been any grant directly from the Federal Treasury to the aid of the common schools.

Since I have been a Member of the Senate, on at least two occasions the question has come before the Senate. Bills, I believe, in both instances were passed by the Senate, but died in the House. In each instance there was interminable debate revolving around two major questions:

First. How should the money be allocated as between States?

Second. How should the money be expended on the part of the beneficiary

States? Should it be held solely for public schools, or should it be divided in some way between public and private schools? On those two rocks, the ship of Federal aid to education has been wrecked every time.

PROPOSAL MAY BE SPRINGBOARD

Mr. President, it may be that those who have presented this amendment, having in mind the record of failure in this field, have felt that if they could take one little toddling step first, that is, if they could sequester funds, such a step might be a springboard from which they could go on the rest of the way. If so, I have never heard the matter presented on the floor of the Senate. I have heard of some references to the perplexities and complexities of the situation, but no one ever has brought the skeleton out into the open and rattled its bones. I think the time has come to do just that.

During the debate on the submerged lands bill, Senate Joint Resolution 13, the same proposal was discussed at length. There is nothing in those debates to indicate that the adoption of an amendment such as the one now pending would mean or could mean the use of any money in aid of any education until Congress had taken further action and had provided yardsticks and an administrative body to handle that distribution. I believe the RECORD ought to be clear with reference to the amendment. I have spoken to the author of the amendment about the matter. I have urged that the bill contain standards and that it be at least self-executing if enacted. I again urge that that approach be taken.

So far as we are concerned today, the adoption of the Hill amendment and the enactment thereafter of the bill would, in legal contemplation, mean only that: such funds as were available for a maximum period of 3 years might be used for the running expenses of the Government in the field of national defense. Thereafter, for time unending, all the receipts would be sequestered in the Federal Treasury and would be absolutely useless for any purpose until Congress provided by additional law for their disposition.

The Senate has before it two amendments on the subject covered by the Hill amendment. The other amendment has been offered by the Senator from New Jersey [Mr. HENDRICKSON]. That amendment, at least, has the virtue of providing a yardstick for allocation and providing authority for distribution. We may differ with respect to the yardstick for allocation.

In the Hendrickson amendment it is provided that the money shall be divided on a pro rata basis among the States according to the percentage of school children in each State as compared with all the school children of the United States. It would be a per capita schoolchild distribution.

PRO RATA BASIS OF DISTRIBUTION

That is one method of distribution that heretofore has been debated on the floor, one as to which serious objection has been raised, because the other group have felt that the division should be not on a pro rata basis, but upon some basis of financial need in the areas. Pro rata distribution would be possible at any time, predicated on the most recent census. Any distribution on the basis of need can be had only after the need has been ascertained in some way, and such ascertainment can be had only when there are agents of the Government who are empowered to make it and to act upon it. Nothing of that character is found in the Hill amendment.

I hope that if it be the view of the Senate that the net receipts from the outer Continental Shelf should be dedicated to education, we may have presented a proposal which, if enacted, would accomplish the desired purpose. Let us not simply make a gesture in favor of education.

NO PROVISION FOR ADMINISTRATION

Marvelous as was the speech of the Senator from Alabama [Mr. HILL], sincere as he unquestionably is in his support of education, his speech cannot be cashed in dollars from receipts of income derived from the outer Continental Shelf. Legislation would be required to do that. It would take a mandate to do it. It would take machinery of Government to do it. None of those requirements are provided in the Hill amendment.

Mr. HILL. Mr. President, will the Senator from Oregon yield?

Mr. CORDON. I yield.

Mr. HILL. The Senator from Oregon is correct in his statement. What the amendment does is to dedicate the revenues from the outer Continental Shelf to a purpose, to a cause—to the specific cause of education. Once such a dedication is made in this bill, Congress can then consider the question raised by the Senator from Oregon.

Mr. CORDON. Why should it not be raised and considered now?

Mr. HILL. It should not be considered now for the reason that the proper committee to deal with educational legislation should study the matter. That committee should hold hearings, should weigh proposed legislation, and then bring in a bill. The Senator knows that his committee, fine and as splendid as it may be, is a committee that deals with an entirely different subject than the matter of education.

The Senator from Oregon knows full well that there was neither the opportunity nor, I may say, the disposition on the part of his committee to go into a long hearing, such as should be had, to determine the methods of allocation, standards, and such other questions connected with the distribution of funds. But once Congress dedicates the funds, we may be sure that Congress will come forward with the next step, which will be to provide the mechanics for the distribution of the funds.

Mr. ROBERTSON. Mr. President, will the Senator from Oregon yield?

Mr. CORDON. I yield to the Senator from Virginia.

Mr. ROBERTSON. The distinguished Senator from Oregon has made a splendid speech on the questions raised in the amendment, and in his remarks I fully concur.

Is it not true that, in addition to what the Senator has said up to this point, such an amendment as is proposed, whether the Hill amendment or the Hendrickson amendment, would be merely a gesture, and would not mean the granting of any Federal funds to education until Congress enacted a full scale Federal aid to education bill? On the other hand, is it not true that the greatest relief that could be given to school children would be by balancing the budget, reducing Federal expenditures, curbing inflation, and then reducing Federal taxation, in order that the parents of school children, who have the primary responsibility for local and State taxation for school programs, may have something left in their pockets to do the job for which they are primarily responsible?

Mr. CORDON. The Senator from Virginia presents a cogent and sound argument. Of course, in the last analysis the only possible value that can accrue from action of this kind is in the field of evangelism. The Senator from Alabama is well equipped in that field. There is only sincerity in my mind and heart when I say that. He is not only well equipped, but he has done an outstanding job in arousing throughout the United States a very great enthusiasm for early and adequate Federal aid to education.

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

Mr. CORDON. I shall be glad to yield in a moment.

To the extent that this amendment has been the vehicle upon which that crusade might travel, it has been valuable. From the standpoint of representing any answer to the crusade, it is not valuable.

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

Mr. CORDON. I yield.

Mr. LONG. The Senator is familiar with the fact that the junior Senator from Louisiana has an amendment to require the Secretary of the Treasury to report to the Congress the amount of money which is being realized from the Continental Shelf, is he not?

Mr. CORDON. That is correct.

Mr. LONG. I believe the Senator from Oregon also knows that thus far the only production on the Continental Shelf of any revenue consists entirely of production off the State of Louisiana. Is the Senator familiar with that fact?

Mr. CORDON. That is the testimony before the committee.

Mr. LONG. Is the Senator familiar with the fact that the revenues therefrom would be only $1, $2, or perhaps $3 million a year, based upon the present rate of production in that area?

Mr. CORDON. The amount is not large. I assume that that figure is approximately correct.

Mr. LONG. Is the Senator familiar with the further fact that the lowest estimate we have had as to what we ought to provide for Federal aid to education—not in all branches, but Federal aid to primary education—when the Senate passed the Federal aid to education bill, that it would require at least $100 million to make any appreciable start on Federal aid to education?

Mr. CORDON. The Senator from Oregon does not recall the figure, but it was a figure of considerable size.

Mr. LONG. It is my recollection that the Bureau of the Budget at the time when the administration of President Truman asked us to undertake the program, estimated that it would require about $200 million as a first installment on Federal aid to education for 1 year. Does the Senator recall a figure of that nature—perhaps around $200 million?

Mr. CORDON. It seems to me that that was solely in the construction field, without going into the operating field.

Mr. LONG. The point the junior Senator from Louisiana has in mind is that this amendment, which seeks to commit the Congress to a program of Federal aid to education, proposes to relate it to a source of revenue which will be very small for a long period of time, when we consider the enormous amount of money which the program would require. Therefore, this amendment would commit the Congress to a course of action in aiding education in all the States which would be far more expensive than any return we could hope to realize in the next several years from the production of oil and gas on the Continental Shelf. So it would actually commit us to a spending program far greater than any revenues we could hope to realize from the outer Continental Shelf in the immediate future.

Mr. LEHMAN and Mr. ROBERTSON addressed the Chair.

The PRESIDING OFFICER (Mr. BEALL in the chair). Does the Senator from Oregon yield; and, if so, to whom?

Mr. CORDON. I yield first to the Senator from New York.

Mr. LEHMAN. Mr. President, the Senator from Oregon apparently agrees with the thesis of the Senator from Louisiana. There is no assurance of any particular amount, and no mention of any particular amount. The amendment reads in part as follows:

Provided, however, That during the present national emergency, but not for more than 3 years, the moneys in such special account may be appropriated for such urgent developments essential to the national defense as the Congress may determine.

Does the Senator from Oregon see anything in that language that makes any representations or gives any assurance as to a specific amount to be used?

Mr. CORDON. There is nothing, of course, that gives any idea with respect to a specific amount, or holds out any representation as to a specific amount being probable. Neither did the Senator from Louisiana suggest that there was. As I understood the Senator from Louisiana, he was simply calling attention to what he felt were the probabilities of the future with respect to funds accruing from that source. He predicated his remarks upon a comparison between the estimated need for Federal aid to education and the probable answer which could be found from funds accruing from the Continental Shelf.

Mr. LEHMAN. Is there anything in the Hill amendment which in the slightest degree mentions a specific amount, or seeks to commit the Federal Government to the use or setting aside of any specific amount? Of course we all realize that the amount of revenues which will come from these rich oil lands is problematical; but certainly there is nothing new in the history of government in earmarking certain contingent revenues for specific purposes. Every State and every municipality has been doing that for as long a time as I can remember.

Mr. CORDON. I appreciate the remarks of the Senator from New York. Of course, there is nothing in the amendment which suggests any specific amount, or which suggests any use for the amount which could be made available under the terms of the amendment. That is its weakness.

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

Mr. CORDON. I yield to the Senator from Virginia.

Mr. ROBERTSON. Is it not true that when the first Holland bill was before us the statement was made on the floor of the Senate that we were proposing to give away from $50 billion to $300 billion?

Mr. CORDON. It seems to me that I recall something to that effect.

Mr. ROBERTSON. Some educators were led to believe that there was a perfect bonanza there if we would only pass the Hill amendment and earmark the funds for public education.

In line with the questions asked by the junior Senator from Louisiana as to the prospective costs to the Federal Government if we should take an initial step which might lead the States to believe that eventually they could unload on the Federal Government both construction costs and maintenance and operating costs, the junior Senator from Virginia made an inquiry about 4 years ago of the office of Education, as to the total construction costs if every State were to get every new schoolhouse it indicated it would like to have. The answer was $10 billion.

The junior Senator from Virginia recalls, as possibly the senior Senator from Oregon may recall, that on a previous occasion, when there was before the Senate a straight bill for Federal Aid to Education, which at that time was vigorously opposed by the senior Senator from Ohio [Mr. TAFT], who subsequently changed his position on the issue, the Senator from Ohio predicted that if we started with such a program it would eventually mean an annual cost to the Federal Government of $3 billion. Does the Senator recall those facts?

Mr. CORDON. The Senator from Oregon does not recall them clearly, but evidently the Senator from Virginia does.

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

Mr. CORDON. I yield.

Mr. HILL. The last Federal aid to education bill considered by the Senate was passed by an overwhelming majority. I think the distinguished Senator from Virginia was one of 19 Senators who voted against that bill. The vote, as I recall, was 59 to 19, the Senator from Virginia being one of the 19 Senators who voted against the bill. It was the Taft bill which we passed, a bill introduced and championed by the great Senator from Ohio.

Mr. ROBERTSON. As the Senator from Arizona once told me, if one is on both sides of a question he cannot be more than 50 percent wrong. [Laughter.]

Mr. CORDON. Mr. President, I cannot follow two speakers at the same time.

Mr. HILL. Let me say this in connection with being on both sides of a question: A very wise man, Abraham Lincoln, once said it was a mighty dumb man who did not have more sense today than he had yesterday. I hope that tomorrow the Senator from Virginia will leave the 19 Senators with whom he stood against the Taft bill, and join those of us who feel as did the Senator from Ohio [Mr. TAFT] when he introduced his bill, in supporting Federal aid to education.

Mr. ROBERTSON. The Senator from Virginia would vote today as he has always voted. He considers this proposal to be unsound, and he does not want any part of it.

Mr. HILL. Mr. President, I did not express that hope for the Senator from Virginia for today. I said on tomorrow I hoped he would be a wiser man.

Mr. CORDON. Mr. President, I ask for the regular order.

The PRESIDING OFFICER (Mr. BUTLER of Maryland in the chair). The Senator from Oregon declines to yield.

Mr. CORDON. Inasmuch as it seems I am unable to have my friends direct questions to the bill, I decline to yield at all.

Mr. HILL. Mr. President, will the Senator from Oregon yield for one more question?

Mr. CORDON. I yield to the Senator from Alabama for a question.

Mr. HILL. Mr. President, did not the testimony before the committee show that about 80 percent of the oil and gas resources are on the outer Continental Shelf?

Mr. CORDON. That is correct.

Mr. HILL. They are the resources we are now dealing with in the pending bill?

Mr. CORDON. That is correct.

Mr. HILL. Of course the estimates, ranging from $40 billion to $50 billion, up to $270 billion and $300 billion, not only contemplated the oil on the outer Continental Shelf, but also the oil in the areas covered by the Holland bill.

Mr. CORDON. That is correct.

Mr. McCLELLAN, Mr. HOLLAND, and Mr. LONG addressed the Chair.

Mr. CORDON. The estimates referred to included the proceeds from the so-called give-away that was so eloquently paraded before the American people. These estimates include the income from five-sixths of the resources which are still to be sequestered and placed in the Treasury of the United States., so far as the United States can get the royalties, rentals, and bonuses.

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

Mr. CORDON. I first yield to the Senator from Arkansas.

Mr. McCLELLAN. Mr. President, is the figure which both the Senator from Alabama and the Senator from Oregon

have just quoted accurate, namely, that approximately 80 percent of the known oil reserves are in the area which is now being dealt with, not within the territorial or historic boundaries of the several coastal States?

Mr. CORDON. It is only an estimate. The Senator from Oregon knows that it could not be anything except a speculative estimate. It was estimated that five-sixths of the reserves in the lands lying seaward from inland waters out to the edge of the Shelf were outside the State boundaries, in what is here described as the outer Continental Shelf.

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

Mr. CORDON. I yield further to the Senator from Arkansas.

Mr. McCLELLAN. If the so-called exaggerated statements that were made are not exaggerated statements, and if $300 million worth of oil is involved, then only one-sixth of it was involved in the so-called Holland bill, and we are now dealing with five-sixths, or with three hundred or four hundred billion dollars. Is that correct?

Mr. CORDON. The amount would be one-sixth as against five-sixths. Of course, this statement must be made about it, namely, that the one-sixth represents more nearly proven oil and oil that can be obtained at much less cost.

Mr. DOUGLAS. Mr. President, will the Senator from Oregon yield?

Mr. CORDON. I yield to the Senator from Illinois for a question.

Mr. DOUGLAS. Without wishing to ruffle the dovecotes, nevertheless, is it not true that if a man kidnaps 6 children and returns 5 of them, but keeps 1 in his custody, he is still a kidnaper?

Mr. CORDON. Mr. President, at one time or another the Senator from Oregon would expect to be asked that kind of question. The Senator from Oregon will answer any question that is even remotely pertinent to the issue, but he will leave the subject of kidnaping until the Senate takes up the criminal field.

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

Mr. CORDON. I yield.

Mr. McCLELLAN. If a kidnaper has kidnaped 5 children and he tries to kidnap another one, he is still a kidnaper; is he not?

Mr. CORDON. The Senator from Oregon is not going to go into that kidnaping case either.

Mr. LONG. Mr. President, will the Senator from Oregon yield?

Mr. CORDON. I yield to the Senator from Louisiana.

Mr. LONG. Mr. President, the junior Senator from Louisiana would like to ask if there is not some peril to the Senators who are offering the pending amendment. They stood on the floor of the Senate for 6 weeks and stated that $300 billion was involved. If their amendment should be adopted, and the public should find that there are available revenues of only about $2 million a year, which is less than one-thousandth of the money which they represented was involved, some embarrassment might come to them in trying to explain to the people of America where the billions of dollars went. Is that correct?

Mr. CORDON. I have found that explanations can be made, but that the facts sometimes do not have too much to do with the explanations.

Mr. LONG. Mr. President, will the Senator from Oregon yield further?

Mr. CORDON. I yield further to the Senator from Louisiana.

Mr. LONG. On the other hand, if there were actually $300 billion worth of revenue to be realized, as the public was led to believe there might be, and five-sixths of it is outside the historic boundaries of the States, that would be just about the amount needed to pay off the national debt. Is that correct?

Mr. CORDON. Of course, anyone who has paid attention to the facts recognizes that, at least under existing techniques and leasing provisions and practices, 12½ percent is the most that would come to the Treasury of the United States, plus a few scattering dollars from rentals, and the like; and that amount, of course, would have to be offset against administrative costs, and the like.

However, when one gets into flights of oratory, when one engages in an educational seminar on the floor of the Senate, and when the Ivy League is in full swing, facts cease to be of moment.

Mr. DOUGLAS. Mr. President, will the Senator yield for a question?

Mr. CORDON. I yield for a question—a pertinent question, the Senator from Oregon hopes.

Mr. DOUGLAS. Yes. Is it not correct to say that it was Dr. Pratt, the former vice president of the Standard Oil Company of New Jersey, who estimated that the oil reserves offshore from the coasts of the United States amounted to probably 100 billion barrels?

Mr. CORDON. The answer is yes. It was on that basis that the $300 billion figure was reached. There was no background for it except a speculative estimate. The only study that was made was the study conducted by the United States Geological Survey of the Department of the Interior. However, the Senator from Oregon understands the extravagence that comes from eloquence improperly controlled.

Getting back to the case at hand, which is the amendment now before the Senate, the Senator from Alabama has suggested a proposal providing the administrative machinery could not be made complete until it had consideration by the appropriate committee of the Senate, with long hearings, and so forth.

LARGE AMOUNT OF INFORMATION AVAILABLE

There is logic in the contention. The Senator from Oregon recognizes that fact. The Senator from Oregon, however, feels that the subject has been before Congress a long time, and that all hearings necessary to properly implement this sort of amendment could have been had upon a bill comprehending the provisions of this amendment, or in a bill providing for aid to education.

As a matter of fact, there are few subjects of great interest to the United States on which there is more available data immediately at hand than in the field of education.

We have agencies of the Federal Government and of the States which have been concerned with the subject for many years. All of the information necessary could have been made available. The matter could have been presented in such a way that the Senate could have acted, and the House could have acted, upon an amendment which would have done the job this amendment is held out as doing, but does not do. That is the complaint of the Senator from Oregon with respect to the Hill amendment.

Again I call attention to the fact that the amendment of the Senator from New Jersey at least can be said to have the merit of being workable, if it is adopted and enacted into law. At least it provides that, at a definite time, a specific agent of the Government shall pay specific funds in specific percentages to the beneficiary States, to be used for educational purposes in the United States. In that way there would be a chance for some aid to be given to education if the bill including that amendment could be passed.

PROPOSAL WILL RESULT IN DELAY

However, in my humble opinion the bill will not be passed with that amendment in it. Again we shall encounter the same situation we have had to fight time after time after time; and when we do, the result will be to tie up this measure in the way that other measures have been tied up. In the end we shall have to deal with the problem at hand, which is the implementation of the recovery of minerals from the outer Continental Shelf—period. That is all we should do here.

If the Senator from Alabama will work out a sound legislative proposal that is complete in itself and that will do the job that he has suggested, and will do it in such a way that the money that accrues from the outer Continental Shelf will be divided among the States of the United States, with the Government of the United States retaining no right to require, in any way at all, what is to be done with the funds in the field of education, but permitting those decisions to be made by the States, who thus will be able to use in their own way the funds for education, I shall be glad to support that proposal, despite the fact that we now have a national debt of more than $260 billion.

I agree with the Senator from Georgia who said that in the last analysis, the only way we shall be able to take care of that debt, and thus save the economy of the United States, is to have an ever-broadening economy. I agree, and I will go forward with such a proposal, and I will join in that kind of a measure.

But, Mr. President, I will not support a measure which I know amounts only to a gesture.

Mr. McCLELLAN. Mr. President, will the Senator from Oregon yield to me?

Mr. CORDON. I yield.

Mr. McCLELLAN. As I interpret the amendment, it simply provides that the money be placed in a pool and be held there until Congress takes future action. Is not that all the amendment would do?

Mr. CORDON. That is correct.

Mr. McCLELLAN. Before the schools or education or anything else would ever

receive any benefit from any of these revenues, there would have to be further legislation. Is not that correct?

Mr. CORDON. That is correct.

Mr. HILL. Mr. President, will the Senator from Oregon yield?

Mr. CORDON. I yield for a question.

Mr. HILL. Is it not true that the amendment dedicates these funds to education? Congress would subsequently provide the machinery and mechanics for the allocation and distribution of the funds; but the amendment does dedicate these funds to education, does it not?

Mr. CORDON. That is correct, in that the funds could only be appropriated exclusively as grants-in-aid of primary, secondary, and higher education; but to what agency, in what amount when, by whom, and for what purpose the amendment is silent. Not only is there no certainty that there ever would be implementation, but we have a record against it.

Mr. President, let us consider aid-for-education proposals on which we can vote, so that the House can either accept or reject them. Then, and then only, will such funds be available for education.

Mr. ANDERSON. Mr. President, will the Senator from Oregon yield to me?

Mr. CORDON. I yield.

Mr. ANDERSON. I think the Senator from Oregon said something extremely important when he urged that we reach a vote on this measure and that we proceed.

Mr. CORDON. I certainly believe that is what we should do.

Mr. ANDERSON. As the Senator from Oregon knows, I have some amendments about which I could talk, and I could talk for several hours about the bill itself. The Senator from Oregon knows my long interest in this subject. However, is it not a fact that the most important job for us to do is to reach a vote on these issues as quickly as we can?

Mr. CORDON. Mr. President, I am so fully in agreement that I now yield the floor.

Mr. LEHMAN. Mr. President, in view of the statement made by my distinguished friend, the Senator from New Mexico, and in view of my own disposition, I shall speak only very briefly.

I believe everyone knows my position on this question. I spoke for many hours on the submerged-lands resolution and the Hill amendment when they were before the Senate a month or so ago. So I shall speak very briefly today regarding the Hill amendment, of which I am very proud to be a cosponsor.

Of course it is trite to state that our young people are our greatest asset and that their education is of the highest importance. I think the statement made by the great senior Senator from Georgia [Mr. GEORGE] summed up the situation about as well as it could be summed up, when he stated on the floor of the Senate, an hour or so ago, that at a time of diminishing natural resources in the United States—and unfortunately they are diminishing—we must utilize to the greatest possible extent the skills of our people. I may be paraphrasing the statement made by the Senator from Georgia, but I believe I state the gist of his remarks. Certainly what he said is true.

I have heard it said that many persons who have had little or no education have risen to great heights. An example of that was my good friend, the late Al Smith, of New York, one of my predecessors in the governorship of New York. Another example is Henry Ford. Of course there are scores of others. However, these men were exceptions. Generally speaking, in the case of the vast majority of the people there is no substitute for a sound education. I believe that is fully realized by everyone. Yet, despite the great gains we have made in the field of education, we still lag far behind what we should be doing.

I believe that is best illustrated by the fact that in the examinations held under the Selective Service System, in connection with the recent wars in which we have been engaged, a very substantial percentage of our young men who appeared for examination were found deficient in education or were found mentally deficient because of a lack of education. Certainly there was no justification for that situation, in a country so resourceful, so wealthy, and so powerful as the United States of America.

Mr. President, our failure to provide adequately for education affects every branch of education. It affects the elementary schools, the high schools, the colleges and universities, and the graduate schools. Today we need, more than we ever have needed in the entire history of our country, well-educated men and women in every walk of life, regardless of whether they live in urban areas or in rural areas. In this connection, the place of their residence makes no difference. The problems and difficulties and opportunities are much the same.

I wish to have the opportunities for education equalized among all the 160 million people of the United States. Education is needed in business, on the farms, in the professions—in medicine, nursing, dentistry, engineering, and the sciences.

We are particularly in need of better education for teachers—the men and women who instruct our young people in various educational lines, and help them to become sound and responsible citizens of our country.

There is no question at all in the mind of anyone who listened to the debate some weeks ago that the teachers of America are tragically underpaid. I believe the salaries paid to teachers in New York State are probably the highest of any teachers' salaries paid in the entire Union; but even in New York State the salaries paid the teaching staff are completely inadequate, when we realize that those men and women, in order to prepare themselves for the teaching profession, have to spend many years in studying to become adequate preceptors of the youth of our land There is little encouragement for well qualified men and women to engage in the teaching profession. If that is true in New York, it is certainly true also that teachers' salaries are completely inadequate, tragically inadequate, in many other States of the Union which, through no fault of their own, are less well situated in a material way than my own State of New York.

Mr. President, as I have said, in New York, inadequate as their compensation is, higher salaries are paid to teachers than in any other State in the Union. In many instances the salaries of teachers are less than those paid to garbage collectors, vermin exterminators, washroom attendants, and unskilled household workers. Certainly we cannot hope to enlist the interest and the support and the wholehearted skillful efforts of men and women on the basis of such inadequate pay.

Education is of equal interest to all the States of the Union. What difference does it make whether a boy or girl lives in Georgia, in Mississippi, in Arizona, in South Dakota, in Alabama, or in New York? They are all American citizens, they are all part of our great Nation, and in many cases they claim relationship to many States. My own family, after having lived in Louisiana, went to Alabama, and from there to New York, where it remained. There are today hundreds of thousands of citizens and residents of New York who have come from all the States of the Union, and they are good, loyal, productive citizens. On the other hand, many residents of New York go to Georgia, North Carolina, South Carolina, California, Washington, Oregon, Arizona, and other States, to build their lives there.

What difference does it make in which State a boy or girl is born? It is to the interest of New York, it is to the interest of Mississippi, and Florida, and Arizona, to have well-educated citizens. It is to the interest of those States to have well-educated and well-trained boys and girls who may become teachers in the States of the Northeast, the Southeast, the Northwest, and the Southwest.

Mr. President, in my opinion the pending amendment is a sound one. The distinguished Senator from Oregon [Mr. CORDON], who, I regret, is no longer on the floor, raised the question of what return there would be from oil revenues. I do not know what the return would be. We have estimated the value of the oil in the ground underlying the submerged bands at between $50 billion and $300 billion, royalties of 12½ percent on which would accrue to the States, in the case of lands within the historic boundaries of the States, and to the Federal Government, on the outer shelf. If the return were only $50 billion, the royalties which could be used for education would amount to more than $6 billion. Let us say the return is $100 billion: the royalties of 12½ percent would amount to $12.5 billion. If the return were only $1 billion, the royalties would amount, nonetheless to $120 million; and, of course, I do not believe the return would be that small; I believe it would be 100 or 200 times that.

There is nothing in the amendment, as implied by some of the speakers who have preceded me, which would involve the Federal Government's taking over the responsibility of education. There is not a word, not an implication, not

a suggestion to that effect. All we are proposing is to set aside and earmark for the purpose of education the funds to be derived from oil and gas produced on the Continental Shelf which will come into the Treasury of the United States, and to give such funds to all the States of the Union, under rules and regulation and provisions to be determined by the Congress of the United States. There is no suggestion or intimation that the Federal Government will assume the responsibility for education in the States. The funds, when they flow into the Treasury, will be used to supplement the educational funds of the States, and certainly money will flow into the Treasury in large amounts, though the amounts may be less than have been predicted.

So, Mr. President, I strongly urge that the amendment of the Senator from Alabama and his associates be agreed to. It will be of tremendous assistance to many of the States; but, what is much more important, it will be of very great benefit to the entire Nation, to every citizen of the United States who has a boy or a girl, as well as to every citizen who is interested in the welfare and advancement of the interests of the country. I appeal to my fellow Senators to vote for the Hill amendment.

The PRESIDING OFFICER (Mr. COOPER in the chair). The question is on the amendment offered by the Senator from Alabama [Mr. HILL] and other Senators, to the amendment offered by the Senator from Texas [Mr. DANIEL].

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Gore	McCarran
Anderson	Green	McCarthy
Barrett	Griswold	McClellan
Beall	Hayden	Millikin
Bennett	Hennings	Monroney
Bricker	Hickenlooper	Mundt
Bush	Hill	Murray
Butler, Md.	Hoey	Neely
Butler, Nebr.	Holland	Pastore
Byrd	Hunt	Payne
Capehart	Jackson	Purtell
Carlson	Jenner	Robertson
Case	Johnson, Colo.	Russell
Chavez	Johnson, Tex.	Saltonstall
Clements	Johnston, S. C.	Smathers
Cooper	Kefauver	Smith, Maine
Cordon	Kennedy	Smith, N. J.
Daniel	Kerr	Sparkman
Dirksen	Kilgore	Stennis
Douglas	Knowland	Symington
Duff	Kuchel	Taft
Dworshak	Langer	Thye
Ellender	Lehman	Watkins
Ferguson	Long	Welker
Flanders	Magnuson	Wiley
Frear	Malone	Williams
George	Mansfield	Young
Gillette	Martin	
Goldwater	Maybank	

The PRESIDING OFFICER. A quorum is present.

The question is on agreeing to the amendment offered by the Senator from Alabama [Mr. HILL] for himself and other Senators, to the amendment offered by the Senator from Texas [Mr. DANIEL].

Mr. KNOWLAND. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered, and the legislative clerk proceeded to call the roll.

Mr. MALONE (when his name was called). I have a pair with the junior Senator from Oregon [Mr. MORSE], who is necessarily absent. If he were present and voting, he would vote "yea"; if I were permitted to vote, I would vote "nay." Therefore, I withhold my vote.

Mr. MAYBANK (when his name was called). On this vote I have a pair with the junior Senator from Arkansas [Mr. FULBRIGHT]. If he were present and voting, he would vote "yea"; if I were permitted to vote, I would vote "nay." I therefore withhold my vote.

The rollcall was concluded.

Mr. LONG (after having voted in the negative). On this vote I have a pair with the junior Senator from Minnesota [Mr. HUMPHREY]. If he were present and voting, he would vote "yea"; if I were permitted to vote, I would vote "nay." Therefore, I withdraw my vote.

Mr. SALTONSTALL. I announce that the Senator from Michigan [Mr. POTTER] and the Senator from Kansas [Mr. SCHOEPPEL] are absent on official committee business. If present and voting the Senator from Michigan [Mr. POTTER] would vote "nay."

The Senator from New Hampshire [Mr. BRIDGES] and the Senator from New Jersey [Mr. HENDRICKSON] are necessarily absent.

On this vote the Senator from New Jersey [Mr. HENDRICKSON] is paired with the Senator from Kansas [Mr. SCHOEPPEL]. If present and voting the Senator from New Jersey [Mr. HENDRICKSON] would vote "yea," and the Senator from Kansas [Mr. SCHOEPPEL] would vote "nay."

I also announce that the Senator from New Hampshire [Mr. TOBEY] is absent by leave of the Senate. If present and voting, the Senator from New Hampshire [Mr. TOBEY] would vote "yea."

I further announce that the Senator from New York [Mr. IVES] is absent by leave of the Senate, having been appointed a delegate to attend the International Labor Organization Conference at Geneva, Switzerland.

Mr. CLEMENTS. I announce that the Senator from Mississippi [Mr. EASTLAND] and the Senator from Minnesota [Mr. HUMPHREY] are absent on official business.

The Senator from Arkansas [Mr. FULBRIGHT] is absent by leave of the Senate.

The Senator from North Carolina [Mr. SMITH] is necessarily absent.

The result was announced—yeas 45, nays 37, as follows:

YEAS—45

Aiken	Hennings	McClellan
Anderson	Hill	Monroney
Case	Hunt	Mundt
Chavez	Jackson	Murray
Clements	Johnson, Colo.	Neely
Cooper	Johnson, Tex.	Pastore
Douglas	Johnston, S. C.	Russell
Duff	Kefauver	Smathers
Dworshak	Kennedy	Smith, Maine
Frear	Kerr	Sparkman
George	Kilgore	Stennis
Gillette	Langer	Symington
Gore	Lehman	Welker
Green	Magnuson	Wiley
Hayden	Mansfield	Young

NAYS—37

Barrett	Butler, Md.	Cordon
Beall	Butler, Nebr.	Daniel
Bennett	Byrd	Dirksen
Bricker	Capehart	Ellender
Bush	Carlson	Ferguson
Flanders	Kuchel	Saltonstall
Goldwater	Martin	Smith, N. J.
Griswold	McCarran	Taft
Hickenlooper	McCarthy	Thye
Hoey	Millikin	Watkins
Holland	Payne	Williams
Jenner	Purtell	
Knowland	Robertson	

NOT VOTING—14

Bridges	Ives	Potter
Eastland	Long	Schoeppel
Fulbright	Malone	Smith, N. C.
Hendrickson	Maybank	Tobey
Humphrey	Morse	

So the amendment offered by Mr. HILL, for himself and other Senators to Mr. DANIEL's amendment, was agreed to.

Mr. HILL. Mr. President, I move to reconsider the vote by which my amendment was agreed to.

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

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Illinois.

Mr. BUSH. Mr. President, what is the question?

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Illinois [Mr. DOUGLAS] to lay on the table the motion of the Senator from Alabama [Mr. HILL] to reconsider the vote by which the Hill amendment to the Daniel amendment was agreed to. The motion is not debatable.

Mr. DOUGLAS' motion to lay on the table was agreed to.

Mr. HILL. Mr. President, I ask unanimous consent to have printed in the body of the RECORD, at an appropriate place in the debate on the outer Continental Shelf bill, a statement by the Senator from Minnesota [Mr. HUMPHREY], relating to the oil-for-education amendment.

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

STATEMENT BY SENATOR HUBERT H. HUMPHREY ON OIL FOR EDUCATION

Mr. President, I want to address myself in support of the Hill oil-for-education amendment, of which I am proud to be a cosponsor. Not so long ago I worked hard for the adoption of this amendment, together with the Anderson bill, as an alternative to the submerged lands act. Now, I urge adoption of the amendment in connection with S. 1901. I urge that the far-sighted principle of providing for the education of American citizens out of the revenues from the rich Federal oil reserves in the Continental Shelf be attached to the bill which provides for the development of those mineral reserves.

What is the oil-for-education amendment? It simply provides that the royalties from oil in the Continental Shelf be set aside in an independent fund. The moneys in this fund shall be used for purposes of national defense during the present emergency. As soon as Congress decides, then they shall be apportioned among the States to help meet the growing costs of education.

There is nothing of political or Federal intervention in education involved in this proposal. The money will be distributed on an established ratio among the States. The fund which will be established will be independent of politics and the money will be dedicated by law to national defense and to education. There can be no political meddling with it. Neither can there be any question of the Federal Government tying strings to the money or interfering in any way in the educational standards or philosophies of the States. The States are to

use the money as they wish, so long as it is used for education.

Now, Mr. President, I want to devote the balance of my comments to the crying financial needs of education in our country today, to the importance to our national progress and security of an adequate educational system, and to the historical precedents for such measures as the pending Hill amendment.

The oil-for-education amendment is the answer to a desperate need on the part of American education. Testifying before the Interior and Insular Affairs Committee for this amendment, Mr. Benjamin Fine, the educational expert of the New York Times, had this to say about the present critical financial situation in education:

"Crisis is an overworked term. When it is used often enough it loses its impact. We just shrug our shoulders and accept it. The impact is no longer there. Yet we must be realistic. We cannot, ostrichlike, bury our heads in the sand and do nothing.

"Is there a crisis in education? I could spend hours giving a firsthand picture—conditions that I saw with my own eyes as I have visited schools in the North, South, East, or West—that would convince you, if further evidence is needed, that our schools and colleges need help.

"Said President Truman: 'Our public-school system faces the greatest crisis in its history.'

"Said the American Federation of Teachers: 'The Nation's schools face their most severe crisis in our country's history.'

"Said the American Federation of Labor: 'A financial crisis exists in the schools and colleges of this country.'

"Said United States Commissioner of Education Dr. Earl J. McGrath: 'The tidal wave of children bearing down on our schools bids fair to overwhelm us.'

"I could go on and on, citing testimonials. But I won't. I don't think they are really necessary. I think that anyone who has visited our public schools and our colleges in many sections of the country have seen at firsthand—as I have—that the educational system is sick."

There is a large number of immediate and pressing problems in American education today. One of these is the shortage of qualified elementary and high school teachers. It is estimated by the New York Times that this country will need at least 105,000 new elementary school teachers annually over the next 10 years to meet the present and future increases in enrollment. Yet, teachers' colleges are now supplying only 35,000 teachers annually. The shortage of high school teachers is not so acute, yet we need 48,000 more high school teachers annually to replace those who leave teaching. By 1960 we shall need 70,000 new high school teachers.

Dr. Earl McGrath, United States Commissioner of Education, has warned:

"The blunt fact is, unless we do something drastic, and immediately, to relieve the teacher shortage, a whole generation of American boys and girls will be shortchanged in their right to obtain a fundamental education.

"The thinner you stretch your available teaching staff to cover the unprecedented and inexorably increasing enrollments in our public schools, the less chance there is for a teacher to do a competent job of teaching. It is the child who inevitably suffers. And when the child suffers, the Nation suffers."

Part of the demand for new teachers comes from present and anticipated increases in school enrollment. Elementary school enrollment today is increasing by 1,000,000 children a year. Elementary and high schools together this year enrolled 1,700,000 more children than they did in the last school year. Clearly, if teaching is to be adequate, the teaching force will have to be increased.

Yet, there are other reasons why school teachers are in short supply. Dedicated as many of our school teachers are to their work, they often find that they simply cannot make ends meet financially on the salaries which teachers are paid at present. Men and women with families often have to drop out of teaching and take up other professions. Many school teachers have to eke out their small incomes by working part time at other jobs. Often, this work impairs their teaching. Certainly it must tend to impair their enthusiasm for teaching; and this enthusiasm is vital to the teaching function.

A recent survey by the New York Times found many public school teachers' salaries to be utterly inadequate. Six States, the IMTES discovered, pay teachers less than $20 a week, on an average. Ten others pay a minimum of from $20 to $25 a week. The average American school teacher earns about $60 a week.

It is certainly no wonder that the teacher shortage is acute. It is no wonder that people leave teaching for better-paying jobs, in defense work and the other professions. It is no wonder that many teachers, in many States, are poorly qualified to teach—that the total number of fully qualified teachers needed right away comes to 87,000. Neither is it any wonder—though it is a terribly alarming fact, that our best students no longer plan to become teachers, and do not enter teaching colleges or take training for teaching.

A report of the Educational Testing Service, the organization which conducts the College Board Examinations throughout the country, recently demonstrated that men who are preparing for the teaching profession have the lowest grades and are the poorest students of all our college and university students.

Of the 600,000 elementary schoolteachers in the United States today—according to the National Education Association—300,000 do not hold college degrees. To quote the New York Times further, "Of this number, the National Education Association says, at least 100,000 are so inadequately prepared as to make their continued presence in the classroom dangerous to the mental and emotional growth of America's youth."

Now low pay is only one reason for this drastic teacher shortage. Poor training facilities, poor working conditions, as well as a lack of public respect for the teaching profession, are other reasons why we do not have the schoolteachers we so desperately need. No doubt, lack of public respect for the teaching profession is based partly on the fact that our teachers are a low-income group. And partly, perhaps, on the fact that in some States they are not really prepared for their jobs.

Higher salaries will meet part of the problem. But they will not meet all of it. We will have to improve working conditions. And we will have to do this, not only for the sake of our teachers, but primarily for the sake of our students.

School building programs in the United States are terribly behind the need for new facilities. One out of five schools in the United States is now obsolete. Many children go to school in two or more shifts a day, under conditions more like factories than schools. Many children attend school in buildings which are not school buildings at all. Simply as an indication of this dire condition, let me read once again from the New York Times report of its survey of American education.

"Our understaffed, badly housed schools faced an unprecedented period of shortage. It is doubtful that even half of the 80,000 classrooms needed in 1952 will be constructed. School systems everywhere are sending out SOS signals. They are utilizing every conceivable space to keep school open. It is not unusual to find children attending school in private homes, church basements, store lofts or in one case observed by this writer, a section of an undertaker's parlor. Supplies, equipment, and textbooks are lacking in many schools.

"State after State reports impaired educational facilities because of inadequate buildings. In Illinois, for example, the lack of steel and other critical materials is preventing the construction of a number of school buildings. Approximately 13,000 students in Illinois are enrolled in schools where double sessions are necessary, while 7,500 are attending schools in buildings that are definitely inadequate.

"Pennsylvania likewise reports a serious building shortage, even though $35 million was spent for new buildings during the 1950–51 school year, and $50 million will be spent during 1951–52. In this State it is estimated that 8,500 pupils will suffer an impairment in school this year because of double sessions or part-time instruction."

Dr. McGrath, the United States Commissioner of Education, has said:

"Additional floor space equal to a one-story building, 52 feet wide extending from New York City to San Francisco, Calif., is needed adequately to house the Nation's public elementary and secondary school population."

My own State of Minnesota needs a total amount of $165,959,000 to meet its needs for school construction. Yet Minnesota, like most other States, is short of funds. We do not feel that we can tax people much more. Localities are at their limits for bond issues for education. The situation is truly desperate.

The estimated cost of building the necessary schools to meet the Nation's needs is $10.7 billion. Under present State and local laws and conditions it will only be possible to raise $5.8 billion, if every resource is tapped. That leaves a deficit of nearly $5 billion. The oil-for-education amendment is made to order for this emergency, as well as for the emergency shortages in teachers, and the low standards of teachers' training and teachers' salaries.

Nor is higher education in this country facing a less serious financial problem. The New York Times reports that 1 out of every 3 liberal arts colleges in this country is currently operating in the red. Many other colleges are beginning to lower their standards so as to meet financial pressures and stay in the black.

The usual college incomes from grants, bequests, and endowments have fallen off sharply. Colleges have suffered from the rapid fluctuations in enrollment during the war, postwar, and present periods. Since most men have now used up their GI money, college enrollments have once again fallen off sharply.

These problems are increased by inflation, which, as the Commission on Financing Higher Education last year reported, has reduced the purchasing power of the colleges' dollar by nearly 50 percent. Meanwhile, the need to build new plants, new laboratories, and research facilities to keep up with the fast pace of development in scientific research has forced colleges to spend far more.

We must rely upon higher education to supply us with the professional, business, and scientific talent which our country desperately needs if it is to keep pace with economic and scientific developments in the rest of the world. If we fail to produce trained men in these fields we can look forward to dependence upon other nations for military and industrial research. And we can look forward to being outdistanced in these vital fields by the Soviet Union, which places a high priority on training for careers in these fields. If we are outdistanced by the Soviet Union in these fields we shall forfeit our scientific and industrial leadership of the world. And we shall then forfeit our safety, and perhaps our freedom.

Nor is training in the humanities and the social sciences any less vital than scientific

and professional training today. We have no better weapon with which to combat communism as a doctrine and ideology, than the education of our people. The United States will be free so long as our people are educated to freedom. We shall lead the free world so long as our people are educated to know and understand the world and its tremendous problems. If our education deteriorates, we will be in danger of deteriorating as a Nation.

The revenues from offshore oil can be used to stay the critical financial situation of American education. We will be shortsighted indeed, if we let such an opportunity slip by us. We are not likely to find another such opportunity very soon. We may not find it soon enough to save our educational system.

The oil for education amendment will provide for the most pressing needs of education without increasing our tax burden. And there is, moreover, ample historical precedent for this proposal.

Many of the American colonies used funds from public lands to provide for schools. After the Revolution, many of the States pressed claims to our territories west of the Appalachian Mountains. Congress, however, did not cede these lands to the States, but in 1780 passed a resolution to the effect that these lands would be used for the benefit of all the people.

The Northwest Ordinances of 1785 and 1787, were landmarks in the history of American education. These ordinances set aside every 16th section of the public lands of the Northwest Territory, for purposes of schools and education. As States were formed from the Territory, Congress set aside lands for the support of their school systems, as well as funds to establish and support the 'land-grant colleges' which are among our greatest centers of learning today as State universities.

The Morrill Land-Grant Act of 1862 continued this tradition. It gave to every State 30,000 acres of land, or land scrip, for each Senator or Representative of that State in the Congress. More land-grant colleges throughout the country were established and supported by this act, including Cornell University, the Massachusetts Institute of Technology, and many others. The Second Morrill Act of 1900 provided permanent support for the lang-grant colleges. And the Homestead Act of 1900 provided that where land revenues were insufficient to support land-grant colleges and agricultural experiment stations, other Federal funds could be used.

This is the tradition which has given the United States the most extensive, the most democratic, higher education system in the world. It is the tradition which has helped many American universities which have pioneered in much scientific, industrial, and military research—research to which we likely owe our victory in the last war.

The oil for education amendment, now before the Senate, stands squarely in this tradition. It is an opportunity for us to continue that tradition, and to expand it, at a time when our educational needs are desperate. If we are wise, I submit we shall make the most of this opportunity.

MESSAGE FROM THE HOUSE—ENROLLED BILLS SIGNED

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the Speaker had affixed his signature to the enrolled bill (S. 2112) to provide for the transfer of price-support wheat to Pakistan, and it was signed by the Vice President.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, June 24, 1953, he presented to the President of the United States the following enrolled bills:

S. 2032. An act to modernize the charter of Washington Gas Light Co., and for other purposes; and

S. 2112. An act to provide for the transfer of price-support wheat to Pakistan.

JURISDICTION OVER SUBMERGED LANDS OF THE OUTER CONTINENTAL SHELF

The Senate resumed the consideration of the bill (S. 1901) to provide for the jurisdiction of the United States over the submerged lands of the outer Continental Shelf, and to authorize the Secretary of the Interior to lease such lands for certain purposes.

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

The PRESIDING OFFICER. The Senator will state it.

Mr. KNOWLAND. What is the pending question?

The PRESIDING OFFICER. The question now recurs on agreeing to the amendment offered by the junior Senator from Texas [Mr. DANIEL], as amended.

The amendment, as amended, was agreed to.

The PRESIDING OFFICER. The question now recurs on the amendment offered by the Senator from New Jersey [Mr. HENDRICKSON] as a substitute for section 9, as amended.

Mr. ANDERSON. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. ANDERSON. Would that involve the readoption of the Hill amendment, or is this another amendment?

The PRESIDING OFFICER. The adoption of the Hendrickson amendment, as a substitute, would mean that it would take the place of the language of section 9, as amended.

Mr. ANDERSON. If the question should come to a yea-and-nay vote, if I desired to vote for the continuance of the Hill amendment would I do so simply by voting "yea"?

The PRESIDING OFFICER. The Senator should vote "nay" in that event.

Mr. ANDERSON. I thought the Chair stated that it was a substitute.

Mr. HILL. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. HILL. If a Senator favors the amendment to which the Senate has just agreed, the amendment offered on behalf of 34 other Senators and myself, he should vote against the substitute. He should vote "nay" on the Hendrickson amendment.

The PRESIDING OFFICER. The statement of the senior Senator from Alabama is correct.

Mr. ANDERSON. I thank the Chair.

Mr. CASE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. CASE. Does the Senator from South Dakota correctly understand that the vote now comes on the amendment offered by the Senator from New Jersey [Mr. HENDRICKSON] for himself and me?

The PRESIDING OFFICER. The Senator is correct.

Mr. CASE. The Senator from South Dakota believes that a statement should be made as to the difference between the two proposals.

I regret that the Senator from New Jersey is unable to be present at this time.

Mr. President, the Senator from New Jersey [Mr. HENDRICKSON] some weeks ago made a commitment to speak at anniversary ceremonies in his State. He had hoped that the vote on his amendment would come before he had to leave the Chamber or after he had returned.

I wish he were here to make the statement which I feel impelled to make at this time.

Essentially the difference between the amendment on which the Senate will now vote and the amendment which has been adopted is in the method of distribution.

The Senate has voted for the principle of applying the revenues from the Continental Shelf to the cause of education. The amendment which was offered by the Senator from Alabama [Mr. HILL], for himself and several other Senators, including myself, provides that the money "shall be appropriated exclusively as grants-in-aid of primary, secondary, and higher education; provided, however, that during the present national emergency, but not for more than 3 years, the moneys in such special account may be appropriated for such urgent developments essential to the national defense as the Congress may determine."

The main issue was, of course, whether the receipts should be dedicated to the cause of education. The amendment which the Senate had adopted makes them available as grants-in-aid of primary, secondary, and higher education without specification as to the method of the distribution for that purpose.

There is only one issue involved, and that is whether or not the money shall be dedicated, without any specification as to the method of distribution, but simply paid for grants-in-aid to primary, secondary, and higher education, or whether the method of such payment shall be determined by Congress and should be determined in this manner; namely, that "within 90 days after the termination of the fiscal year in which received" it shall be paid "to the several States and Territories of the United States and the District of Columbia in an amount to each such State and Territory and the District of Columbia which bears the same ratio to the total of such rentals, royalties, and other sums received during such year (less the total of such refunds during such year) as the total number of individuals enrolled in the schools in such State or Territory or the District of Columbia according to the latest Federal Census bears to the total number of individuals enrolled in the schools in all such States and Terri-

tories and the District of Columbia according to such Census. Payments received under the provisions of this section shall be used by such States and Territories and the District of Columbia solely for the purposes of primary, secondary, and higher education."

Mr. President, personally I favor the amendment offered by the Senator from New Jersey [Mr. HENDRICKSON], as spelling out the method of distribution.

The Senate has already voted that these receipts, after 3 years, shall be dedicated to the cause of primary, secondary, and higher education.

The Hendrickson amendment spells it out by saying that the distribution shall be on the ratio of the school census. Personally I favor that method, because it seems to me to eliminate any controversy over the control of education. If the distribution is based upon a per capita basis, determined by the school census, there is eliminated to the maximum extent possible any controversy over the question of whether the Federal Government is entering into and dictating to the States in the field of education. It makes the money available to the States, and each State then can distribute the money within the State on the basis of the standards used by the State for the distribution of its own school funds.

Mr. PASTORE. Mr. President, will the Senator from South Dakota yield?

Mr. CASE. I yield.

Mr. PASTORE. Would the Federal census include the school population of private schools?

Mr. CASE. Yes. The language of the bill reads: "As the total number of individuals enrolled in the schools in such State or Territory or the District of Columbia, according to the latest Federal census," and so forth.

Mr. PASTORE. I should like to have a categorical answer. Is it a fact that all students in private schools would be considered in the formula to be used in respect to the amount of money that would be paid to each State, to be spent by it according to its own law?

Mr. CASE. Yes; it would be the equivalent of a school census in the various States of the students enrolled in the schools of the States. The distribution within the State would depend upon the State law. In my own State, in the distribution within the State, we use the formula stated in the pending bill in determining the apportionment of the money that comes from the endowment law. We have some lands in our State which were granted to the State of South Dakota when it was admitted into the Union, and the proceeds from the leasing of those lands and the income from the invested funds received from the sale of those lands go into the school fund, and the school fund is apportioned to the school districts of the State on the basis of the number of children of school age within each school district. Every year we take an annual census of children of school age, and each school district has an entitlement in proportion to the number of children within the school district to the total number of children of school age within the State.

Mr. AIKEN. Mr. President, will the Senator from South Dakota yield?

Mr. CASE. I yield.

Mr. AIKEN. Am I correct in understanding that the difference between the amendment which the Senator from South Dakota and the Senator from New Jersey [Mr. HENDRICKSON] offer and the amendment of the Senator from Alabama [Mr. HILL], which has been adopted, lies in the fact that the Hill amendment provides merely for setting the money aside, awaiting further action in regard to its distribution among the States, whereas the Case amendment provides for the actual distribution of the funds among the States, and does not require any further legislative action?

Mr. CASE. That is correct.

Mr. AIKEN. If the Case amendment should be adopted, the States would immediately begin to benefit from the law the year following the receipt of any income?

Mr. CASE. That is correct.

Mr. AIKEN. Whereas, under the Hill amendment it would be necessary for Congress to provide some means of distribution before the States could actually begin to share in the benefits?

Mr. CASE. That is correct. In order to avoid confusion, perhaps we should refer to the pending amendment as the Hendrickson amendment.

Mr. AIKEN. Very well. I did not notice which name was appended to it. As this money is distributed to the States, it will be used by the States in the same manner they use their own school funds. Is that correct?

Mr. CASE. That would be up to the States. The money would go to the States and Territories and the District of Columbia solely for the purpose of primary, secondary, and higher education. Those are the same words that are used in the Hill amendment.

Mr. AIKEN. But in the same way as the States spend their own funds?

Mr. CASE. That would be up to the States. Presumably that would be so.

Mr. AIKEN. It is in accord with the method which was twice approved by this body during recent years, each time by a vote of 58 to 13, as I recall.

Mr. CASE. I believe that is correct.

Mr. MUNDT. Mr. President, will the Senator yield for a question?

Mr. CASE. I yield.

Mr. MUNDT. Under the terms of the pending amendment, is it perfectly clear and definite that Indian children will be included in the school census and in the totals which are arrived at for each State? As I read the language, I believe that is the intent, but I should like to have it written into the RECORD at this point, because in legislative matters Indians have the unhappy faculty of finding themselves on the sidelines. Therefore I should like to have incorporated in the debate the clear statement that they are to be included in the school census.

Mr. CASE. I am glad to have my distinguished colleague bring up that point, but there can be no misunderstanding about it. Line 17 on page 2 of the bill reads: "As the total number of individuals enrolled in the schools in such State or Territory or the District of Columbia," and so forth. Certainly Indians are individuals enrolled in the schools.

Mr. MUNDT. I am convinced of it. However, while people sometimes think Indians are not citizens, I hope no one will allege that they are not individuals, and as such would be included in the school census.

Mr. CASE. They very definitely would be included.

Mr. FERGUSON. Mr. President, will the Senator from South Dakota yield?

Mr. CASE. I yield.

Mr. FERGUSON. I wish to find out the real distinction between the two amendments. As I understood, the Hill amendment provides for a general allocation of the income, if any, grants-in-aid of primary, secondary, and higher education. In the opinion of the Senator from South Dakota, will the grants-in-aid require matching in any way?

Mr. CASE. The amendment does not so provide. Probably the Senator from Alabama should give an authoritative answer on that point. I shall be glad to have him make answer.

Meantime, I point out that beginning at the bottom of page 1 of the Hill amendment, the following appears:

> Such moneys shall be appropriated exclusively as grants-in-aid of primary, secondary, and higher education.

So that matter would have to be handled by means of an appropriation bill or other legislation in the future.

Mr. HILL. Mr. President, if the Senator from South Dakota will permit me to do so, I should like to respond to the question of the Senator from Michigan.

Mr. CASE. Certainly; I yield for that purpose.

Mr. FERGUSON. I was asking whether further action would be required in connection with the grants-in-aid, as provided by the Hill amendment.

Mr. HILL. Congress would have to determine what future action should be taken. Under our amendment, these funds are dedicated to education. Congress would have to enact subsequent legislation providing a means of allocating the funds. This amendment is merely a dedication of the funds to education, and subsequently there would have to be enabling legislation.

Mr. FERGUSON. If Congress did not make arrangements for the distribution of the funds, no distribution would be made under the Hill amendment. Is that correct?

Mr. HILL. Yes; Congress would have to act. The amendment itself does not provide for the allocation.

Mr. FERGUSON. The Hill amendment uses the words "grants-in-aid."

Mr. HILL. They must be grants-in-aid to primary, secondary, and higher education; but the means or basis of the distribution would have to be determined by Congress by means of subsequent legislation.

Mr. FERGUSON. Does the Senator from Alabama also agree that the Hendrickson-Case amendment would permit such a distribution to be made at once?

Mr. HILL. I agree that it would attempt to have the distribution made at once, but I believe it would result in having the distribution made in the wrong way.

Mr. FERGUSON. Does not the Senator from Alabama agree to the method for the distribution proposed by that amendment?

Mr. HILL. I do not. I am very much opposed to the Hendrickson-Case amendment for that reason. In a moment I shall speak on that point.

Mr. FERGUSON. I shall await the Senator's remarks.

Mr. CORDON. Mr. President, will the Senator from South Dakota yield to me?

Mr. CASE. I yield.

Mr. CORDON. Is not the amendment of the Senator from New Jersey and the Senator from South Dakota the only amendment before us which provides that the net receipts from the outer Continental Shelf shall be paid to the several States for primary, secondary, and higher education?

Mr. CASE. The Senator from Oregon has made a valid point, and he has quoted practically verbatim from the amendment, because it provides, in part:

> After the termination of such national emergency shall be paid by the Secretary of the Treasury, within 90 days after the termination of the fiscal year in which received.

Mr. CORDON. Mr. President, will the Senator from South Dakota yield further?

Mr. CASE. I yield.

Mr. CORDON. Is not the so-called Hendrickson-Case amendment the one amendment which on its face guarantees that there will not be any interference by the Federal Government in connection with the payment of such funds? In other words, is not the amendment in itself complete?

Mr. CASE. That is true. Personally, my position is that I have been in favor of dedicating to education the revenues from these mineral resources. My position on that point was determined and established several years ago, before I became a Member of the Senate. I have consistently voted for amendments which worked in that direction. I voted for, and am a sponsor of, the Hill amendment because I believed it worked in that direction.

However, after some study of the question, I reached the conclusion that we should not leave the distribution to the vagaries of different Congresses, if we could possibly avoid doing so; we should not leave to the passing whims of different Congresses the determination of which of the various methods of appropriation and distribution, in various degrees, should be used or followed. Certainly I do not believe the Federal Government should tell the States how to use the money or how to divide it as between primary, secondary, and higher education.

I believe the money should be turned over to the States, and the States should be permitted to decide how it would be used for education, inasmuch as the States are nearer to the educational problems. The States themselves should be permitted to determine how much of the money they wished to devote to primary education, how much to secondary education, and how much to higher education.

That is why I have favored, and now favor, the method of apportioning the funds, that is provided by the so-called Hendrickson-Case amendment, so as to permit the States to determine how the funds shall be apportioned, and so as to permit the control of education to rest in the States, where it now rests.

Mr. CORDON. Is it not true that the so-called Case-Hendrickson amendment is the only amendment before the Senate which provides any yardstick or standard for allocation of the funds among the several States?

Mr. CASE. That is true, and the amendment does so on the simple basis of the number of students enrolled in the schools.

Mr. CORDON. Without that standard or some other standard, obviously the funds could not be apportioned. Is that not correct?

Mr. CASE. That is correct. Otherwise, every time the appropriation came up, the Federal Government could establish a different method of distributing the funds, and again we would be faced with the question of Federal control of education.

Although I am wholly in sympathy with the idea of having these funds used for education, and have consistently voted for such use, both when I served in the House of Representatives and during my service in the Senate, I believe we should firmly decide about this matter, or should firmly "nail it down," if possible, and should do so on the self-evident basis and the fair basis of the ratio between the total number of individuals enrolled in the schools of a particular State or Territory and the total number of individuals enrolled in the schools of all States and Territories and the District of Columbia, according to the Census.

Mr. FREAR. Mr. President, will the Senator from South Dakota yield to me?

The PRESIDING OFFICER (Mr. PURTELL in the chair). Does the Senator from South Dakota yield to the Senator from Delaware?

Mr. CASE. I yield.

Mr. FREAR. If the Hendrickson-Case amendment prevails, what control will the Federal Government have over education in the States?

Mr. CASE. None whatever—no more than the Federal Government has today.

Mr. FREAR. What students would be included and how would a census be made?

Mr. CASE. The amendment provides:

> Individuals enrolled in the schools in such State or Territory or the District of Columbia according to the latest Federal census.

Mr. FREAR. Will both private and public schools be included?

Mr. CASE. Yes.

Mr. FREAR. Do the words "higher education" include colleges and universities?

Mr. CASE. Yes; because later the amendment states: "solely for the purposes of primary, secondary, and higher education."

The amendment also refers to "the total number of individuals enrolled in the schools in such State or Territory or the District of Columbia."

Mr. FREAR. Suppose a student from Delaware entered a college in Pennsylvania. Which State would receive remuneration for him?

Mr. CASE. The allocation would be made on the basis of the location of the school. If a student from the District of Columbia entered a school in Delaware, Delaware would receive credit for that student.

Mr. FREAR. I thank the Senator from South Dakota.

Mr. GEORGE. Mr. President, I should like to ask a question.

Mr. CASE. I yield.

Mr. GEORGE. This question may have been covered heretofore. However, under the amendment, the State of New Jersey would receive all the money for the students at Princeton University, would it not?

Mr. CASE. Yes.

Mr. GEORGE. So under the amendment, the inevitable consequence would be that the larger portion of the funds would be given to the larger and richer States. Is not that true?

Mr. CASE. I think one would have to have the enrollment figures, in order to determine that.

Mr. GEORGE. Yes; but would not the inevitable result of the amendment be that it would give the greater proportion of the funds to the larger States, and therefore the richer States?

Mr. CASE. That would not necessarily be so. I think we would have to analyze the figures, in order to reach a determination on that point.

Mr. GEORGE. At any rate, New Jersey would be given credit for all the students at Princeton University, and Massachusetts would be given credit for all the students at Harvard University. Is not that true?

Mr. CASE. Yes.

Mr. HUNT. Mr. President, will the Senator from South Dakota yield to me?

Mr. CASE. I yield.

Mr. HUNT. I should like to ask the distinguished Senator from South Dakota if it is not true that practically every State has some rich and some poor school districts. In other words, some school districts have a high valuation, and some have a low valuation. Does not every State, in order to equalize the educational opportunities, allocate the funds under a so-called equalization method, in the case of the common-school funds? Is the Senator familiar with that?

Mr. CASE. In my State of South Dakota there is an equalization fund for the very purpose which the Senator mentioned.

Mr. HUNT. Let me ask the Senator does not that work very splendidly in equalizing educational opportunities?

Mr. CASE. It seems to work very well. In fact, we have maintained the practice for a number of years.

Mr. HUNT. Then does not the Senator agree with me that, instead of the Federal Government attempting to direct how the money shall be expended by

each individual State, we should allow the State legislatures and the State departments of public education to apply it in the best way, where it will do the most good?

Mr. CASE. That is exactly my contention.

Mr. KEFAUVER. Mr. President, will the Senator yield for a question?

Mr. CASE. I yield to the Senator from Tennessee.

Mr. KEFAUVER. In view of the fact that the only matters relating to this subject considered by the committee, and the only testimony given in the hearings, had to do with the disposition of the revenues from oil and gas on the outer Continental Shelf, and the purpose to which the funds would be devoted—that is, grants-in-aid to the States, or the reduction of the national debt—I wondered whether the Senator from South Dakota did not feel that the question of how the funds should be divided among the States ought to await further hearings and further consideration, in view of the many questions that have been raised here this afternoon.

Mr. CASE. Mr. President, the Senator from South Dakota presented that matter during the debate on the original so-called tidelands bill. The Senator from New Jersey [Mr. HENDRICKSON] spoke on the issue at that time. At page 5796 of the RECORD of June 1 appears a statement by the Senator from New Jersey, in which is incorporated a letter which the Senator from New Jersey addressed to the Senator from Oregon, the chairman of the Committee on Interior and Insular Affairs. So, this matter is not new. It has been presented before, and this particular issue was developed in the committee.

Mr. KEFAUVER. Does not the Senator feel that the question raised by the distinguishd Senator from Georgia, as to what State should be charged with responsibility for a student residing in one State but going to school in another State, and many other questions of that sort, should be inquired into and detailed testimony taken before a decision is reached? I cannot find any such testimony in the hearings on the pending bill.

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

Mr. CASE. I yield to the Senator from Vermont.

Mr. AIKEN. The question of the distribution of funds under Federal-aid-to-education proposals has been the subject of testimony before committees of this body for weeks and months, during the past few years. To boil it all down, the method of distributing the funds according to enrolled school population is very fair. I do not have the figures for this year, but 3 or 4 years ago I think New York would have received about 20 percent of the money based on the number of enrolled school children. The larger States, which pay greater amounts in taxes, would get more of the money. New York State pays about 23 percent of the Federal tax. Other States pay varying percentages. But let me state where the difference arises.

The amendment of the Senator from South Dakota would allocate the money according to the number of children in each State who are attending school. During the past few years we have had proposals to allocate the funds according to the number of children of school age; and there is a difference between those criteria, because some States are more assiduous in requiring school attendance than are other States. It is true that the States that require all their children to attend school, and enforce their truancy laws, would fare better under the amendment of the Senator from South Dakota than would those that are lax in enforcing the truancy laws, and do not require such regular attendance. That is the difference. But if we boil it down and go through the figures, as we have gone through reams of them within the past few years, it will be found that distribution on the basis of actual school attendance is a pretty fair method of distribution. If we try to require funds to be distributed in any way other than that in which each State uses its own school funds, we shall then get into difficulties. We shall be beset by lobbyists for this group and that.

As I stated earlier, the Senate has twice passed bills providing for Federal aid to education. We passed each of the bills by a vote of 58 to 13; and each time the bill provided that each State should spend the money in the same manner in which it spent its own money. But there is a difference between allocating the money on the basis of children of school age, and allocating it on a basis of school attendance; and I think there ought to be a difference.

Mr. CASE. That is correct.

Mr. AIKEN. There should be an incentive to send children to school.

Mr. CASE. I may say to the Senator that there is some argument for that position. In my own State, we found that when we apportioned our funds on that basis, the people in the several districts manifested more assiduity in seeing that their children were enrolled. It helps to create respect for the truancy law.

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

Mr. CASE. I shall yield to the Senator from Kentucky in a moment, but before doing so, I wish to make one change in the amendment. I make this change on my own responsibility, not having had an opportunity to confer with the Senator from New Jersey about it.

My original understanding of the amendment was that the enrollment would apply to the primary and secondary schools, up to the 12th grade. Until the question of the Senator from Georgia was asked, and until I answered that question, I would have had that understanding, but when I examined the amendment, I observed that when reference was made to enrollment in the schools, it would include by implication all classes of schools, primary, secondary, and the higher classes, which I may refer to as higher education.

My intent in discussing the amendment with the Senator from New Jersey [Mr. HENDRICKSON] was that the enrollment should apply to those who were enrolled in the primary and secondary schools.

So, Mr. President, under what I understand to be my right as a cosponsor of the amendment, and spokesman for the Senator from New Jersey, I would modify the amendment, so that in line 17, on page 2 it would read, "As the total number of individuals enrolled in the primary and secondary schools in such State and Territory or the District of Columbia according to the ratio that the latest Federal census bears to the total number of individuals enrolled"; and at that point to strike out the word "the" and insert "such", so that it would read, "enrolled in such school."

The question raised by the Senator from Georgia about counting the students who are enrolled in higher institutions of learning would then be avoided. Such students would not be counted. The distribution would be based upon enrollment of the students in primary and secondary schools. That would avoid the fear of overweighting it in favor of a State in which there was a large university attended by students from outside the State. Is that perfectly clear?

Mr. President, am I within my right in so modifying the amendment.

The PRESIDING OFFICER. The Senator is within his rights, and may modify the amendment accordingly.

Mr. CASE. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

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

Mr. CASE. I yield to the Senator from Kentucky.

Mr. COOPER. Mr. President, I should like to ask the distinguished Senator from South Dakota whether one effect of his amendment, if it should be adopted, would be to nullify the idea upon which Federal aid-to-education bills have been based; namely, that out of the sums of money set aside for aid to education——

Mr. KNOWLAND. Mr. President, a point of order.

The PRESIDING OFFICER. The Senator will state it.

Mr. KNOWLAND. I make the point of order that the Senate is not in order. We are unable to hear all of the debate.

The PRESIDING OFFICER. The Senate will be in order. The Senator from Kentucky may now proceed.

Mr. COOPER. I voted for the Hill amendment, and, also, when I was a Member of the Senate before, I was a cosponsor with the distinguished Senator from Ohio [Mr. TAFT] and other Senators of the Federal aid-to-education bill. I should like to ask the Senator from South Dakota if it is not a fact that those bills were based upon the idea that out of appropriations there should be allocated to the States, whose educational standards were below a certain minimum, funds in varying amounts, determined by need and other standards, to provide in those States a minimum expenditure for each schoolchild? I am certain the Senator is familiar with the principle and the philosophy upon which those bills were based.

Is it not true, worthy as the Senator's proposal may be, that if his amendment should be adopted, it would in effect

nullify the principle upon which the Federal aid-to-education bills were based; namely, the principle of giving aid to those States where a minimum educational opportunity has not been provided, upon the basis of need? Would it not be true that, to a degree, it would freeze present inequalities of educational opportunity among the States?

Mr. CASE. Mr. President, I could not accept that statement as being the complete story. I think it is perhaps true that some bills have been predicated on the idea of giving aid to the States with small economic resources. There have been different formulas. But that very fact points up the weakness in the Hill amendment, namely, that it makes subject to perpetual review the amount which will go to the various States. When we make grants-in-aid we base them upon that point.

I once had that kind of formula in a bill which I introduced in the House of Representatives, but after receiving protests from school superintendents and from persons who saw some possibility of the Federal Government's securing a controlling hand over the kind of education which would be offered by the schools in the various States to which aid might be granted, I abandoned it in favor of a per capita distribution, because it seemed to me that it kept the long arm of the Federal Government out of control of the little red schoolhouse. It seemed to me that it was more desirable to preserve local control over education in the States.

As the Senator from Wyoming [Mr. HUNT] has so well pointed out, the problem of schools with lesser opportunities or with smaller resources is a problem within the States, and the States can take care of it and place the money where it is most needed, without the Federal Government reaching the long arm of Washington's bureaucracy into the administration of local schools.

Mr. COOPER. A great many of the States have the so-called equalization principle. The very purpose of that principle is to allocate to areas within a State additional funds so that there may be educational equality of opportunity within the States. The Federal aid-to-education bills, as I remember, were bottomed on that idea. The Federal Government, in an effort to give aid or greater aid to areas which do not possess sufficient taxable wealth to provide educational funds, had in mind the equalization of educational opportunity throughout the country. That was the purpose of the Federal Government's entering into the field of education. The point I am raising—and, of course, I am aware that the Senator's amendment does make funds available to the States—is that the amendment kills the idea of the allocation of funds for the purpose of equalizing educational opportunity throughout the Nation.

Mr. CASE. I am glad the Senator has raised the issue. The amendment does kill the idea of the Federal Government's endeavoring to equalize, but it does not kill the idea of equalizing educational opportunity within the States. That is reserved to the States. Members of the Senate who believe in States' rights, who believe in retaining for the States and local school districts the determination of courses of study under the laws of the States, should be in favor of this amendment, because it does not destroy the idea of helping the districts which are a little behind or which are handicapped. It permits the States to make the determination, and not the Federal Government.

One thing which has entered into the whole discussion about Federal aid to education is the great fear which has been voiced by lay and clerical leaders, that when we have Federal aid to education we raise the specter of Federal controls of education. We try to reserve that power to the States and, through the States, to the local school districts.

Mr. DOUGLAS. Mr. President, is the Senator from South Dakota about to yield the floor?

Mr. CASE. I shall be glad to yield the floor at this time.

Mr. DOUGLAS. Mr. President, I rise to oppose the amendment of the Senator from New Jersey [Mr. HENDRICKSON] and the Senator from South Dakota [Mr. CASE]. For while I appreciate the good motives and fine intentions of these Senators, their amendment involves a matter of delusive simplicity in dealing with one of the most complicated questions that can be presented.

The amendment proposes that the funds available for education be allocated between the States according to the relative number of enrolled pupils in all schools, public and private, in primary and secondary institutions.

Mr. President, there are many weaknesses in this formula, and they have been touched upon during the debate. In the first place, while the Senator from South Dakota [Mr. CASE] has somewhat reduced the weakness of his formula by striking out higher institutions of learning from the basis of allocation, nevertheless, there is also a sectional element in connection with secondary education. There are many students from the West and Middle West who go to eastern and northern primary and secondary schools.

Therefore, this formula, while it is not quite so bad as that which was originally advanced, does discriminate against States where children of well-to-do families go East and North for their secondary education.

In the second place——

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

Mr. DOUGLAS. I yield.

Mr. HUNT. Having a great admiration for the knowledge possessed by the Senator from Illinois with reference to school and college matters, I should like to say to him, following the statement with a question, that we are at the present time in the throes of organizing a compact between 11 Western States with reference to higher education as it pertains to the professions of medicine and dentistry. I should like to ask the Senator from Illinois if he thinks the pending amendment would work disadvantageously to my State of Wyoming with reference to education in medicine and dentistry.

Mr. DOUGLAS. I would say that under the modification which the Senator from South Dakota has attached, it would not do so in the case just cited because, as I understand, he has now ruled out students in higher institutions of learning, so that the issue is simply as to the relative numbers in primary and secondary schools.

Mr. HUNT. Then, I understand the Senator to say that in the particular situation of which I speak, in which we contemplate making up the additional costs of education over and above tuition—and let me say that instruction in medicine and dentistry costs a student approximately from $3,000 to $3,600 a year—we would receive, under the pending amendment, an amount much smaller than our expense in educating boys in medicine and dentistry.

Mr. DOUGLAS. The former amendment would have discriminated against Wyoming; but now that it has been modified there is no discrimination on this point. But to the degree that Wyoming boys go to Groton or St. Marks or St. Paul, or to some school in California, there would be discrimination. Massachusetts and California would get the money for the Wyoming boys.

In the second place, as the Senator from Vermont mentioned, average attendance is a much better unit of measurement for allocating funds than enrollment. If the mere numbers enrolled were to be considered, it would be to the advantage of a State to have a large number of children enrolled, but not to enforce the attendance laws.

Senators who have been governors—and I suppose that about a third of the membership of the Senate are former governors—will realize the importance of this factor in dealing with a distribution formula within a State. Average attendance is a much better formula than total enrollment. This is true between, as well as within, States.

In the third place there is the very vexing question of the relationship of private educational institutions to public educational institutions. This is the most difficult issue with which we have to deal, and we should be fair to both groups. I can only say that a very large and thoroughly patriotic section of the American community believes that a formula which is used simply to turn money over to States on the basis of total enrollment in all schools is an unfair formula.

Connected with that issue are all kinds of subsidiary issues, such as the financing of the transportation of pupils, health care, school books, and the maintenance and construction of the schools themselves. This democracy of ours will have to work out a solution of these problems. I think a solution can be worked out in time, but I am quite certain that the formula here proposed is not the solution. I believe that if it is persisted in, it will not only set back the cause of education, but will also create cleavages in our society, which we do not wish to have.

Finally, the formula has no relationship to the taxing ability of the various States to support education. While there are vast differences within States

there are also great differences between States. I hope my friends from the South will not object if I say that, on the whole, the per capita income, or average income, per school child is appreciably lower in the South than it is in the North. Figures for the late 1940's indicated that the taxable income, or income per school child, was approximately one-third in Mississippi what it was in Connecticut or New York. That difference is being narrowed, thank the Lord. Perhaps now the ratio is nearer one-half than one-third, but the differences are very appreciable.

I am well aware of the fact that my own State of Illinois would get a larger total sum of money in a distribution made according to school population than if the need factor were taken into account. Nevertheless, I have discussed the issue with people in my State, and I think the general sentiment is that areas of the country which are in greater need should be helped to bear their burdens. An examination of the figures will disclose that the Southern States spend a larger fraction of their income for education than do most of the Northern and Western States. There is nothing wrong with the South in their readiness to support education. They simply do not have a large per capita income which they can tax. It is lack of means and not lack of will which holds them back.

I submit that this is a national issue, and that those of us who come from wealthier States should help bear this burden, for two reasons. In the first place, many issues with which Congress deals are national issues. From the standpoint of national defense and a wise citizenry it is to the advantage of us all that young Americans everywhere should have good health and a decent minimum of education. I believe it is the national responsibility, not to have an absolute equality of educational opportunities, but to give at least a minimum of educational opportunities to all—a minimum below which no citizen will fall. I may say that this can be achieved without any Federal control whatsoever of the context of education. I would be opposed to that.

Mr. CASE. Mr. President, will the Senator yield for a question?

Mr. DOUGLAS. May I first finish my statement? Then I shall be glad to yield for a question.

Secondly, there is a migration of labor from the South to the North, and now to the West, so that States which bear the burden of educating children do not necessarily inherit the citizens whom they train. That has been one of the great difficulties of the counties in the Appalachian Mountain area, so to speak, which runs through so many States. The children from those counties must be educated by the counties, but when the children become adults, they go North and West, and there is an erosion of population. I say that in no invidious sense whatsoever. Therefore, the States which inherit this population should help bear the burden of educating the population which comes to them. Believe me, that is no theoretical issue for us in Illinois. I shall not go further into that matter, but Senators, by using their imagination, can understand what I mean.

Therefore, while it would be to the narrow economic advantage of my State to have the formula proposed by the Senator from South Dakota, I do not believe it would be in the national interest, and in the long run I do not believe it would be in the interest of Illinois or of the wealthier States.

I do not wish to finish by piously quoting Scripture, if it is not appropriate to do so. However, it is certainly true that within our Nation the principle is correct that we should "bear one another's burdens," at least within limits. The low income of the South is not the fault of the South; it has been the result, partly, of historical accident, and also of high tariffs and high railroad rates that the North has imposed upon the South. If there is to be a reconciliation of the sections of the country, it is about time we swept away those impediments, on the one hand, and assumed some national responsibility for sectional difficulties which have been created by forces beyond sectional control.

I yield now to the Senator from South Dakota.

Mr. CASE. The Senator from Illinois is a great economist, and is so recognized on the basis of his studies. Would he say that larger families occur among people of high income, or is it not true that larger families are found among people of relatively lesser income?

Mr. DOUGLAS. Certainly that was true up until 10 years ago. Of course, there is now a tendency for those with higher incomes to have more children than they did formerly.

Mr. CASE. Is it not possible that that fact would modify the fear that the Senator has expressed, that the South would not fare a little better under this amendment, if it is based upon school population?

Mr. DOUGLAS. It may be that those forces will work themselves out in the long run. However, in the short run the fact is that Southern incomes per schoolchild are, say, half what the average incomes are in the wealthier Northern States, and somewhat below the national average. As I say, that is not the fault of the South. It is simply a matter of fact. In view of that fact, I think that we in the North and the West should assume some degree of national responsibility.

Mr. STENNIS. Mr. President, will the Senator yield for a question?

Mr. DOUGLAS. I yield.

Mr. STENNIS. I wish to commend the Senator from Illinois for one of the finest statements I have ever heard on this subject from a national viewpoint. He has not only accurately stated the facts with reference to this matter, as I see them, but has also stated them fairly.

My State of Mississippi is frequently pointed to as being at the bottom of the low-income group. However, a few years ago my State voted the highest proportion of its taxable dollar to education of any State in the Nation. It is now not far from the top in that category.

We are not particularly asking for aid to our educational programs. Certainly we are not begging for aid. I am very glad to support the Hill amendment, because I believe it will be worked out on a proper basis by the time the money gets to the individual schools.

I wish especially to commend to all Senators the excellent statement made by the Senator from Illinois [Mr. DOUGLAS] with respect to the problem and the facts in connection with what I believe to be a sound national course to pursue.

Mr. DOUGLAS. I thank the Senator from Mississippi. He is one of the finest and most considerate gentlemen I have known. All of us should understand that the Hill amendment does not commit Congress to any formula. It does provide time in which to work out a formula. The issue is so complicated that we need time in which to consider it and to try to reconcile the various groups. We should not hurriedly vote into effect the delusively simple formula of the Senator from South Dakota [Mr. CASE], which, upon examination, is seen to have so many unfairnesses in it.

Mr. AIKEN. Mr. President, we have a very clear question before us this afternoon. I am not impressed with the argument against the Case amendment. I am not impressed with the statement of the Senator from Illinois [Mr. DOUGLAS] that we need more time—more time—more time. We have held hearings on the question of Federal aid to education lasting literally over months. At last we have an opportunity to show to those interested in schools and education whether we really favor Federal aid to education or whether we have seized upon the Hill amendment as a fat, juicy political issue which can be used over and over again for the next 10, 20, or 30 years. I say that the vote we take this afternoon on the Case amendment will show definitely whether or not we are sincere in voting for the Hill amendment.

We know all the little matters—and they are big matters to some people—which arise in a hearing. We know the religious issue which will be injected, and which has killed Federal aid to education more than once up to this time. We know the arguments which will be made for giving this State more, or that State more, or this type of school more, and the arguments as to what grades we should support.

The manner in which the Senator from South Dakota proposes to settle this problem is the only way that, within the next generation, we can succeed in giving any Federal aid to education. Do we believe in States' rights? If we do, let the States spend this money as they spend their own money, and not try to bind them by intricate formulas so that the Federal Government will tell them how to operate each and every school, from the primary grades up to the colleges.

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

Mr. AIKEN. I yield.

Mr. CORDON. I agree 100 percent with the Senator from Vermont.

Mr. AIKEN. I thank the Senator from Oregon.

This is an opportunity to show the country where we stand on this issue. We have an opportunity to do it. If we do not do it now, we shall not do it for perhaps the next generation, if ever; or if we do, we may do it in such a way that we shall sincerely regret our action.

What is the use of saying that we are going to give the States some money for education, and then limiting them so that they cannot obtain a cent of money? Let us give it to them if we are going to give it to them.

The proposal of the Senator from South Dakota is eminently fair. There is no such thing as an absolutely fair formula for the distribution of these funds; and any law we enact will be subject to ironing out the inequities through subsequent legislation. But if we want to provide money for education—and God knows, every school in the country, from the primaries through the universities, is desperately in need of funds—we shall never have a better opportunity to do it than we have now.

The proposal of the Senator from South Dakota might give one State a little more under this formula than it would receive under some other formula. However, as I have stated, no formula is exactly correct. The extension service is based upon rural population. I have heard no complaints as to the workings of that system. This proposal is based upon school enrollment. As the Senator from Illinois has said, school attendance would probably be a better measure in the long run. We can change the formula later. But let us show the country today that the Congress actually favors desperately needed Federal aid to education, and is not simply shadowboxing by enacting legislation which will not give the States a single dollar until we wrangle through the next 10 or 20 years deciding how to apportion it.

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

Mr. AIKEN. I yield.

Mr. HICKENLOOPER. Am I correct in my view that the Hill amendment does not give anything to the schools?

Mr. AIKEN. Not a cent. I voted for it as a first step.

Mr. HICKENLOOPER. I voted against it, because I do not think it would accomplish anything.

Does the Senator agree with me that under the Hendrickson-case amendment there is an opportunity for those who have talked the most, and occupied the most time in the Senate asserting their desire to aid the schools, to provide an assurance that if there are to be any revenues from the Continental Shelf oil lands they will go to the schools? This is an opportunity for positive action along that line, is it not?

Mr. AIKEN. The Senator is entirely correct.

It has been said that we should study the contributions for health, the contributions for transportation, and the contributions for this, that, and the other. I maintain that that is not the business of the Congress. That is the business of each individual State. The States should use the Federal money in exactly the same way they use their own State money. If they spend State money transporting Catholic children to parochial schools, as some States do, or if they pay tuition to Methodist schools, as some States do, they should be permitted to do the same thing with this money. If we really want to maintain States' rights, certainly we must maintain them first in the field of education.

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

Mr. AIKEN. I yield.

Mr. HICKENLOOPER. Does it not seem to the Senator from Vermont to be rather inexplainable, or at least incompatible, that those who have talked the most about actually doing something for schools, and who now have an opportunity, are fighting the Case amendment, which would accomplish something?

Mr. AIKEN. I do not know that it is inexplainable or incompatible, but I think it is entirely indefensible.

Mr. HILL. Mr. President, I think the amendment offered by the distinguished Senator from New Jersey [Mr. HENDRICKSON] and the disinguished Senator from South Dakota [Mr. CASE], however sincere they may be, and however earnest they may be, about trying to get some Federal aid for our schools, would be very unfair. It would count all children in all schools—both in the public schools, the nonpublic schools, and all private schools—but only the public schools would get the benefit. It would mean that the States which have many private schools would be receiving money on the basis of the enrollment in those private schools, but no money would go to the private schools.

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

Mr. HILL. I yield.

Mr. AIKEN. Does the Senator contend that any State should be deprived of the right to pay tuition to a private school?

Mr. HILL. The Senator knows that most of the States have provisions in their State constitutions that public funds shall not go to private schools.

Mr. AIKEN. Not most of them.

Mr. HILL. Yes. If the Senator will look at the History of Education, by Coverly, he will find a long list of them.

The Senator also knows that the Supreme Court of the United States said in the Everson case that public funds should not go to private schools.

Mr. AIKEN. Mr. President, will the Senator yield for another question?

Mr. HILL. I yield.

Mr. AIKEN. Does the Senator believe that by postponing this issue, the question of actually allocating the funds to the States, and continuing to quibble and quarrel over the method of distribution for the next 20 or 30 years, we shall be promoting the cause of education?

Mr. HILL. The Senator has gone into the field of imagination with all kinds of exaggerations.

Mr. AIKEN. It is not exaggeration.

Mr. HILL. I do not believe that it will require 20 years. I have full faith in the Congress. I believe that if we dedicate the funds, as provided by the amendment just adopted, the Congress will meet its duty and responsibility and enact legislation providing a method and machinery for fair and equitable allocation of the funds.

The Case amendment provides that during the present national emergency the funds shall be used only for such urgent developments essential to the national defense and national security as the Congress may determine.

We do not know how long the national emergency may continue. Under the amendment which the Senate has just adopted, an amendment sponsored by some 35 Members of the Senate, and which I had the honor to offer, it is provided that for the period of the next 3 years the funds may be used for urgent developments essential to the national defense and the national security as the Congress may determine.

The Senate should know, and does know, that there are no funds immediately available. It will require time to bring about the development of the areas of the Continental Shelf. It will be some time before there will be any considerable funds. The Congress could not give the States any money from this source today, because the funds are not available. Time will be required to bring about development.

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

Mr. HILL. I yield to my friend from Oklahoma.

Mr. KERR. The Senator from Vermont [Mr. AIKEN] has indicated that the adoption of the Case amendment is necessary to lodge in the respective States the authority to disburse the money as each State sees fit. Is it not a fact that the Case amendment would determine how much of the money a State would get, not how the State would spend what it did get?

Mr. HILL. The Senator is exactly right. Whenever the Senate has acted on the subject—and the last time was on the Taft bill, sponsored by the distinguished majority leader—the Senate has left it entirely to the States as to how the money shall be spent. We provided merely that the money shall be allocated to the States on a fair and equitable basis; so fair and equitable, that the vote on the bill was 59 in favor of it, as against 19 opposed to it, I believe.

What the amendment offered by the Senator from New Jersey [Mr. HENDRICKSON] and the Senator from South Dakota [Mr. CASE] would do would be to give the money to the States on what I think would be a wholly unfair basis, and it would be wholly unfair to the States.

It would be unfair to small States. The States with many private schools would get the bulk of the money, even though none of the money would be given to the private schools. If the Senator from Oklahoma sent his son to one of those secondary schools—and we know there are many of them in some States, such as Exeter, Groton, and others—his son would be counted against the money that would be given to the State of Oklahoma.

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

Mr. HILL. I yield.

Mr. KERR. Then it is a fact, is it not, that the defeat of the Hendrickson-Case amendment would not change the situation one iota with respect to the States still having full authority to disburse the money on the basis they saw fit to establish, and without any control by the Federal Government?

Mr. HILL. The Senator is exactly right.

I do not wish to delay the Senate, and I do not wish to labor this question.

The Senator from Georgia [Mr. GEORGE] put his hand on the crux of the whole thing when he asked the question about Princeton University. The Senator from South Dakota [Mr. CASE] modified his amendment, but he did not change the purpose at all, because so far as secondary and elementary schools are concerned, they are still used as the basis. The children in all secondary and elementary schools, including those in private and nonpublic schools, are used as a basis in distributing the money to the States, but the money is expended only for the children in the public schools. Not one dollar can be given to the private schools. Those schools, nevertheless, are included in the basis. Many of the private schools are splendid schools, as we know, but only a few of them are located in the smaller States.

The Senator from Illinois [Mr. DOUGLAS] spoke about the question of equalization. And the Senator from Kentucky [Mr. COOPER] asked a question about it. I do not wish to labor the point, but I should like to call the attention of the Senate to a few words spoken by Mr. William G. Carr, executive secretary, National Education Association. He bases his statement on the study that had been made by a commission appointed by President Eisenhower when the latter was president of Columbia University. This is what Mr. Carr said:

> One and one-half million young men out of 18 million registered for the Armed Forces during the last war presented a serious educational problem. The same report of The Uneducated—

That is the Eisenhower Commission report—

> shows that this problem is closely related to the availability of good schools. The 12 States with the highest educational expenditure a decade earlier had a rejection rate during the war of 1.3 percent. That is rather low. The 12 States with the lowest educational expenditure a decade earlier had a rejection rate during the war of 9.1 percent. The same study declares, and I quote:
>
> "It is beyond argument that the Armed Forces were handicapped in the scale and speed of their mobilization in World War II by being forced to make a series of special adjustments to cope with the very large number of illiterate and poorly educated persons in the draft eligible ages."

In other words, the States that did not have great taxable wealth had nine times as many rejectees as the wealthier States, even though the evidence, as given before the Committee on Labor and Public Welfare, shows that the low-income States are devoting a greater part of their income and taxable wealth to education than are the high-income States.

As the Senator from Kentucky has so well said, what better evidence do we need that the Case amendment should not be agreed to than the fact that the Senator has been forced on the floor of the Senate to change his amendment? It has not been carefully considered or thought through. Any legislation providing for the distribution of these funds should be considered by the appropriate committee and should be carefully weighed and considered.

Mr. President, we know that in the early years these funds may not be large. It may not be to the national interest to spread them too thin. This afternoon I called attention to the fact that Dr. Waterman, the Chairman of the National Science Foundation, in testifying before the House Committee on Appropriations a few days ago, declared that in 1955 Russia would be turning out 50,000 engineers and we in the United States would be turning out fewer than 20,000 engineers. It may be wise from the standpoint of national defense—and, after all, Congress has no greater responsibility under the Constitution than to provide for the defense—in the early years, when the funds are small, to use them for a special purpose, such as the training of engineers, for example, who are vital to the defense of our country. We could not, in my judgment, do a more unwise thing and a more unfortunate thing than to adopt the Hendrickson-Case amendment.

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

Mr. HILL. I yield.

Mr. McCLELLAN. I should like to ask the distinguished Senator from Alabama—and I should like to ask the distinguished Senator from South Dakota [Mr. CASE] if he will give me his attention also—if we are seriously to consider the Hendrickson-Case amendment, making provisions for the distribution of the funds, whether the Senator from Alabama would agree with me, if we are to go into that phase of the subject in this proposed legislation, it would be wise to amend the pending amendment by inserting as subparagraph (c) at the end of the second page of the amendment, following line 25, the language which constitutes the policy provision or policy section of the Federal education bill, which the Senate has passed twice heretofore. It reads as follows:

> Nothing contained in this act shall be construed to authorize any department, agency, officer, or employee of the United States to exercise any direction, supervision, or control over, or to prescribe any requirements with respect to any school, or any State educational institution or agency, with respect to which any funds have been or may be made available or expended pursuant to this act, nor shall any term or condition of any agreement or any other action taken under this act, whether by agreement or otherwise, relating to any contribution made under this act to or on behalf of any school, or any State educational institution or agency, or any limitation or provision in any appropriation made pursuant to this act, seek to control in any manner, or prescribe requirements with respect to, or authorize any department, agency, officer, or employee of the United States to direct, supervise, or control in any manner, or prescribe any requirements with respect to, the administration, the personnel, the curriculum, the instruction, the methods of instruction, or the materials of instructions, nor shall any provision of this act be interpreted or construed to imply or require any change in any State constitution prerequisite to any State sharing the benefits of this act.

Mr. President, that provision was written into the Federal-aid-for-education bill. I offered that provision as an amendment to the first Federal-aid-for-education bill which came before the Senate after I became a Member of the Senate. At that time the amendment was adopted. It has been included in every subsequent Federal-aid-to-education bill which has been introduced, so far as I know, or certainly in every such bill which has been passed by the Senate during that time.

In my opinion that provision not only is incidental to but is inseparable from any provision for the distribution of such funds. I am not willing to vote for any formula for the distribution without having that provision included or without having an even stronger one included, if a stronger one can be worded properly.

Mr. HILL. Mr. President, as the Senator from Arkansas has said, that provision has been included in every Federal-aid-to-education bill.

Mr. McCLELLAN. Mr. President, I have read from the 1949 bill. Certainly that provision or an even stronger one, if one can be worked out from the point of view of States rights, is absolutely essential as a part of any measure by means of which we legislate in connection with the distribution of these funds.

Mr. HILL. That provision has been included in all such bills.

Mr. President, I yield the floor.

Mr. CASE. Mr. President, I believe that clarifies the matter. The amendment of the Senator from Alabama needs such a provision. The amendment offered by the Senator from New Jersey and myself does not need it. That is the whole point. Of course, I have no objection to having that provision included.

Mr. McCLELLAN. Mr. President, the Hill amendment does not provide for the distribution of the funds.

Mr. CASE. That is why it needs such a guaranty.

Mr. McCLELLAN. This provision is an indispensable part of any measure undertaking to make a distribution of the funds, whether it is undertaken under the Hill amendment or under the Hendrickson-Case amendment. If we are to protect the States and if we are to make certain that there will not be Federal control, such a provision must be included in the bill.

Mr. CASE. But the amendment of the Senator from New Jersey and myself provides that the funds shall be paid, and no condition is attached.

Mr. McCLELLAN. The provision I have stated seeks to make certain that no conditions can be attached.

I say to the Senator from South Dakota that if a satisfactory formula is worked out and is accompanied by these provisions, so as absolutely to protect

against any encroachment upon States rights, I would be inclined to go along with such a measure.

Mr. CASE. Personally, Mr. President, I have no objection to the inclusion of such a provision. I think it could very well be included in either amendment. Certainly such a provision needs to be included as a part of the Hill amendment.

Mr. McCLELLAN. Mr. President, will the Senator from South Dakota accept this provision as an addition to or modification of his own amendment?

Mr. CASE. Certainly. I shall be glad to have it added to the amendment.

The PRESIDING OFFICER. At this time the Senator from South Dakota cannot modify his amendment, inasmuch as the yeas and nays have been ordered, unless unanimous consent is given for that purpose.

Mr. CASE. But by means of unanimous consent, such a modification could be made, could it not?

The PRESIDING OFFICER. Yes.

Mr. FERGUSON. Mr. President, will the Senator from South Dakota explain what he is trying to accept as a modification of his amendment?

Mr. CASE. I have said that I am perfectly willing to have the so-called McClellan amendment added as a part of or a modification of the so-called Hendrickson-Case amendment.

The PRESIDING OFFICER. The Senator from South Dakota can modify his amendment at this time, if unanimous consent is given.

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

Mr. CASE. I yield.

Mr. FERGUSON. What would the McClellan amendment do?

Mr. CASE. That amendment by very firm language attempts to state that no condition shall be attached to the use of the money, when it is distributed to the States.

Mr. FERGUSON. I hope the Senator from South Dakota will accept such a modification of his amendment.

Mr. CASE. Mr. President, I ask unanimous consent that the so-called McClellan amendment may be added as a modification of the so-called Hendrickson-Case amendment.

The PRESIDING OFFICER. Is there objection to the request of the Senator from South Dakota for that modification of the so-called Hendrickson-Case amendment, which is offered as a substitute for section 9 of the bill, as amended?

Hearing no objection, the modification will be made.

Mr. LONG. Mr. President, before the vote is taken, I wish to suggest an additional amendment.

Mr. CASE. Mr. President, I shall be glad to yield in a moment.

Let me say that the issue was never better stated than when it was stated by the distinguished Senator from Oklahoma [Mr. KERR], who referred to the so-called Hill amendment as it compares with the so-called Hendrickson-Case amendment.

Both amendments provide that the purpose of granting the funds shall be for primary, secondary, and higher education. The Senator from Oklahoma asked the Senator from Alabama whether it is true that the Hendrickson-Case amendment determines how much each State will receive, and not how each State shall spend the money. That is true, Mr. President.

Our amendment merely provides how much of the fund each State shall receive. Our amendment does not attempt to determine how the money shall be spent by the States.

The weakness and difficulty of the Hill amendment is that it attempts to reserve to Congress the right to say how the States shall spend the money. Certainly we should determine only how much help the Federal Government will give the States, and not how the States shall spend the money they receive. We should only provide the broad purposes for which the money shall be used.

Mr. KERR. Mr. President, will the Senator from South Dakota yield for a question?

Mr. CASE. I yield.

Mr. KERR. Is it not a fact that defeat of the Hendrickson-Case amendment would not in any way result in directing how the States shall spend the money, when and if they finally get any of it?

Mr. CASE. Mr. President, if the Senator from Oklahoma is merely interested in defeating the amendment because it happens to be offered by the Senator from New Jersey [Mr. HENDRICKSON] and myself, I reply that that would accomplish that purpose. The condition applying to the grant of these funds for the benefit of education has been established by a vote without regard to party alinement. I have voted for every amendment which has been offered, either to this bill or to the preceding bill, which had the purpose of making some of these revenues available in aid of education. The Senate is now on record, by reason of the votes of Senators on both sides of the aisle; and we should not speak in terms of defeating an amendment in order to accomplish a purpose.

Mr. KERR. Mr. President, will the Senator from South Dakota yield for a question?

Mr. CASE. I yield.

Mr. KERR. I wish to say to my distinguished friend from South Dakota that no Member of the Senate would be more persuasive to me by reason of being the author of an amendment. The Senator from Vermont, as I understand him, made an argument in favor of the amendment of the Senator from South Dakota and the Senator from New Jersey, on the ground that the adoption of the amendment is necessary in order to free the States of Federal control of their educational operations under the benefits accruing from the provisions of this bill.

My question was only for the purpose of making it clear that under the amendment offered by the distinguished Senator from South Dakota and his colleague from New Jersey, the main purpose is to provide a formula for determining what percentage of this money a State shall receive rather than to provide that each State shall be free from Federal control of its educational operations in connection with the expenditure of the money.

I submit to my good friend that in so doing, certainly no reflection was cast upon the amendment by reason of its authors, because so far as I am concerned, just the opposite would be the case.

Mr. CASE. I appreciate very much the statement the Senator from Oklahom has made.

Mr. KERR. But I feel that this is not the time or the place—here on the floor of the Senate—to try to work out the formula. I call the attention of the Senate to the fact that, as I understood it, the sole purpose of the amendment was to determine the percentage which an individual State would receive of the total amount, not to fix it so that it would be any more free of Federal control than it would be in the absence of the adoption of the amendment of the distinguished Senator.

Mr. CASE. Mr. President, we do have the purpose of trying to avoid the question of determining how the States shall spend the money. The amendment clearly says that the money shall be paid to the States—period. It ends there. It does not say we will set up a system of grants-in-aid, with the conditions of the grants-in-aid to be determined later; it says the money shall be paid to the States, and it winds it up there.

What the Hill amendment proposes is to reserve to the Congress the question of determining later on how the money shall be spent, and what the conditions for the grants-in-aid shall be. I submit to the Senate that that we ought not to consider on the floor of the Congress of the United States the question of determining how the States shall spend the money after they get it. I yield the floor.

Mr. COOPER. Mr. President, I assure Senators that I shall not speak for more than a few moments. I shall not have time to discuss each of the points that have been raised in the debate. I have been interested in this subject for a long time, and, when I was in the Senate for a short period, in the 80th Congress, I joined, with the distinguished Senator from Vermont [Mr. AIKEN] and the distinguished Senator from Ohio [Mr. TAFT] in the introduction of the Federal aid-to-education bill, which was passed by the Senate during the 80th Congress. Similar bills have passed the Senate.

I should like to make my position on this question clear. It has been suggested that those who have said they were interested in providing educational aid to the State would deny that interest if they oppose the amendment proposed by the distinguished Senators from South Dakota and New Jersey. To me there is a distinct difference in principle between the amendment proposed by my good friend from South Dakota [Mr. CASE] and the amendment of the distinguished Senator from Alabama [Mr. HILL]. The amendment of the Senator from Alabama [Mr. HILL] dedicates the proceeds of the royalty from the Continental Shelf to education, but does not

prescribe the method of allocation to the States. It holds the possibility of an allocation by the Congress to the States upon the basis of their need. The Case amendment does not consider the relative needs of the States but allocates to all on the same formula, needy or not. There is controversy about all these Federal-aid proposals. Some arise from the 1st amendment of the Constitution, made applicable to the States by the 14th amendment. There is also a fear of control by the Federal Government—a fear which most of us share.

It has always seemed to me that the best reason for appropriation of money by the Federal Government to the States in aid of education was to equalize educational opportunities among the States. The fact is that many States—and not through any fault of theirs but because of the lack of taxable wealth—have not been able to provide the funds necessary for adequate teaching, teachers' salaries, and for minimum educational standards for the children living within their boundaries. It has been said—and it is true—that if the Hendrickson-Case amendment is adopted, and if any money should be derived from the oil and other resources in the Continental Shelf, that at least some funds would be provided these needier States. But if this is done, we shall have adopted its formula and a principle which will not be later changed. It will preclude the application of the principle which has been the basis of the whole idea of Federal aid to education—the principle of variable allocations to the States, based on need.

There are many who do not agree with the principle. I am one of those who believe that it is the only method of providing a measure of educational equality throughout the country, a way of raising educational minimum standards in States of less taxable wealth. The principle of equalization between sections within a State has been adopted, as the Senator from South Dakota has said, by most of the States. The same principle of equalization between the States is the basis of the idea of Federal aid to education.

I would like to say, before I close, that while I voted against the Holland bill when it was considered heretofore, and while I voted for all amendments which would give aid to education within the States, I never believed that any great sums of money would become immediately available. I must say I was surprised, at times, by the exaggerated claims which were made as to the sums which would become available. But certainly some amounts will be available; I must say that, if we adopt the principle of the Hendrickson-Case amendment, worthy as it may be, so far as it provides some funds for education, it would deny and defeat the idea for which my good friend from Vermont [Mr. AIKEN] fought, which the Senator from Ohio [Mr. TAFT] fought, and for which many of us in the 80th Congress fought. That was to provide a formula which would in reality move toward equality of educational opportunity between the States, rather than merely a windfall to the States.

The PRESIDING OFFICER. The question is on agreeing to the modified amendment offered by the Senator from New Jersey [Mr. HENDRICKSON], for himself and the Senator from South Dakota [Mr. CASE], as a substitute for section 9, as amended.

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

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. KNOWLAND. Mr. President, after consultation with the Senator from South Dakota [Mr. CASE], who suggested the absence of a quorum, and with his approval, I ask unanimous consent that the order for a quorum call be rescinded, and that further proceedings under the call be dispensed with.

The PRESIDING OFFICER (Mr. BENNETT in the chair). Without objection, it is so ordered.

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

The PRESIDING OFFICER. The Senator will state it.

Mr. KNOWLAND. Am I correct in my understanding that the yeas and nays have been ordered on the pending amendment, which is the Hendrickson-Case amendment, as modified?

The PRESIDING OFFICER. The yeas and nays have been ordered.

The question is on agreeing to the modified amendment offered by the Senator from New Jersey [Mr. HENDRICKSON] for himself, and the Senator from South Dakota [Mr. CASE], as a substitute for section 9, as amended. The yeas and nays have been ordered, and the clerk will call the roll.

The Chief Clerk called the roll.

Mr. BARRETT. Mr. President, I have a pair with the senior Senator from New Jersey [Mr. HENDRICKSON]. If he were present and voting, he would vote "yea." If I were at liberty to vote, I would vote "nay." I therefore withhold my vote.

Mr. LONG (after having voted in the negative.) I have a pair with the junior Senator from Minnesota [Mr. HUMPHREY]. If he were present and voting, he would vote "nay." Inasmuch as I have voted "nay," I permit my vote to stand.

Mr. SALTONSTALL. I announce that the Senator from Michigan [Mr. POTTER] is absent on official committee business.

The Senator from New Hampshire [Mr. BRIDGES], the Senator from New Jersey [Mr. HENDRICKSON], the Senator from Wisconsin [Mr. MCCARTHY], the Senator from Ohio [Mr. TAFT], and the Senator from Oregon [Mr. MORSE] are necessarily absent.

If present and voting, the Senator from Wisconsin [Mr. MCCARTHY] would vote "yea," and the Senator from Oregon [Mr. MORSE] would vote "nay."

The Senator from New Hampshire [Mr. TOBEY] is absent by leave of the Senate. If present and voting, the Senator from New Hampshire [Mr. TOBEY] would vote "yea."

The Senator from New York [Mr. IVES] is absent by leave of the Senate, having been appointed a delegate to attend the International Labor Organization Conference at Geneva, Switzerland.

Mr. CLEMENTS. I announce that the Senator from Virginia [Mr. BYRD], the Senator from Mississippi [Mr. EASTLAND], the Senator from Iowa [Mr. GILLETTE], the Senator from Minnesota [Mr. HUMPHREY], the Senator from Oklahoma [Mr. KERR], and the Senator from Nevada [Mr. MCCARRAN] are absent on official business.

The Senator from Arkansas [Mr. FULBRIGHT] is absent by leave of the Senate.

The Senator from North Carolina [Mr. SMITH] is necessarily absent.

I announce further that, if present and voting, the Senator from Arkansas [Mr. FULBRIGHT], and the Senator from Oklahoma [Mr. KERR] would vote "nay."

The result was announced—yeas 37, nays 42, as follows:

YEAS—37

Aiken	Dworshak	Mundt
Beall	Ferguson	Payne
Bennett	Flanders	Schoeppel
Bricker	Goldwater	Smith, Maine
Bush	Griswold	Smith, N. J.
Butler, Md.	Hickenlooper	Thye
Butler, Nebr.	Jenner	Watkins
Capehart	Knowland	Welker
Carlson	Kuchel	Wiley
Case	Langer	Williams
Cordon	Malone	Young
Dirksen	Martin	
Duff	Millikin	

NAYS—42

Anderson	Hoey	Maybank
Chavez	Holland	McClellan
Clements	Hunt	Monroney
Cooper	Jackson	Murray
Daniel	Johnson, Colo.	Neely
Douglas	Johnson, Tex.	Pastore
Ellender	Johnston, S. C.	Purtell
Frear	Kefauver	Robertson
George	Kennedy	Russell
Gore	Kilgore	Saltonstall
Green	Lehman	Smathers
Hayden	Long	Sparkman
Hennings	Magnuson	Stennis
Hill	Mansfield	Symington

NOT VOTING—17

Barrett	Hendrickson	Morse
Bridges	Humphrey	Potter
Byrd	Ives	Smith, N. C.
Eastland	Kerr	Taft
Fulbright	McCarran	Tobey
Gillette	McCarthy	

So the modified amendment offered by Mr. HENDRICKSON, for himself and Mr. CASE, as a substitute for section 9, as amended, was rejected.

"SMEAR IMPEACHMENT" TELEGRAMS

Mr. WILEY. Mr. President, I have been waiting all afternoon to get a statement into the RECORD of a personal nature. I shall not trespass upon the time of the Senate very long, but I have a very distinct feeling that I must make this statement.

Mr. President, I am speaking today on the issue of a dastardly smear attack made against me.

It was made by an unidentified individual who sent a series of smear telegrams on Saturday, June 13, 1953, the day of the Wisconsin State Republican convention in Madison.

The telegrams were sent, as from a stealthy thief in the night, at 3:39 a. m., from Milwaukee, Wis., to 40 Republican county chairmen.

The substance of those telegrams was revealed by the first sentence: "Prepare resolution to impeach WILEY now for violating oath to defend and protect Constitution."

The telegrams went on to condemn me for opposing the Bricker amendment and for serving as a cosponsor of Senate bill 1917, the President's immigration bill.

CENSURE RESOLUTION RESULTED

The effect of the telegrams was to inflame sentiment at the Republican convention, and to contribute further to an attitude of hysteria, emotionalism, and hatred.

This attitude resulted, late that afternoon, in the success of a tiny, articulate minority at the convention in securing the adoption of a resolution of censure against me.

The telegrams were signed "Committee for Constitutional Government."

This committee—from its national office—has for weeks and months been flooding the Nation, and particularly attorneys in Wisconsin, with a series of underhanded and misleading statements regarding the Bricker amendment, and smearing the opposition to the amendment.

TELEGRAMS REPUDIATED

The 40 telegrams were, however, too much even for the Committee for Constitutional Government in New York to stomach. Even before it could receive a protest from me, Edward Rumely, executive secretary, wrote, repudiating the telegrams and saying they had not been authorized by his committee or, to their knowledge, by anyone connected with it.

The repudiation is not satisfactory, however, for a great many reasons, which I have spelled out in a subsequent letter to him.

One of the reasons is that the committee has subsequently unleashed another propaganda barrage in which it takes credit, in effect, for the stab in the back, made at the Wisconsin Republican convention.

I have pointed out that the committee itself adopts the self-contradictory policy of (a) piously repudiating the telegrams, and

(b) then impiously crowing about the very effects which the telegrams were designed to produce, namely, the stab in the back.

The committee will have to make up its mind what its attitude will be. It cannot show two contradictory faces to the world—or can it?

WHO IS BENJAMIN COLEMAN?

Let me point out, Mr. President, that Western Union records reveal that the sender of the wires identified himself as a "Benjamin Coleman," of Minneapolis, Minn.

No such individual has been located. Apparently Mr. Coleman exists only in the inflamed imagination of some member of what has been aptly described by some as the "lunatic fringe."

Is it coincidence, however, that he chose to identify the wire under the name "Committee for Constitutional Government"? Did he select the name out of a clear sky?

Any reasonable man would doubt that because, actually, the wire apparently fits into a pattern of attack which the national Committee for Constitutional Government has followed on the Bricker issue.

The story of exposure of this diabolical deed—these smear wires—has only therefore begun.

If any individual of any organization can get away with this sort of blow "below the belt," American politics will be dragged further into the gutter and people will be sending anonymous wires under fictitious names on all sorts of other issues in the foulest of manners.

FBI ASKED TO INVESTIGATE

I have asked the FBI to investigate the wires. They were not sent in interstate commerce. On various counts, the matter of applicability of Federal laws is questionable. Nevertheless, the fullest investigation must and will be made of this issue.

COME OUT OF THE WOODWORK

I call now upon "Benjamin Coleman." Come out of the woodwork, "Benjamin Coleman," wherever and whatever you are.

Come out and identify yourself. Show your face to the world. Show if you have any guts at all, to fight in the open.

COMMITTEE MEMBERS SHOCKED

I have been in contact with certain prominent members who have identified themselves with the Committee for Constitutional Government on this and other issues. These individuals say they are shocked at the wire. One such individual wrote:

> I am checking to determine who may have been responsible for the wire, and if it is found that the Committee for Constitutional Government was responsible, I certainly intend to resign and withhold any future support.

The Committee for Constitutional Government is currently soliciting vast sums of money to carry on its propaganda campaign for the Bricker amendment.

It has a right to collect such money.

If any individual is sucker enough to contribute funds to advance such a dangerous proposal, he is welcome to do so.

I suggest, however, that the Committee for Constitutional Government is doing itself and its country a serious disservice by this campaign.

One of the previous occasions on which the committee engaged in a very big propaganda effort was when it opposed the Court-packing plan of the 1930's. I presume it did so, as I opposed that plan, because it rightly did not want to see the judicial branch of our Government destroyed.

Now, however, it is collecting money so as to help destroy the executive branch of our Government in its most crucial role in the atomic age—the spearheading of American foreign policy against worldwide communism.

"SUBCOMMITTEE FOR UNCONSTITUTIONAL MISGOVERNMENT"

The Committee for Constitutional Government might, therefore, if it wants to carry on this campaign, set up an autonomous "Subcommittee for Unconstitutional Misgovernment."

This subcommittee could appoint as its honorary chairman, Georgi Malenkov. Why? Because no one will be helped more by the destruction of our President's foreign policy than Mr. Malenkov and his Kremlin cronies.

"HELLO, SUCKER"

I suggest that this subcommittee place on its stationery the appropriate motto used by Texas Guinan in the 1920's: "Hello, Sucker!"

Why "sucker"? Because of these facts. Businessmen or others who contribute their funds for the passage of a constitutional amendment which could wreck American foreign policy are helping unwittingly to destroy the most precious system of checks and balances devised in the history of man.

One has to be a pretty big sucker to throw away his own birthright.

Such contributors think that they are advancing a "conservative" proposal.

It is a fact that the amendment is supported by a great many fine conservatives, among whom I number some very dear friends. It is supported by fine, but misguided, patriots.

But the amendment is actually the most radical proposal for amendment to the Constitution which has been seriously considered in 165 years. It is radical because it could utterly shatter the system of separation of powers between the three separate and coequal branches of Government.

NOT ANTI-SOCIALIST, ACTUALLY PRO-COMMUNIST

Contributors think that they are anti-Socialist in making their contributions.

Actually, the results are not only not anti-Socialist, but actually pro-Communist. I do not want to be misunderstood. I am speaking now of results and not of the reasons advanced, nor of membership, nor of sympathies or fundamental patriotism. I am speaking only in terms of effects.

What could be more procommunistic than to incapacitate the President of the United States and the Secretary of State and the Secretary of Defense in such matters, for example, as negotiating secret agreements for American bomber bases throughout the world, bases which constitute one of the greatest single deterrents against Soviet aggression?

Contributors think that they are defending the Constitution. Actually, they are helping to destroy the Constitution.

Contributors think that they are being good Republicans, whereas actually they are passing a vote of no confidence in a Republican President and his Republican Cabinet. They are showing their distrust of a great leader who was just elected last November by one of the greatest mandates in American history.

This, then, would be and is the role of the Subcommittee for Unconstitutional Misgovernment or of its parent organization.

I HAVE AGREED WITH COMMITTEE ON SOME ISSUES

I want to make it perfectly clear that, in all fairness and frankness, I am commenting upon the Committee for Constitutional Government in relation to this one issue alone. I am not discussing its other policies or positions. I am not re-

flecting on its personalities or its associates.

Whether I agree or disagree with them on other positions is irrelevant at this point.

The fact of the matter is, however, that I do agree with the committee on many issues. But my agreement with it in the past or even with some of its present policies does not mean that it is going to have any immunity from being condemned for the actions which it has taken on this issue.

In the past, I have, for example, opposed, as it has opposed reckless Government expenditures. I have favored strengthening the Taft-Hartley law. I have favored combatting the subversive menace in our country to the fullest extent of the law. And I have taken a stand on other isues, as have my colleagues, paralleling the stand which this committee has taken.

But that is wholly aside from Senate Joint Resolution 1.

I should like to reiterate further, as a matter of record, that the committee was apparently so disturbed by the backfiring of these wires that it acted subsequently very promptly and very politely, if not completely.

Mr. President, my mail runs 9 or 10 to 1 condemning that action.

As I have indicated, it sent me a letter of repudiation of the wires even before I had communicated with it. As soon as it received my demand that it send the repudiation throughout the Nation, it did so.

It has now sent the repudiation to all the newspapers of Wisconsin and to all the county chairmen.

But what does the previous record show?

It shows that long ago, the Committee for Constitutional Government had singled me out for attack by a long series of releases which it flooded into the State of Wisconsin. It did so deliberately, and no doubt, knowing full well exactly the sort of inflamed reaction which it wanted to produce.

One release which it sent out stated: "Senator WILEY is on the spot." And it wanted to keep him on the spot. Now, it is on the spot. It said he was an "internationalist." It said that Senator WILEY, because of his position, could play a decisive role in determining whether or not the amendment would pass or fail in the Senate.

CENSURE RESOLUTION UNREPRESENTATIVE

The effect of these weeks of inflamation was foreseeable. It raised the emotions of a small, articulate minority in Wisconsin to fever pitch. The result was the dastardly action at the Republican convention.

In no way of course, does that action represent the voice of either the Republican Party or the people of Wisconsin. A great many members of the convention had already gone home. Nevertheless, the resolution was brought up. Many voted against the resolution. But the plain fact of the matter is that the resolution passed. Damage was done.

Numerous individuals in Wisconsin who supported openly or tacitly the resolution now find themselves trying to get back from the long, long limb on which they placed themselves and our party. It is as if they have now woken up from a binge. They are now suffering the hangover, trying to figure out just what conceivable justification they can give for a Republican convention censuring a Republican Senator for supporting the Republican President and the Republican administration—one of the most idiotic Republican resolutions conceivable!

THE LYNCHING TOOK PLACE

But, I repeat, damage has been done. The situation might be compared to a lynching. For weeks, known provocateurs aroused the feelings of the population. Then, when the emotions of a small fanatic handful were at their peak, an unknown provocateur—"Benjamin Coleman"—crawled on to the scene. And by an inflammatory action—the wires—he sent the mob on its way. The lynching took place. The censure resolution was passed. Then the known provocateurs who for weeks had been inciting to riot, try to backtrack and wash their hands of the deed. They shed crocodile tears, as if the lynching were not their fault, but the fault of the unknown provocateur—Benjamin Coleman.

Well, the fact of the matter is that the smear telegrams merely capped the climax of the long process of inflammation. The people of Wisconsin know it, and the Committee for Constitutional Government knows it. It knows its own guilt for a diabolic action which has caused such grave embarrassment to the entire Republican Party of Wisconsin and the Nation.

What a laughing stock these few primitive-minded Republicans who engineered the resolution have made of themselves.

But as for the lynch "victim," I am still very much alive. And I am fighting back. The tide has turned against the Stone Age minds.

As for the Committee for Constitutional Government, to me, it is one of the great ironies that an organization with its particular name should be contributing to the wretched results I have mentioned.

COMMITTEE IGNORANT OF CONSTITUTION

It is ironic that an organization which has distributed vast numbers of copies of the Constitution and of interpretations of the Constitution should now show such abysmal ignorance of the most basic principles of the Constitution.

Incidentally, I personally was glad to give my support to distribution of the copies of the Constitution distributed by this organization.

Apparently, the persons who should have been reading the copies of the Constitution most are the persons associated with the Committee for Constitutional Government.

I think it is a great irony, that many individuals in America who have shown themselves to be so anti-British have now acted to have the people of the United States adopt the basic feature of the British Constitution, namely, the centralization of all power in one branch of the Government.

It is well known that under the old English system the King was the great executive. He had supreme power. But he has lost it. The House of Lords once had power, but they have lost it. Now all the power is centered in one House. If the Bricker amendment is adopted, the same thing will happen in this country. We have a government of checks and balances. It is up to us to maintain it.

STAMPEDING FOR A CURE-ALL

It is one of the great ironies, too, that the people throughout our land who always fought against the efforts of the New Deal, which tried to stampede the Congress into passing "must" and "rush" legislation for cure-alls, have now been hysterically trying to whoop up a stampede on behalf of the Bricker amendment.

In any event, by these remarks today, I am showing that I no longer intend to sit by and tolerate the abuse which the Committee for Constitutional Government has directed against me for weeks and months.

I am not a man to single out organizations, because I believe in debating issues; and I am certainly not one to single out personalities. But I personally was singled out. The committee asked for a fight; and it is getting it.

It recklessly started a series of actions. Now it finds itself caught in a buzzsaw. It might have expected that when it got into a fight with an exlumberjack.

INSERTIONS IN RECORD

I send to the desk now several items which I should like to have printed at this point in the RECORD. I am not including all of the items which might go in, because I do not want to consume excessive space. The items are self-explanatory, and are as follows:

First. Excerpts from letters from lawyers protesting against the committee's propaganda barrage.

Second. The original smear telegram.

Third. My letter of June 19 to the committee.

Fourth. Its press release of repudiation, which includes its repudiation letter of June 15.

Fifth. A supplementary memo by myself on the immigration bill to which Benjamin Coleman objected.

I ask unanimous consent that all these items be printed at this point in the RECORD.

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

EXCERPTS FROM ATTORNEYS' LETTERS TO SENATOR WILEY

From Ashland: "In today's mail I received a jam-packed envelope full of scurrilous propaganda from the Committee for Constitutional Government, Inc., which apparently has been circularizing the attorneys of the United States. Among the numerous instruments contained in this letter was a mimeographed memorandum directed to the citizens of Wisconsin urging that we, as attorneys, write you as Chairman of the Senate Judiciary Committee to support the Bricker Amendment.

"As a young attorney and one interested in progressive government, I cannot too strongly urge that you vigorously oppose the Bricker amendment."

From Amery: "I received a letter this morning from the Committee for Constitutional Government urging me to write to you

in favor of the so-called Bricker American Bar Association Amendment to the Constitution, and also for the proposed amendment to the Constitution that would limit the power of Congress to impose income taxes to 25 percent.

"Although I doubt very much if the majority of lawyers are in favor of either of these amendments, I assume that this well-financed lobbying organization is circulating the whole American Bar Association, and all non-member lawyers besides, and will be able to promote a considerable volume of mail favoring said amendments.

"I understand that you are opposing both of said amendments, and this letter is merely to inform you that I, as one of your constituents, am very much in favor of your position thereon."

From Hamilton, Ohio: "This morning I was bombarded by the Committee for Constitutional Government, Inc., with propaganda favoring the Bricker amendment (S. J. Res. 1). This material suggests that we write to Senators who have not committed themselves on this bill and tell that 'that you, your family, and those whom you have aroused to the overriding importance of this issue will never forget how they voted on this question.'

"I am writing you as the most influential uncommitted Senator because of your position on the Foreign Relations Committee to urge you to vote against this resolution. In my opinion, the proposed legislation is not directed toward preserving the Constitution of the United States which already protects our citizens but is directed against the United Nations."

THE SMEAR TELEGRAM

MILWAUKEE, WIS., *June 13, 1953.*

CHAIRMAN, JEFFERSON COUNTY REPUBLICAN PARTY,
Madison, Wis.:

Prepare resolution to impeach WILEY now for violating oath to defend and protect Constitution. He does not intend reelection and alined himself with enemies of America. He opposes Bricker amendment, seeing harm in amendment but no harm in Constitution being set aside. He sponsors legislation to admit 240,000 additional aliens which is subterfuge to make legal that many aliens now in New York refused admittance under present laws and to admit Reds putting on act of fleeing Iron Curtain only to gain admittance and become leftist voters.

COMMITTEE FOR CONSTITUTIONAL GOVERNMENT.

JUNE 19, 1953.

Mr. EDWARD A. RUMELY,
Executive Secretary, Committee for Constitutional Government,
New York, N. Y.

DEAR MR. RUMELY: Your letter of June 15 is at hand.

It is by no means satisfactory.

I advise you that the investigation of the scurrilous telegrams sent through the Milwaukee Western Union office has only begun.

Those wires were sent—characteristically, as from a stealthy thief in the night—at 3:39 a. m. on the morning of Saturday, June 13, in one of the most treacherous, underhanded assaults against a Senator which I have seen in 14 years in this body.

I want to know specifically and in detail—

1. Whether the Committee for Constitutional Government or any of its affiliates have any information on a Benjamin Coleman of Minneapolis, Minn., who was listed as the sender of the telegram.

2. Whether you are taking steps to ask your Milwaukee Associates specifically whether one of them is actually Benjamin Coleman.

3. Precisely, what is the procedure whereby an individual in Milwaukee, Minneapolis, or anywhere else outside your New York office is authorized to use the name of the Committee for Constitutional Government, if at all, in sending a message.

4. What steps the Milwaukee Associates of the Committee for Constitutional Government have taken, if any, publicly to repudiate the smear telegram, in addition to repudiating it in messages to all their members.

5. What detailed contact is being made, if any, with the Republican county chairmen who received the telegram to convey to their attention the repudiation which you made in your letter of June 15?

6. What comprehensive—I emphasize—comprehensive steps the Committee for Constitutional Government is taking nationally to repudiate the telegram and to inform the people of the 48 States, to whom you have flooded out pro-Bricker amendment propaganda, your repudiation of that smear telegram?

Obviously, simply sending a letter of repudiation of the wire to me hardly mitigates the effects of that wire. Moreover, "burying the repudiation" in one line in a lengthy release, as you have recently done, hardly satisfies the cause of honor and equity. You might just as well have buried it by printing the repudiation in microscopic type, and you know it.

Now, in effect, in your latest release you are actually informing the Nation that you are proud of the role which the Committee for Constitutional Government played in the stab in the back which took place at the Wisconsin State Republican convention.

You take major credit, apparently, for that stab in the back, even though the angry reaction against that stiletto attack is now pouring forth in a tidalwave from Wisconsin.

What you do not seem to realize, or don't care about at all, is that you are taking credit for a slap in the face at the President of the United States, his Secretary of State, his Attorney General, and his Secretary of Defense, among others.

How can you possibly square (a) your letter of June 15 to me in which you try to disassociate yourself from the smear telegram, and (b) your subsequent news releases in which you take credit for precisely the sort of results which the sender of those smear telegrams urged?

Either your organization believes in stabs in the back or it does not. Who are you trying to fool—the public or me or everybody, including yourselves?

What do you intend to tell the recipients of your releases across the Nation? Do you intend to turn one face toward me and another face toward the Nation and tell us two contradictory tales?

You have a perfect right to present any point of view whatsoever to the readers of those releases, of course. I have agreed in the past with many of your releases. But you have an obligation to present the facts, now and always, and to present them with some consistency.

Moreover, your organization will have to square in its own mind why it singles out for attack a man who has fought for the Constitution all his life, simply because he is now trying to protect the Constitution, as he interprets it. It will have to square in its own mind the fact that it, presumably anti-New Deal in its approach, is attacking a man who has fought against the New Deal since he came to the Senate, and why? Because he now refuses to be stampeded in the same manner the New Dealers used to try to stampede the Nation into passing some socialistci cure-alls which would actually prove infinitely worse than the so-called condition it is trying to cure.

It will have to square in its own mind the fact that it is not simply attacking the senior Senator from Wisconsin; it is attacking some of the other most conservative Members of the Senate, including men from the Southland who have told me personally that they regard the Bricker amendment in its original and/or revised form as utterly repugnant to the tradition of separation of powers under the United States Constitution.

Now, with regard to the smear telegram itself, I have already taken steps in connection with the Federal Bureau of Investigation and I am taking additional steps, as may be necessary, in relation to other law-enforcement bodies of our Government involved.

If you expect to get away with implying that someone snatched the name of the Committee for Constitutional Government out of the clear sky and arbitrarily tacked it on to the telegram, your suggestion is as implausible as the reasoning of your pro-Bricker amendment releases.

Lastly, if your releases were intended to scare me off from my fight to protect my country and its Constitution, be assured that you have now achieved an exactly opposite effect.

What do you think Americans are made of? Do you think that they run from a fight when they have been smeared even though they know in their hearts that they are fighting for this Republic against losing it to world communism?

Do you think that I am going to quit in my efforts to make sure that the President of the United States is not handcuffed in his constitutional effort to help preserve his Republic from the greatest international danger in its history?

Guess again.

Sincerely yours,

ALEXANDER WILEY.

[Issued by the Committee for Constitutional Government, Inc., New York, N. Y.]

It was a matter of deep regret to this committee that, wholly without its knowledge or authorization, directly or indirectly, the name of this committee was attached to a telegram sent from Milwaukee on June 13 to the Republican county chairmen of Wisconsin, attacking Senator WILEY.

Despite our efforts, we have been unable to locate the identity of the sender and/or who paid for the telegrams.

We immediately wrote Senator WILEY, sending copies to leaders of the Republican State organization in Wisconsin, as follows:

"The AP dispatch yesterday in the New York Times made reference to an antagonistic telegram sent from Milwaukee to Republican county chairman of Wisconsin, bearing the name of the Committee for Constitutional Government.

"The first knowledge of this that we had was in the press dispatch. We did not know of it and have not yet been able to ascertain who filed it and we did not authorize in any way, directly or indirectly, the use of the name of the Committee for Constitutional Government.

"While arguing the merits of the Bricker resolution, we, of course, would never countenance such a telegram. It has been suggested to us that possibly leftist forces filed the telegram in order to muddy the waters.

"In any event, we are making best efforts to ascertain the facts. In the meantime you should know that the committee had nothing whatever to do with the filing of this telegram.

"Of course, members of our committee know of your interest and support of many issues upholding constitutional government, including the mass distribution of Judge Thomas J. Norton's book, The Constitution of the United States: Its Sources and Its Application."

The foregoing is released for immediate publication.

This committee fights hard to uphold its viewpoint but never has and never will stoop to striking a low and unfair blow like that of the telegram with the forged use of our committee's name.

MEMO ON IMMIGRATION BILL

What about the immigration bill which "Benjamin Coleman" did not like?

It just so happens that this humanitarian bill, S. 1917, was recommended by the President of the United States.

Should not Benjamin Coleman, therefore, following his idiotic train of thought, have demanded impeachment of the President?

It just so happens that this bill was introduced at the request of the President by Senator WATKINS, chairman of the Immigration Subcommittee. Yet this very same Senator WATKINS, who is, incidentally, a conscientious man of deep religious faith, is the very sponsor by request of Senate Joint Resolution 43, which has now become, in effect, the revised Bricker amendment, Senate Joint Resolution 1.

In other words, Benjamin Coleman has demanded that I be impeached because I oppose Senator BRICKER's bill (which is really now the Watkins bill, or the American Bar Association bill). But in the next breath Benjamin Coleman lays his absurd basis for impeachment of Senator WATKINS himself because he introduced, at the President's request, the immigration bill.

This proves the utter ridiculousness to which the Benjamin Colemans of this country have gone.

In the next place, the bill is cosponsored by numerous other Senators who are at the same time cosponsors of the Bricker amendment. No doubt they, too, should be impeached, according to the inane judgment of Benjamin Coleman.

The cosponsors include some of the greatest names in the United States Senate, including our majority leader, ROBERT A. TAFT. There is no abler, finer, more devoted servant of this Republic than the senior Senator from Ohio. Is he now to be impeached?

Shall Senator EVERETT DIRKSEN be impeached?

Shall Senator WALLACE BENNETT, the past president of the National Association of Manufacturers, be impeached? Senator HOMER FERGUSON, Senator FRANK CARLSON, and all of the other cosponsors of S. 1917?

I think that I have made my point clear. We have seen the ultimate degree to which distorted thinking, poisoned emotions, reckless talk can go.

But what about S. 1917 itself?

This bill is far from perfect. No one claims that it is perfect. It is in the process of being redrafted.

I think that most of us who joined as cosponsors on it really endorsed simply its fundamental principles and objectives. We did not commit ourselves to all the details.

We hope the fundamental principles and objectives can be accomplished and in this particular session of the Congress. We hope the details of the bill can be worked out to the fullest satisfaction of all the men who have specialized in the immigration field.

I refer in particular to the senior Senator from Nevada [Mr. MCCARRAN]. No legislator in the Senate or House has worked harder, longer and more earnestly on behalf of immigration legislation which he feels is appropriate for the best interests of our country. I am hoping that the doubts which PAT MCCARRAN has on S. 1917 can be successfully and speedily resolved.

Remember, the bill is recommended by the three great religious faiths of our country. It is supported by many of our finest organizations.

I am personally particularly interested in it as a crucial element in American foreign policy. We all know that there are many lands across the seas which have deep grievances against our immigration laws.

But I too want to make sure that this or any other bill protects the best interests of our own country, first, last, and always, and I believe it does and will.

Several prominent organizations oppose the bill. They include many fine patriotic groups. I hope their doubts can be resolved soon.

But I am sure that these groups, these responsible sources would be the first to condemn the poisoned thinking of the treacherous Benjamin Colemans of the Nation. Behind that thinking is a venom-filled wellspring, I believe of anticatholicism, anti-Semitism, and of other wretched concepts totally alien to the American way of life.

The Benjamin Colemans of this country deserve no respect on our part. Fairminded criticism does deserve respect in the American way.

COMMITTEE MEETING DURING SENATE SESSION

On request of Mr. KNOWLAND, and by unanimous consent, the Subcommittee on Immigration of the Committee on the Judiciary was authorized to meet tomorrow during the session of the Senate.

JURISDICTION OVER SUBMERGED LANDS OF THE OUTER CONTINENTAL SHELF

The Senate resumed the consideration of the bill (S. 1901) to provide for the jurisdiction of the United States over the submerged lands of the outer Continental Shelf, and to authorize the Secretary of the Interior to lease such lands for certain purposes.

Mr. ANDERSON. Mr. President, I desire to call up my amendments designated "6-23-53-A."

The VICE PRESIDENT. The amendments offered by the Senator from New Mexico will be stated.

The LEGISLATIVE CLERK. On page 3, line 25, in the committee amendment it is proposed to strike out the word "hereinafter" and substitute in lieu thereof the word "hereafter."

Mr. ANDERSON. Mr. President, I think it would save time if we were to take up these amendments individually. I think the Senator from Oregon [Mr. CORDON], in charge of the bill, will agree to most of them. This is one of them. It is only to correct a typographical error.

The VICE PRESIDENT. Without objection, the amendment is agreed to.

The next amendment of the Senator from New Mexico will be stated.

The LEGISLATIVE CLERK. On page 4, line 9, it is proposed to strike out the words "the lines defining each such area" and substitute in lieu thereof the words "such projected lines extending seaward and defining each such area."

Mr. ANDERSON. Mr. President, with respect to this amendment, I have had an opportunity to discuss it with the Senator from Oregon, and I hope this language is satisfactory to him.

I will say to the distinguished senior Senator from Oregon that this amendment deals with the committee amendment on page 4, line 9, and covers a very important point. We all recognize that it is very difficult to deal with the area referred to. While I believe the language in the bill reported by the Senator from Oregon is probably sufficient, many of us would feel safer if the language proposed in my amendment were adopted. If he has no objection to the language, I would appreciate his accepting the amendment.

Mr. CORDON. Mr. President, as the Senator from New Mexico has stated, the amendment on page 4, line 9, is merely different language, used to describe the lines to be projected in order to divide the area in which the particular laws of a particular State is to be adopted. Perhaps it is clearer language than the language used in the bill. Certainly I have no objection to the clarifying language.

Mr. LONG. Mr. President, will the Senator from New Mexico explain what his amendment would accomplish?

Mr. ANDERSON. The original provision permitted the Secretary of the Interior, and a later change authorized the President of the United States to project the lines into the new area, that is, the lines beyond the historic boundaries of the States. The language read:

> The President shall determine and publish in the Federal Register the lines defining each such area.

That language might have been construed to mean the historic boundaries of the States, which was obviously not the intention. We have tried to deal with the extension of the lines projected out into the Continental Shelf. The language is solely designed to make sure it is understood that these are lines projected out into the Continental Shelf, and do not interfere with the historic boundaries of the States.

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

Mr. ANDERSON. I yield.

Mr. LONG. The junior Senator from Louisiana is somewhat concerned about the way in which the boundaries would be projected at the point where the seaward line reaches a State's historic boundary. It has always seemed to the junior Senator from Louisiana that we should not attempt in this legislation to limit the power of the President, if he must have the power, to project the lines insofar as the direction of the lines are concerned.

For example, with respect to the State of Mississippi, if its law were made applicable, the State of Mississippi would find itself wedged in between Louisiana and Alabama, if the lines were projected at the angle at which they run at the point at which they reach the historic boundaries.

It might be more important that each State's line should be extended in a parallel fashion, or in a fashion which would give each State an amount of area on the Continental Shelf corresponding to the amount of coast line the State has, rather than to direct the lines at an angle.

Another situation occurs with regard to the States of Louisiana and Texas. The line at which the boundary runs where it reaches the coast is determined by a jetty which was built at the mouth of the Sabine River. Because the jetty happens to run in one direction for a certain number of yards does not mean that the State boundary should extend in that direction, if we are to extend the line for jurisdictional purposes.

Is the Senator from New Mexico attempting to limit the discretion of the President in trying to determine where the lines should be?

Mr. ANDERSON. No. I am sure the Senator from Oregon will agree with me that all we have tried to do is to make sure that some agency will be able to reach out into that area and draw a line. We are perfectly satisfied that the President of the United States should do it. Undoubtedly he will do it on the recommendation of the Secretary of the Interior or some other responsible official. We are willing to leave it to his discretion. We are willing to leave to his discretion the manner in which the lines shall be projected seaward beyond the historic boundaries of the States.

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

Mr. ANDERSON. I yield.

Mr. STENNIS. The Senator from Louisiana has stated the physical situation with reference to the lines between Louisiana and Mississippi. A similar problem exists on the east side of the State of Mississippi with reference to Alabama, where a continuation of those lines, Louisiana going eastward, and Alabama going westward, would preclude Mississippi altogether.

As I understand, the Senator from New Mexico does not, in the first place, try to alter the historic boundaries in any way by this amendment.

Mr. ANDERSON. That is correct.

Mr. STENNIS. In the second place, this is merely discretionary power, to be used by the President of the United States, based on equitable lines and equitable considerations, rather than mere technical points. Is that correct?

Mr. ANDERSON. The real point is, I would say to the Senator from Mississippi, that the language in section 4 provides that Federal laws and regulations shall be applicable in the area, but that where there is a void, the State law may be applicable in the area that is on the Continental Shelf. Obviously someone must decide where the jurisdiction shall lie. Therefore, we feel the Secretary of the Interior would probably make the recommendations, but the President of the United States should have the authority to draw the line and promulgate it.

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

Mr. ANDERSON. I yield.

Mr. STENNIS. The Senator's amendment applies only to the bottom of the sea, so to speak, or whatever may be under the water, but has nothing to do with the fishing rights or regulations of the States, now or hereafter. Is that correct?

Mr. ANDERSON. That is my understanding. Does the Senator from Oregon [Mr. CORDON] agree? I am sure that is true. It is not an attempt to decide the fishing rights or anything of that nature.

Mr. President, I stated that the adoption of the amendment would relate only to the seabed, and would not in any way affect fishing rights. Does the Senator from Oregon agree?

Mr. CORDON. The Senator from New Mexico is entirely correct. The lines would represent a necessary administrative action in order to adopt for the seabed and subsoil of the outer shelf the laws of the adjacent State. These laws, by the terms of the act, are enacted as Federal law. None of the law so adopted or enacted in this measure applies to the waters above the seabead, nor in any way to the fishing rights.

Mr. STENNIS. Mr. President, will the Senator from New Mexico yield, so that I may address a question to the Senator from Oregon?

Mr. ANDERSON. I am glad to yield.

Mr. STENNIS. As the Senator from Mississippi understands—and I want to be certain that the Senator from Oregon understands it the same way—the proposed amendment would have nothing to do with the existing fishing rights, as they now exist under the laws of the States, or as they may be hereafter adjusted by law or regulation.

Mr. CORDON. The Senator is exactly correct.

Mr. STENNIS. I thank the Senator from Oregon and the Senator from New Mexico.

The PRESIDING OFFICER (Mr. CARLSON in the chair). The question is on agreeing to the amendment offered by the Senator from New Mexico [Mr. ANDERSON] on page 4, line 9.

The amendment was agreed to.

The PRESIDING OFFICER. The clerk will state the next amendment offered by the Senator from New Mexico [Mr. ANDERSON].

The CHIEF CLERK. On page 20, between lines 6 and 12, it is proposed to strike out all of subparagraph (a) and on line 13 to strike out "(b)."

Mr. CORDON. Mr. President, I have no particular objection to the elimination of the language proposed to be stricken by the amendment. The language was contained in the original measure presented to the Senate last year in Senate Joint Resolution 20, the O'Mahoney-Anderson measure in the 82d Congress, and again by the bill introduced in this Congress by the able Senator from New Mexico himself, S. 107.

Those measures granted to the Secretary of the Interior, upon approval of the Attorney General, the power to declare that any particular leased area was inside or outside the inland waters, using substantially the same language that the Senator now proposes to strike.

When the language was adopted to the pending bill, S. 1901, it gave the same authority to the Secretary of the Interior, on the approval of the Attorney General, stating:

> The Secretary is authorized, with the approval of the Attorney General of the United States and upon the application of any lessor or lessee of a mineral lease issued by or under the authority of a State, its political subdivision, or grantee, on submerged lands, to certify that the area covered by such lease does not lie within the outer Continental Shelf.

The purpose of the language is to give to someone in authority the right to certify, in cases where there was no real controvery between the States on the one hand and the Federal Government on the other, with respect to the location of a given leased property inside a State's seaward boundary. Thus, it would permit development of such an area.

Objection has been raised by the Senator from New Mexico with reference to the granting of this power to the Secretary of the Interior.

S. 1901 is a sound measure, in my opinion, either with or without that language.

Mr. ANDERSON. The language was included originally under greatly different conditions than those with which we are now dealing in the outer-shelf bill. It was proposed because of the situation in California; we were trying to deal with the situation in the Long Beach area, where there is a well-defined harbor and a bay, and therefore, inland water. But I do not believe that language really belongs in this bill for the outer Continental Shelf, which is something quite different.

I appreciate having the Senator from Oregon include it, from Senate bill 107, which I introduced; but I think all of us would feel that it would be safer if that provision were not included in this measure at this time. At least, I am of that opinion.

Mr. LONG. Mr. President, will the Senator from New Mexico explain the amendment? I do not understand the difference between the bill with the amendment and the bill without the amendment.

Mr. ANDERSON. First, in my opinion the provision is not needed in order to make S. 1901 a sound measure.

Second, there is a possibility that the Secretary of the Interior could—I am not accusing him of having such an intention, because I have the highest respect for him—but he might, if he desired to do so, begin certifying that the United States had no claim to areas seaward of the 3-mile or 3-league limit. He would have blanket authority to decide that certain areas were within navigable waters, and hence owned by the States. He might in that way dispose of Federal property.

I am certain that Texas and Louisiana will be better protected if such a determination is reached in the courts, and is not arrived at by an executive official.

Although that determination might not be made, yet it seems to me it could be made. Therefore, I believe a provision such as this one in a measure respecting the outer shelf is a bad one.

Mr. LONG. Do I correctly understand that in the case of a bay or a sound, if a Federal official contended that the inland waters began at one place, and, hence, that the Continental Shelf began some miles beyond that point, the amendment of the Senator from New Mexico would make it unlawful for the Secretary of the Interior or the Attorney General to agree among themselves about where the coastline would be and, therefore, where the outer Continental Shelf would begin?

Mr. ANDERSON. No; just the reverse.

The next subsection provides that if there is a controversy between the United States and a State, it may be settled by agreement. The original provision would leave out the State, entirely.

It was my feeling that it would be safer to require an agreement between the Secretary of the Interior and the State, rather than to permit the Secre-

tary of the Interior by himself to make the certification.

Mr. CORDON. Mr. President, will the Senator from New Mexico yield to me?

Mr. ANDERSON. I am glad to yield.

Mr. CORDON. I know the Senator from New Mexico wishes to be exact in citing the provisions of the bill. The provision we are discussing would also permit of a decision upon the application of a lessor. A State could also petition for a certification by the Secretary under the present language.

Mr. ANDERSON. That is correct.

Mr. ELLENDER. Mr. President, will the Senator from New Mexico yield to me?

Mr. ANDERSON. I yield.

Mr. ELLENDER. Would this language apply only to existing leases previously granted by the States?

Mr. ANDERSON. No; it will apply to areas outside the historic boundaries of the States.

Mr. ELLENDER. I understand that; but it would apply to the existing leases that have been granted by the States, would it not?

Mr. ANDERSON. No; it will apply all the way through.

Mr. ELLENDER. Then it would apply to leases now existing and to those to be granted in the future.

Would not this provision, as written, give the Secretary of the Interior authority to fix the boundaries or limits seaward from the shoreline of a State?

Mr. ANDERSON. I do not say it would.

Mr. ELLENDER. As I understand, it would give him such authority.

Mr. ANDERSON. I think it could or might. But I thought it would be much better if the measure guarantees that States have a voice in the matter.

Mr. ELLENDER. I am in agreement with the Senator from New Mexico, and I hope the language will be stricken.

Mr. DANIEL. Mr. President, will the Senator from New Mexico yield for a question?

Mr. ANDERSON. I yield.

Mr. DANIEL. As I understand, if this particular subsection is stricken, there would be nothing to prevent the Attorney General of the United States or the Secretary of the Interior, in the performance of the normal duties of their particular offices; from making a decision as to whether the area covered by a lease is within the outer Continental Shelf or is within the historic State boundaries. Is that correct?

Mr. ANDERSON. If he were to deal with an area which would be regarded as controversial, I think he would have to deal with the State before he could proceed. Nothing in this amendment would jeopardize the operations of the Secretary of the Interior or the rights of a State, because of the elimination of this subsection.

Mr. DANIEL. I understand that all the Senator from New Mexico has in mind is to remove the provision for an official certification procedure.

Mr. ANDERSON. That is correct. Provision for that procedure was included in the O'Mahoney-Anderson measure last year and in my bill this year in order to cover a particular area of California, previously covered by a stipulation.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from New Mexico.

The amendment was agreed to.

The PRESIDING OFFICER. The next amendment of the Senator from New Mexico will be stated.

The CHIEF CLERK. On page 18, in line 10, after the word "such", and before the word "regulations", it is proposed to insert "rules and."

Mr. ANDERSON. Mr. President, the amendment is continued on the second page of the printed amendments, and I ask to have that part of the amendment stated in connection with the other part.

The PRESIDING OFFICER. The second part of the amendment will be stated.

The CHIEF CLERK. On page 13, in line 11, it is proposed to strike out "under section 5 of this Act" and to insert "from time to time"; and to strike out the words "within ninety"; and in line 12, to strike out the word "days."

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from New Mexico.

Mr. ANDERSON. Mr. President, I have had further opportunity to discuss this matter with the distinguished Senator from Oregon [Mr. CORDON]. I believe he feels that the original language is preferable. The junior Senator from Washington and I were trying to make sure only that the Secretary of the Interior was not limited to 90 days in his ability to promulgate rules for this area.

After consultation with the Senator from Oregon, if he can state for the legislative record his understanding of that section, and perhaps can discuss it with the Senator from Washington, who had originally suggested this language, I think we could clear up the matter in that way, rather than to have the amendment adopted.

I yield now to the Senator from Oregon.

Mr. CORDON. Mr. President, it must first be kept in mind that the language appearing on page 18 has to do with the conditions precedent to a decision by the Secretary of the Interior to permit continuance or maintenance of a lease which had been granted by one of the abutting States. In connection with the provisions—and there are a number of them; some 11 or more—regarding the conditions precedent, it was deemed that the Secretary of the Interior should have the power, when a lease meets these conditions, to amend the terms of the lease itself, in order to make the provisions of the federally-validated leases conform to Federal leases issued under the general Mineral Leasing Act. That is, he could provide additional regulations, and amend existing terms, in the State-issued lease, but only during a 3-month period from the time such a lease qualified for Federal validation.

We must keep in mind that a lease granted by a State is subject to the laws and regulations of the State, but it may not include all the pertinent and necessary provisions which would be required to be included under the provisions of this act.

So the language which was proposed to be stricken provides that the lease may be validated or maintained under the provisions of the lease itself or as authorized by the lease and by "such regulations as the Secretary of the Interior may under section 5 of this act prescribe within 90 days after making his determination that such lease meets the requirements of subsection (a) of this section."

The regulations referred to there are the ones the Secretary of the Interior may find it necessary to establish as conditions precedent to the modification of the lease which is to be validated by the Federal Government and maintained under this act. The provision and language does not refer to the rules and regulations "in order to provide for the prevention of waste and conservation of the natural resources of the outer Continental Shelf, and the protection of correlative rights therein," and so forth, as that provision is set forth in section 5 on page 10, where we find the following committee amendment:

> The Secretary shall administer the provisions of this act relating to the leasing of the outer Continental Shelf, and shall prescribe such rules and regulations as may be necessary to carry out such provisions. The Secretary may at any time prescribe and amend such rules and regulations as he determines to be necessary and proper in order to provide for the prevention of waste and conservation of the natural resources of the outer Continental Shelf, and the protection of correlative rights therein—

I call particular attention to the following words—

> and, notwithstanding any other provisions herein, such rules and regulations shall apply to all operations conducted under a lease issued or maintained under the provisions of this act.

That was the provision which I am sure the Senator was fearful might in some way be amended by the language in question in section 6 (b). I am satisfied that, after careful consideration, he is in agreement with the Senator from Oregon that such is not the case.

Mr. JACKSON. Mr. President, will the Sentor from New Mexico yield so that I may ask a question of the Senator from Oregon?

Mr. ANDERSON. I ask unanimous consent that I may yield to the Senator from Washington for the purpose of addressing a question to the Senator from Oregon.

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

Mr. JACKSON. Mr. President, I may state to the senior Senator from Oregon that the Senator from New Mexico [Mr. ANDERSON] and I worked out the amendment now being considered, and the Senator from New Mexico offered the amendment for both of us.

Mr. CORDON. I understood that.

Mr. JACKSON. The amendment was offered because it was felt that the language presently contained in the bill, starting in line 10 on page 18, might unintentionally restrict the Secretary of the Interior to a specified period of 90 days in his issuance and amendment of general rules and regulations to prevent waste, conserve resources, and protect

correlative rights, as applied to these State-initiated leases.

It is my understanding, in view of what has taken place here in the colloquy on the floor, that the 90-day limitation clearly does not take effect until the Secretary determines that the other conditions precedent have been complied with and the Secretary, in effect, is ready to have the lease validated, and to bring it under Federal jurisdiction.

Mr. CORDON. That is correct.

Mr. JACKSON. I also understand that the Secretary of the Interior has within his own discretion the power to fix the time when the determination of compliance with the statutory requirements is made. And thereafter he has 90 days to prescribe regulations affecting the terms of such leases. So he can in effect fix the time when such leases may be maintained under Federal authority.

Mr. CORDON. That is correct.

Mr. JACKSON. But as a practical matter, I take it, that regulations which would in effect bring about amendments to the prior written instrument, referring now to the lease previously granted by one of the States, would probably be made contemporaneously with the determination that the requirements of this law have been met.

Mr. CORDON. As a practical proposition, I am reasonably sure they would be; it would be necessary that a determination be made as to exactly what the rights of the lessee and the new lessor, that is, the Federal Government, were, perhaps, before the holder of the lease would be prepared to expend more money.

Mr. JACKSON. And, as the senior Senator from Oregon has pointed out, the general rules and regulations referred to in section 5 on page 10 of the bill which relate to the prevention of waste, the conservation of natural resources and the protection of correlative rights, could be promulgated and amended either in connection with the validation of the State leases, or at any other time.

Mr. CORDON. Yes; they could be amended at any time.

Mr. JACKSON. They could be amended at any time and are in no way subject to the 90-day limitation in section 6 (b). In other words, there is no attempt by clause (2) of subsection (b) found on page 18, line 10, to treat the State-originated leases in any different manner and in a different way from that in which the new leases which are authorized by this legislation and which would be issued subsequent to the enactment of this legislation, would be treated. Is that correct?

Mr. CORDON. The Senator is entirely correct, and that is precisely spelled out.

Mr. JACKSON. In other words, all leases in this area are to be treated the same, for all purposes, within the law and are subject to the same powers of the Secretary to prescribe and amend rules and regulations at any time under section 5. The leases that have been issued already by the States and the new Federal leases to be issued later, which the Secretary would have authority to issue under the pending bill, would all be treated on the same basis.

Mr. CORDON. Precisely so.

Mr. JACKSON. In view of the colloquy which has taken place, and the legislative history which has been made by the colloquy on the floor of the Senate, I see no need for this amendment, and I assume that the junior Senator from New Mexico will withdraw it.

Mr. ANDERSON. Mr. President, in view of the excellent explanation we have had by the senior Senator from Oregon, I ask unanimous consent to withdraw the amendment.

The PRESIDING OFFICER. Without objection, the amendment is withdrawn.

Mr. ANDERSON. Mr. President, I ask unanimous consent that I may yield to the distinguished majority leader for the purpose of propounding a unanimous-consent agreement.

The PRESIDING OFFICER. Is there objection? The Chair hears none and the Senator from California is recognized.

Mr. KNOWLAND. Mr. President, after consultation with Senators on both sides of the aisle, I should like to propose a unanimous consent request. Prior to stating the request, I may say that if the agreement can be made the acting majority leader plans to move to recess the Senate until 10 o'clock tomorrow morning.

The unanimous consent request is that on any amendment each Senator may have 20 minutes; that on the bill itself there be 3 hours of debate, the time to be equally divided, and to be controlled on one side by the distinguished Senator from Oregon, and the other side by the minority leader, and to be allocated according to the requests that may be made; and that all amendments be germane. That is the substance of the unanimous-consent request.

Mr. LONG. Mr. President, will the Senator yield for a question?

Mr. KNOWLAND. I yield.

Mr. LONG. Do I correctly understand that the Senator from California is asking that each Senator be permitted to speak as long as 20 minutes on each amendment?

Mr. KNOWLAND. Not to exceed 20 minutes on each amendment.

Mr. LONG. Then, if four Senators should desire to discuss an amendment, they could conceivably talk for an hour and 20 minutes, under the agreement. Is that correct?

Mr. KNOWLAND. They could conceivably do so, if they wanted to do it.

Mr. LONG. I have no objection.

Mr. JACKSON. Is it contemplated that there will be any rollcalls this evening?

Mr. KNOWLAND. If the unanimous-consent agreement is made, there will not be. If there are any more technical amendments to be offered, I would hope that we might get them out of the way this evening.

Mr. JACKSON. But any amendment requiring the call of the roll will go over until tomorrow, I understand.

Mr. KNOWLAND. Yes; any amendment requiring a rollcall.

Mr. ANDERSON. Mr. President, I am anxious to agree with the acting majority leader. I hope that, after his unanimous-consent request is agreed to, he will allow me to finish with the technical amendments, two in number, to which there can be no possible objection.

Mr. KNOWLAND. That is what I had in mind, that the Senate would remain in session until action was taken on technical amendments.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request proposed by the Senator from California? The Chair hears none, and it is so ordered.

ORDER FOR RECESS UNTIL 10 O'CLOCK A. M. TOMORROW

Mr. KNOWLAND. Mr. President, will the Senator from New Mexico yield for one additional request?

Mr. ANDERSON. I am happy to yield.

Mr. KNOWLAND. I ask unanimous consent that, when the Senate completes its business this evening, it take a recess until 10 o'clock tomorrow morning.

The PRESIDING OFFICER. Is there objection to the request of the Senator from California? The Chair hears none, and it is so ordered.

JURISDICTION OVER SUBMERGED LANDS OF THE OUTER CONTINENTAL SHELF

The Senate resumed the consideration of the bill (S. 1901) to provide for the jurisdiction of the United States over the submerged lands of the outer Continental Shelf, and to authorize the Secretary of the Interior to lease such lands for certain purposes.

Mr. CASE. Mr. President, will the Senator from New Mexico yield to me for the purpose of submitting an amendment?

Mr. ANDERSON. Mr. President, I ask unanimous consent that I may yield to the Senator from South Dakota for that purpose.

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

Mr. CASE. Mr. President, in order that it may be printed, I submit an amendment which is identical with the text of the amendment which the Senator from Arkansas [Mr. McCLELLAN] read earlier today, and which was accepted in connection with the amendment offered by the Senator from New Jersey [Mr. HENDRICKSON] and myself. It should appear as a new section on the last page of the bill, immediately prior to the section relating to appropriations. I submit the amendment so that it may be printed for the information of Members of the Senate, and be called up tomorrow.

Mr. McCLELLAN. Mr. President, will the Senator from New Mexico yield, so that I may ask the Senator from South Dakota a question?

Mr. ANDERSON. I ask unanimous consent that I may yield for that purpose.

The PRESIDING OFFICER. Is there objection? The Chair hears none.

Mr. McCLELLAN. Mr. President, I should like to ask the privilege of joining with the distinguished Senator from

South Dakota as a cosponsor of the amendment.

Mr. CASE. I appreciate the Senator's suggestion, and I should have included the request that the amendment be received as an amendment on behalf of myself and the Senator from Arkansas.

The PRESIDING OFFICER. The amendment will be received and printed, and lie on the table.

Mr. ANDERSON. Mr. President, I have one minor amendment.

The PRESIDING OFFICER. The clerk will state the amendment.

The CHIEF CLERK. On page 12, line 13, it is proposed to strike out "(i)" and insert "(j)."

The amendment was agreed to.

Mr. ANDERSON. There is another amendment, on page 15, line 2.

The PRESIDING OFFICER. The clerk will state the amendment.

The CHIEF CLERK. On page 15, line 2, after the word "that" it is proposed to insert the word "it."

The amendment was agreed to.

Mr. WATKINS. Mr. President, one of the sections of the bill provides for exploiting and developing the Continental Shelf in the field of production of sulfur. The bill provides:

> In order to meet the urgent need for further exploration and development of the oil and gas deposits of the submerged lands of the outer Continental Shelf, the Secretary is authorized to grant to the highest responsible qualified bidder by competitive bidding—

And so forth. That states the objective. During emergencies such as we have had in the past, it has been very difficult for agriculture and other lines of activity to obtain sufficient sulfur to take care of the need. Particularly, the fruit growers were unable to get a sufficient quantity of sulfur to use in the combination of lime and sulfur for spraying purposes. In my State we had such difficulty in both world wars, and it has occurred in recent times also.

My State is interested in seeing to it that there is an ample production of sulfur. I am glad the measure contains a provision with respect to sulfur leasing. I am, however, very apprehensive over the figure which has been set, a 10 percent royalty to be exacted from producers or lessees in this particular field of activity. I feel that the subject should be given considerable study.

Evidence has come to my attention that one of the things on which we were relying in the committee was the so-called minimum requirement in the States of Louisiana and Texas with respect to sulfur leases. I have found that what we were informed was the actual fact is rather inaccurate. In other words, the material was not up to date.

In that connection, Mr. President, I have before me two affidavits, one signed by C. J. Bonnecarrere, secretary of the State mineral board of the State of Louisiana, and the other by Bascom Giles, commissioner of the General Land Office of the State of Texas. I shall not offer an amendment to change the limit, but I ask unanimous consent to have these two affidavits printed in the RECORD as a part of my statement.

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

STATE OF LOUISIANA:

Parish of East Baton Rouge:

Before me, the undersigned authority personally came and appeared, C. J. Bonnecarrere of the full age of majority and a resident of the Parish of East Baton Rouge, who being by me duly sworn did depose and say:

That he is the secretary of the State Mineral Board of the State of Louisiana, that he has been connected with said Board since 1940, and that in his present capacity he receives bids submitted to the State mineral board in response to application for bids for mineral leases by the State of Louisiana covering public lands, and that he keeps the minutes of the State mineral board covering all transactions of said board including the official records of all leases awarded by the State mineral board.

That all mineral leases covering State owned land or water bottoms and/or public lands are executed by the State mineral board on behalf of the State of Louisiana and cover and affect the exploration for and production of oil, gas, sulfur, potash, and other gaseous or liquid hydrocarbons; and that to the best of his knowledge and belief, since he has been connected with the State mineral board, no mineral lease has ever been granted by the State of Louisiana covering sulfur alone.

That 1,926 mineral leases have been executed by the State mineral board from October 22, 1938, to June 10, 1953, covering State-owned land or water bottoms and/or public lands; that the sulfur royalty provided in each of these leases has varied, but the royalty on sulfur can be summarized as follows:

1. Seven hundred and ninety-eight leases (or 41.48 percent) provided for a royalty of $0.75 per long ton of sulfur produced and sold.
2. Three leases (or 0.16 percent) provided for a royalty of $0.80 per long ton of sulfur produced and sold.
3. One lease (or 0.05 percent) provided for a royalty of $0.85 per long ton of sulfur produced and sold.
4. One lease (or 0.05 percent) provided for a royalty of $0.95 per long ton of sulfur produced and sold.
5. Four hundred and sixty-four leases (or 24.09 percent) provided for a royalty of $1 per long ton of sulfur produced and sold.
6. Three leases (or 0.16 percent) provided for a royalty of $1.10 per long ton of sulfur produced and sold.
7. One lease (or 0.05 percent) provided for a royalty of $1.15 per long ton of sulfur produced and sold.
8. Two leases (or 0.10 percent) provided for a royalty of $1.25 per long ton of sulfur produced and sold.
9. One lease (or 0.05 percent) provided for a royalty of $1.40 per long ton of sulfur produced and sold.
10. One hundred and forty-nine leases (or 7.74 percent) provided for a royalty of $1.50 per long ton of sulfur produced and sold.
11. Five leases (or 0.26 percent) provided for a royalty of $1.75 per long ton of sulfur produced and sold.
12. Four hundred and sixty-seven leases (or 24.20 percent) provided for a royalty of $2 per long ton of sulfur produced and sold.
13. Eighteen leases (or 0.93 percent) provided for a royalty of $2.50 per long ton of sulfur produced and sold.
14. Three leases (or 0.16 percent) provided for a royalty of $3 per long ton of sulfur produced and sold.
15. One lease (or 0.05 percent) provided for a royalty of $4.25 per long ton of sulfur produced and sold.
16. Nine leases (or 0.47 percent) were court orders or unitization agreements, in which royalties were not a factor.

That there has been sulfur production in the State of Louisiana under only three State leases, none of which cover water bottoms in the Gulf of Mexico, to wit:

State lease No. 124 and dated August 26, 1924, and covering the bed of Lake Peigneur from which sulfur was produced and royalty was paid to the State of Louisiana from 1932 to 1936 at the rate of 75 cents per long ton produced and sold.

State lease No. 199, dated March 26, 1928, and covering, among other lands and water bottoms, the bed of Bay St. Elaine from which sulfur has been and is presently being produced with royalty payments to the State of Louisiana since November 1952 at the rate of 75 cents per long ton produced and sold.

State lease No. 212, dated July 18, 1928, and covering the bed of Lake Grand Ecaille from which sulfur has been and is presently being produced with royalty payments to the State of Louisiana since 1934 at the rate of 75 cents per long ton produced and sold.

That it is expected that sulfur production will result from operations now being conducted under State lease No. 214, dated September 13, 1928, and covering, among other land and water bottoms, Garden Island Bay. When sulfur is produced under said lease, royalty will be paid to the State of Louisiana at the rate of 75 cents per long ton produced and sold.

That Louisiana Revised Statutes of 1950 (title 30, sec. 127) prescribes the minimum royalty on sulfur to be 75 cents per long ton produced and sold, but that by resolution of the members of the then existing State mineral board dated August 29, 1951 (and reaffirmed by the present mineral board), the State mineral board indicated to all interested parties leasing State-owned lands that they favor a royalty on sulfur of not less than $2 per long ton.

That, as a consequence of the mineral board resolution, most recent applicants for mineral leases have incorporated in their bids a royalty on sulfur of $2 per ton, but it should be noted that almost all of the successful bidders for State mineral leases were individuals or corporations who were primarily engaged in exploration for oil and gas.

That, in considering competing bids for mineral leases, the members of the State mineral board consider both the amount of the cash bonus and the royalty offered the State of Louisiana, and after consultation with the State geologist and after carefully weighing all factors, the State mineral board awards the lease to the bidder whose bid they believe to be the most favorable to the State of Louisiana.

That, in an effort to make their bids as competitive as possible, individuals or corporations which are primarily interested in oil and gas production, may offer royalty on sulfur substantially in excess of that which would make exploration for, and production of, sulfur commercially feasible, and that thus, the sulfur royalty provided in recent leases may have no bearing on the royalty which, at present sulfur prices, would encourage exploration for, and production of, sulfur, particularly from the Continental Shelf in the Gulf of Mexico.

That practically all State mineral leases covering water bottoms owned or claimed by the State of Louisiana and located on the Continental Shelf in the Gulf of Mexico, were issued by the State of Louisiana between the years 1945 and 1949, and most of these leases provide for a royalty on sulfur of less than $2 per long ton produced and sold.

That no sulfur has been produced under a State lease covering State-owned water bottoms on the Continental Shelf in the Gulf of Mexico.

That the State mineral board in granting mineral losses covering State-owned water

bottoms on the Continental Shelf has taken into consideration the immense difficulty in conducting exploratory and development operations on the Continental Shelf and consequently has accepted bids carrying in some cases a lesser royalty than would be expected from leases covering dry land and/or more accessible and protected water bottoms.

Further the deponent sayeth not.

C. J. BONNECARRERE.

Sworn to and subscribed before me this 17th day of June 1953.

Mrs. ROSEMARY TORBET BROUSSARD,
Notary Public in and for the Parish of East Baton Rouge.

STATE OF TEXAS:
County of Travis:

Before me, the undersigned authority, on this day personally appeared Bascom Giles, a credible person, who, after being by me duly sworn, on oath deposes and says:

I am, and for many years have been, commissioner of the general land office of the State of Texas.

Numerous leases were granted by the State of Texas on State owned lands in the Gulf of Mexico during the period 1931 to 1947, all of which covered not only oil and gas but also sulfur and other nonmetallic minerals, in accordance with the leasing statutes in force during such period. Practically all of these leases have expired, only 8 being still in force by reason of oil or gas operations or extensions or suspensions as provided by existing statutes; but there has never been any sulfur royalty paid to the State of Texas under the terms of any of such mineral leases.

In 1947 the State legislature passed a law amending the prior statutes insofar as they pertained to the granting of leases on State owned lands in the Gulf of Mexico covering oil, gas, sulfur and all other nonmetallic minerals in the same lease, and providing for the granting of leases on such lands for oil and gas only and for the separate leasing of such lands for other nonmetallic minerals, including sulfur.

Since the passage of the 1947 statute providing for the separate leasing of State-owned lands in the Gulf of Mexico for sulfur, no such lease has been granted by the State; nor has the State at any time ever granted a lease covering sulfur only in lands in the Gulf of Mexico.

Under the Texas laws, the royalty on sulfur under any mineral leases covering sulfur granted on State-owned lands in the Gulf of Mexico is one-eighth of the gross production of sulfur or the value thereof.

There have been many leases granted by the State of Texas covering oil, gas, and certain other minerals, including sulfur, on State-owned lands other than lands in the Gulf of Mexico which leases provide for a one-eighth royalty on sulfur; however, there has never been any sulfur royalty paid to the State of Texas under the terms of any such mineral leases.

As of this date, according to the records in the office of the commissioner of the General Land Office of the State of Texas, there are now in force approximately 198 of the leases covering oil, gas, and certain other minerals, including sulfur, previously granted on State-owned lands other than lands in the Gulf of Mexico.

The records of the office of the commissioner of the General Land Office of the State of Texas do not reflect that any attempt has ever been made to produce sulfur from any of the lands covered by such leases, neither do such records reflect the nature of any such attempt; nor do I have any knowledge of any attempt ever having been made by any lessee to produce sulfur from any of the lands covered by any of such leases.

Many mineral awards (mining claims) have been granted on lands sold by the State with the reservation of all minerals thereunder, and many of such mineral awards have been subsequently patented under the terms of presently existing statutes. Many of these awards are still in force, and a great many more have been patented, all of which are subject to the royalty reserved by the State. Such awards granted since 1935 (and patents issued thereon) reserved to the State of Texas a royalty of 6¼ percent on all minerals covered thereby, including sulfur produced from such lands. So far as the records of this office show, no royalties have been paid to the State of Texas on account of production of sulfur from these lands within the past 20 years, although prior to that period the State may have received some small royalty payments from this source.

Furthermore, according to information from the records of gross-receipts taxes in the office of the comptroller of the State of Texas, payment of such taxes has been made on sulfur produced in the State, but the State has made no mineral awards, mineral award patents, or leases in the areas covered by these reports.

BASCOM GILES.

Sworn to and subscribed by Bascom Giles before me this 17th day of June 1953.

REVA S. JACKSON,
Notary Public in and for Travis County, Tex.

Mr. LONG. Mr. President, I send to the desk an amendment to the pending bill, and ask that it be printed and lie on the table.

The PRESIDING OFFICER. The amendment offered by the Senator from Louisiana will be received, printed, and lie on the table.

RECESS

Mr. KNOWLAND. Mr. President, if there be no further business to be transacted, I move that, pursuant to the previous unanimous-consent agreement, the Senate now take a recess until 10 o'clock tomorrow morning.

The motion was agreed to; and (at 6 o'clock and 56 minutes p. m.) the Senate took a recess, the recess being under the order previously entered, until tomorrow, Thursday, June 25, 1953, at 10 o'clock a. m.

NOMINATIONS

Executive nominations received by the Senate, June 24 (legislative day of June 8), 1953:

UNITED NATIONS

Irving Salomon, of California, to be a representative of the United States of America to the second extraordinary session of the General Conference of the United Nations Educational, Scientific, and Cultural Organization.

Mrs. Elizabeth E. Heffelfinger, of Minnesota, to be the alternate representative of the United States of America to the second extraordinary session of the General Conference of the United Nations Educational, Scientific, and Cultural Organization.

POST OFFICE DEPARTMENT

The following-named persons to be members of the Advisory Board for the Post Office Department:

Consuelo Northrop Bailey, of Vermont.
Richard Berlin, of New York.
John Coleman, of Michigan.
Richard J. Gray, of Ohio.
Rowland Jones, Jr., of South Dakota.
Curtis McGraw, of New Jersey.
Charles White, of Ohio.

ATOMIC ENERGY COMMISSION

Lewis L. Strauss, of Brandy Station, Va., to be a member of the Atomic Energy Commission for a term of 5 years expiring June 30, 1958, vice Gordon Dean, term expiring.

UNITED STATES ATTORNEYS

Charles W. Atkinson, of Arkansas, to be United States attorney for the western district of Arkansas.

Harry Richards, of Missouri, to be a United States attorney for the eastern district of Missouri, vice George L. Robertson, resigned.

John C. Crawford, Jr., of Tennessee, to be United States attorney for the eastern district of Tennessee.

Millsaps Fitzhugh, of Tennessee, to be United States attorney for the western district of Tennessee, vice John Brown, term expired.

UNITED STATES MARSHALS

James L. May, of Alabama, to be United States marshal for the southern district of Alabama, vice Vernon P. Burns, term expired.

Frank O. Bell, of California, to be United States marshal for the northern district of California, vice John A. Roseen, resigning.

Thomas J. Lunney, of New York, to be United States marshal for the southern district of New York.

Roy A. Harmon, of North Carolina, to be United States marshal for the western district of North Carolina, vice Jacob C. Bowman, term expired.

Harold Sexton, of Oregon, to be United States marshal for the district of Oregon.

Howard S. Proctor, of Rhode Island, to be United States marshal for the district of Rhode Island.

IN THE AIR FORCE

The following-named officers for promotion in the Regular Air Force under the provisions of sections 502, 508, and 509 of the Officer Personnel Act of 1947 and section 306 of the Women's Armed Services Integration Act of 1948. Those officers whose names are preceded by the symbol (×) are subject to physical examination required by law. All others have been examined and found physically qualified for promotion.

To be major

CHAPLAIN

×Wills, Charles Francis, 18796A.

To be captains

AIR FORCE

Jackson, Stuart Lee, 17076A.
×Larkin, Harold Joseph, 17078A.
×Stukas, Robert Russel, 17169A.
Thomas, Rex O., 17293A.
Lamp, Richard Earl, 17416A.
×Butler, Jerome Frederick, 17497A.
Mason, William Henderson, 17508A.
White, Charles Reuben, 17533A.
Howell, Philip Vann, Jr., 17534A.
Sanders, Stephen John, 17535A.
Schweizer, George J., Jr., 20038A.
Davis, Homer Sims, 17536A.
Turner, Joseph Harry, 17537A.
Krieger, Thomas Bert, 17538A.
×Adams, Harry Jones, 17539A.
Peebles, Thomas Nathaniel, 17540A.
Steorts, Ward Arnold, 17541A.
Harmon, William Alexander, 21438A.
Dillard, George Edward, 17542A.
×Reiss, Leonard, 21439A.
Ricketts, James Ellsworth, Jr., 17543A.
Vidmer, Richards, Jr., 17544A.
Garlington, Arthur Roe, Jr., 17545A.
×Boehm, Paul Francis, 17546A.
Hartzell, Richard Atley, 17547A.
Like, Delbert Odell, 17548A.
Latshaw, Robert Thomas, Jr., 17549A.
Hudlow, Richard Jolly, 17550A.
Arave, William Lloyd, 17551A.
×Scruton, Albert Marshall, 21786A.
×Yeager, Randall Gerald, Jr., 17552A.
×Gaines, Edmund Pendleton, Jr., 17558A.
Everette, John Bernard, 17559A.
Harris, Roy Lee, Jr., 17560A.
Sadler, Robert Edward, 17561A.

Bassett, John Kenneth, 17562A.
Fox, George Arthur, 17563A.
Leuchtmann, Robert Louis, 17564A.
Edge, Robert Laneer, 17565A.
×Trabb, Ralph 19792A.
×Lewis, Henry Stanley, Jr., 19794A.
×Hand, F. Ned, 19789A.
×Montour, Gilbert Ernest, 19790A.
×Cleary, John Eugene, 19793A.
Wine, Joseph Raymond, Jr., 19788A.
Krysakowski, Joseph Edward, 19791A.
Warren, Foster Gage, Jr., 17566A.
×Milzer, Carl William, 21440A.
×Bunge, Howard Thomas, 17567A.
×Dingeldein, Robert, 17568A.
Hallenbeck, Alva Merle, 17569A.
Knight, Jack, 20039A.
×Case, Richard Deering, 20040A.
×Ranz, Norman O., 21441A.
×Kahn, Leroy, 21787A.

MEDICAL

Shum, Lyle Marvin, 24663A.
×Rudolph, Robert Lee, 21597A.
×Krivit, William, 20849A.
×Logue, John Terrell, 20848A.
Beyer, David Henry, 20846A.
×Melvin, Walter Willis, Jr., 24126A.
×Archdeacon, John Robert, 23068A.
De Minico, Charles Paul, 21598A.
×Ballinger, Edwin Ray, 21692A.

DENTAL

×Sture, Vernon Julian, 20554A.
×Jaeger, Clarence Paul, 20060A.
×Shelton, John Paul, Jr., 23175A.

VETERINARY

Hornickel, Edward Palmer, 21606A.

CHAPLAIN

×Bonner, Harold William, 21865A.
Shinn, Benjamin Judson, 24680A.

To be first lieutenants

AIR FORCE

Canfield, John Oren, 24415A.
Schoning, William Max, 23819A.
Branan, William Columbus, 23820A.
Cleland, David Ira, 24768A.
Hepler, Robert Glen, 23821A.
Norton, Charles Wesley, Jr., 24416A.
Skelton, Richard Eugene, 20786A.
×Larsson, Alfred John, Jr., 20772A.
Bloss, Stuart Marens, 20787A.
×Wead, Arthur Denice, 20773A.
×Clendening, Roger Dell, 20776A.
Wise, Harvey Earl, 20778A.
Clark, Virgil Scoville, 20779A.
×Styron, Hilton Gray, 20780A.
Murphy, Cecil Ray, 20775A.
Crabbe, William Merwin, Jr., 20781A.
Merkling, Richard Edwin, 20782A.
Miller, Edward Anthony, Jr., 20785A.
×Glover, Robert Milton, 20777A.
×Daniel, Plummer Alston, 20774A.
Woodworth, Gene Harold, 20783A.
Old, Robert Quentin, 24417A.
Hart, Allen Christopher, 24418A.
Hunter, John Franklin, 24419A.
Cunnion, Francis Joseph, 20805A.
Restum, Abraham Albert, 21586A.
Smithson, Clyde Spruill, Jr., 24769A.
Chard, Hobart T., 20788A.
Primrose, Robert Lloyd, 20790A.
Nicholson, Will Faust, Jr., 20789A.
Bryce, Paul Walker, Jr., 23822A.
×Smothers Robert William, 22849A.
Green, Albert Henry, 20796A.
Glass, Heath Thurman, Jr., 20797A.
Ryder, Dale Delbert, 23823A.
Dukes, Sterling Walter, 24420A.
Henry, Andrew, 24771A.
Watry, Charles Andrew, 24770A.
×Hollway, Donald Wilson, 21674A.
Hammock, Frank Marlin, 23824A.
Dickinson, Joe Thomas, 24421A.
×Kemp, Bertram, 22850A.
Burke, Walter Hubert, 23825A.
Thorp, Howard Richard, 24422A.
Poston, George Preston, 24423A.
Russell, Floyd Herold, 24772A.
Toomay, John Crawford, 23826A.
×Mebane, Robert McNair, 20799A.
×Snavely, Ralph Albert, Jr., 20800A.
×Sinquefield, H. B., Jr., 21652A.
Postero, Howard Frank, 23827A.
Robinson, Ray Albert, Jr., 23828A.
Goodrich, John Winston, 21525A.
Livesay, Crawford Patterson, Jr., 21531A.
×Youman, William Leslie, 21534A.
Robinson, Wallace Noble, 3d, 21546A.
Maglione, Ralph John, Jr., 21535A.
Carson, James Owen, 21532A.
Prince, Robert Eugene, 21536A.
Adams, James Asa, Jr., 21537A.
Dennerlein, Kenneth Neil, 21548A.
Gleoggler, James Kremer, 21544A.
Davey, John James, 21527A.
Wilke, Robert Arthur, 21545A.
Reinker, George Richard, 21539A.
Clark, Ralph Peter, 21540A.
Frye, Eugene, 21530A.
Anna, Lloyd Peter, 21528A.
×Kulaas, Robert Henning, 21529A.
Nuchols, James Fleming, 21538A.
Fetzer, William McKinnon, 21533A.
Smith, Frederick Harold, 23832A.
Viering, Francis Donald, 23830A.
Jolley, John Elonzo, Jr., 23829A.
Lavaude, Louis Francis, 23831A.
×Francis, Albert Hall, 24424A.
Copp, William Hamilton, 24773A.
Saye, Robert Newton, Jr., 24774A.
Tourtellot, George Platt, 24775A.
Irwin, John Patrick, 23833A.
Hines, Thomas Frazer, 24425A.
Truett, Herbert Winters, 24446A.
Showers, Clarence Ellsworth, 24776A.
Johnson, Marvin Wayne, 22848A.
Hopkins, Gene, 22851A.
Shoemaker, Robert Charles, 24777A.
×Sankey, William Charles, Jr., 20806A.
Arpke, Charles Kenneth, 23834A.
Lobell, Alfred Zeb, 24778A.
×Swenson, Homer Wessel, 21653A.
Britton, Thomas Craig, 23835A.
Rutledge, Robert Dela, Jr., 23836A.
Sehon, Raymond Neil, 24779A.
Boehne, Gerald Paul, 23837A.
Spalding, Thomas Benedict, 24449A.
×Benigno, Benjamin Benedict, 24780A.
×Eck, Raymond Otto, 20809A.
×Seymour, Robert Louis, 20813A.
×Anderson, Joe, 20814A.
×Ogle, Quentin John, 20808A.
Morin, Robert Paul, 20810A.
Giddings, Charles Robert, 3d, 20807A.
Coyle, Robert Charles, 20815A.
Clauson, Curtis Sutherland, 20812A.
Bryant, Eugene Cranford, 23840A.
MacFarren, Donald James, 23838A.
Wheeler, Lewis Edgar, Jr., 23839A.
Pipher, Robert Wilson, 24426A.
Chu, Earl Massey, 23841A.
Miller, Bernard Paul, 23842A.
Gardner, G. C., Jr., 23844A.
Hickson, Dick, Jr., 24427A.
Holland, Charles Duke, 24781A.
×Belinski, Edward Joseph, 21721A.
Cronin, John Bernard, 23845A.
×Alderman, James Othell, 21526A.
Bolt, Thomas Bruce, 23847A.
×Holaway, Robert Owen, 21587A.
Modisette, James Oliver, Jr., 23849A.
Davison, Peter Hal, 23848A.
Moyle, Thomas Dowling, 24782A.
Underwood, Elbert Maurice, 24783A.
Hatcher, Dwight Joel, 21654A.
Pishney, John Carl, Jr., 23851A.
Box, Moses Richard, 21746A.
Brewington, Russell Dumas, 23852A.
Kirkpatrick, Herman Leonard, 23853A.
Wright, Robert Craig, 24428A.
×Urie, Thomas Eugene, 20885A.
Plant, Kenneth Albert, 23855A.
Reed, William, 23854A.
Skiles, William Blair, 20886A.
×Millspaugh, Robert Edward, 20887A.
Mook, William Rouch, 20888A.
×Esser, George Edward, 24785A.
Kimbrough, Duke Shouse, 24784A.
Voudouris, Arthur Costas, 24786A.
Pinson, Jay Dee, 21665A.
×Gabriels, Alexander, Jr., 24429A.
Priestley, Gilbert Alden, 23856A.
Keen, Robert Harley, 20889A.
McConnell, Carlton Harper, 22853A.
×Beard, William Joseph, 24787A.
Coen, Charles Clair, 24788A.
Miller, William Stanley, 22854A.
Hayes, Jack Austin, 22429A.
Bellizzi, Anita Marie, 22428W.
Rave, Frank Harlan, 22431A.
Washington, Miles Standish, Jr., 22433A.
×Torraco, Pasquale, 22432A.
Watts, William George, Jr., 23857A.
Egginton, Jack Hardy, 24430A.
Davis, Albert Paul, 24432A.
Risner, Hurl, 24789A.
Schoppe, John Cushman, 23858A.
Bull, Willard Stanley, Jr., 23859A.
Brady, Eugene Lorne, 22855A.
×Hartsfield, William Wylie, 20892A.
×Brown, William Randall, 20890A.
×Keleher, Robert Jerome, 20891A.
Nunnally, Frank Warren, 24433A.
Ford, Francis Meredith, 23860A.
Lanham, William Taylor, 23861A.
Woldt, Willard Emerson, 24434A.
Campbell, Stanley Jean, 23862A.
Eanes, Edwin Coley, 24435A.
Johnson, James Gordon, 24436A.
Walker, Clarence William, Jr., 24437A.
×Poor, Arthur Reginald, 20894A.
×Enright, Joseph Kenneth, 24790A.
Boyer, Kenneth Guy, 21571A.
Pawelek, Edmund Theodore, 21576A.
Schmidt, Paul Phillip, 21581A.
Bretzius, William Franklin, 3d, 21585A.
Scarff, Edwin Jerome, 21578A.
Del Do, Louis Joseph, 21572A.
Rabbitt, Kent William, 21573A.
Podoll, William Gene, 21575A.
×Bancroft, Earl Frank, 21583A.
Ammerman, David Shearer, 21584A.
×Simons, Walter, Jr., 21577A.
Hills, John Russell, 21579A.
Williams, Wesley Warren, 21574A.
Davis, Harry Bazelle, 21570A.
Head, Edward Martin, 24438A.
Brunsman, George Edward, 24439A.
Mace, Theodore Nelson, 24792A.
Matecko, George, 24791A.
Van Huss, George Dewey, Jr., 24794A.
Humphreys, Francis Aldridge, Jr., 24793A.
McClurkin, Samuel Preston, 23863A.
Reaver, William Paul, 24440A.
Baker, Henry Daniel, Jr., 23864A.
Harpster, John Stanley, 24441A.
Goldfogle, Richard Arnold, 24442A.
Martin, Baird Mankin, 21664A.
Luttrell, Donald Allen, 24443A.
Smith, John Richard, 24444A.
Ward, Marion Haggard, 23865A.
Bergstrom, Airus Evan, 23866A.
×Mixson, Donald McRae, 21551A.
Clark, William Ainsworth, 21554A.
Clark, Robert Louis, 21555A.
Luke, William Thomas, 19888A.
Laski, Joseph Stanley, 23869A.
Clouse, James Buchanan, 23870A.
Hawk, Robert Gordon, 21589A.
×Conner, Henry Hoop, Jr., 21590A.
Michaud, Richard Earl, 21588A.
Nicholson, William Lloyd, 3d, 24447A.
Waters, William Forrest, 21668A.
Graham, Irwin Patton, 23871A.

MEDICAL SERVICE

×Weiss, Frank, 23078A.
Kelly, John Allen, 23225A.
Stauch, John Edward, 23079A.
Jonas, Ralph Buel, 23226A.
Kelley, Robert Gerard, 23227A.
×Ansley, Ben Aubrey, 23080A.

The following-named officers for promotion in the Regular Air Force under the provisions of section 107 of the Army-Navy Nurses Act of 1947, as amended by Public Law 514, 81st Congress. Those officers whose names are preceded by the symbol (×) are subject to physical examination required by law.

To be first lieutenants

NURSES

×Kennedy, Elizabeth Marie, 21713W.
×Kessler, Doris Mae, 21711W.
×Evans, Bertha Elizabeth, 21717W.

WOMEN'S MEDICAL SPECIALIST

×Ertwine, Jean Mackey, 21719W.

NOTE.—Dates of rank of all officers nominated for promotion will be determined by the Secretary of the Air Force.

REGULAR AIR FORCE

The following-named person for reappointment to the active list of the Regular Air Force, in the grade of major, from the temporary disability retired list, under the provisions of section 407, Public Law 351, 81st Congress (Career Compensation Act of 1949):

Jack L. McCluskey, 3924A.

The following-named persons for appointment in the Regular Air Force, in the grades indicated, with dates of rank to be determined by the Secretary of the Air Force under the provisions of section 506, Public Law 381, 80th Congress (Officer Personnel Act of 1947); title II, Public Law 365, 80th Congress (Army-Navy-Public Health Service Medical Officer Procurement Act of 1947); and section 307 (b), Public Law 150, 82d Congress (Air Force Organization Act of 1951), with a view to designation for the performance of duties as indicated:

To be majors, USAF (Medical)

Lester S. Greider, AO1695156.
Joseph M. Quashnock, AO536596.

To be captains, USAF (Medical)

Claude D. Baker, AO2212879.
Norman C. Bos, O977418.
Victor H. Esch.
Charles E. Guice, AO1864475.
Gerald I. Maas, AO2212529.
Robert E. Pierce, AO976811.
Lyman J. Scripter, AO1906218.

To be captains, USAF (Dental)

Robert G. Bowman, AO1907110.
Robert L. Lindberg, AO1776178.
Henry R. Potts, AO2241056.
Joseph G. Runco, AO2240280.

To be first lieutenants, USAF (Medical)

Ray M. Balyeat, AO690032.
Max B. Brallier, AO2212178.
Neil E. Crow.
Garth B. Dettinger, AO798984.
Anthony J. DiGiovanni, AO794780.
Francis S. Gardner, Jr.
Paul M. Grissom, AO2240365.
Herbert C. Haynes.
Howard H. Johnson, Jr.
Earl J. Kolb, Jr., AO2240658.
William R. LaRosa.
Gilbert B. Maestas, AO2240378.
Edmund J. Manogue, AO1541394.
William F. Nicol, AO2240370.
John B. Norton, AO1181973.
Leo C. Partyka, AO2240371.
William H. Peniston, 310904 USNR.
Gerald B. Reams.
Eli Richard, AO561895.
Basil M. Yates, AO2212873.

To be first lieutenants, USAF (Dental)

Elmer T. Duncan, AO2239956.
Farnz W. Logan, AO860855.
Emil A. Mellow, AO702135.
Wayne A. Peer, AO857111.
Daniel B. Stanton, AO2240714.
Luie D. Stewart, AO753451.
James L. Vander Berg, O1648956.
Rene D. Varrin, AO1906197.

To be first lieutenants, USAF (Chaplain)

John H. Allman, AO2236160.
William A. Boardman, AO944218.
Thomas N. Shaddox, Jr., AO2235854.

To be first lieutenants, USAF (Judge Advocate)

Roy D. Adcock, AO662851.
Duane R. Bernard, AO1858716.
Richard C. Bocken, AO2099173.
Robert Burns, AO2235974.
John C. Chew, AO731461.
Harold C. Detling, AO2247462.
John W. Fahrney, AO1854024.
William T. Griffith, AO1866173.
Warren H. Jolly, AO830005.
Daniel G. Joyce, AO662062.
Eugene E. Kelly, AO1856605.
Otto Kratochvil, AO1859532.
Mayo L. Mashburn, AO2216332.
Giles J. McCarthy, AO659066.
Ralph H. Moberley, Jr., AO1847089.
Basil S. Norris, AO2216350.
Norman R. Prusa, AO840192.
Virgil M. Rochester, AO2235848.
Everett E. Sloop, AO1864303.
Charles S. Steinhardt, AO2233759.
James Taylor, Jr., AO2236214.
James R. Thorn, AO664276.
Fielding L. Washington, AO701663.
Thomas L. White, AO888862.
Robert F. Williams, AO876230.
David C. Yeoman, AO411285.
Keith J. Yoder, AO930009.
Rush L. Young, AO664486.

The following-named persons for appointment in the Regular Air Force, in the grades indicated, with dates of rank to be determined by the Secretary of the Air Force under the provisions of section 506, Public Law 381, 80th Congress (Officer Personnel Act of 1947):

To be first lieutenants

Stanley L. Anderson, AO818801.
Maurice D. Bach, AO591617.
John J. Baleski, Jr., AO665372.
Leonard N. Beardsley, AO2099090.
Richard S. Becker, AO1908494.
Tommie D. Benefield, AO1904565.
David B. Bogie, AO1847843.
Anthony W. Brunetti, AO590543.
Vincent K. Buck, Jr., AO1908885.
William P. Calmes, AO684136.
James L. Cameron, Jr., AO766417.
William E. Carson, AO1910366.
Robert L. Clark III, AO820956
Paul E. Coke, AO781525.
Joseph D. Cooper, AO779795.
Emery J. Crane, AO1910368.
Leonard D. Craun, AO688741.
Robert W. Denomy, AO2075850.
George T. Dwyer, AO2083254.
John T. A. Ely, Jr., AO876908.
Richard A. Emmons, AO668558.
Robert E. Flynn, AO960919.
Ivan R. Frey, AO781544.
William R. Graham, AO1847728.
Francis C. Grundy, AO2098970.
Kenneth R. Hales, AO1909047.
William E. Haynes, AO2084297.
Robert R. Heaton, AO2081454.
Paul B. Henderson, AO815899.
Charles C. Hyre, Jr., AO717442.
Frank J. Jowdy, AO2056079.
Frank Z. Kamer, AO782753.
Paris N. Keriakou, AO2075988.
Russell E. Klinginsmith, AO715237.
Thomas E. Lamb, AO773163.
Joe V. Lane, AO790749.
Roger P. Larivee, AO796843.
Floyd D. Mahl, AO712415.
William J. Mahon, AO723647.
Edwin J. Mattingly, AO700619.
David C. McDaniel, AO703282.
James V. Merritt, AO820299.
George L. Miller, AO2063080.
Junior D. Murfield, AO531651.
Allen L. Myller, AO1904209.
Edward R. Nacey, AO707540.
William R. Nelson, AO747057.
Henry L. Nixon, AO833192.
Alfred R. Novak, AO814122.
Grover C. Oakley, Jr., AO2069568.
John H. Oliphint, AO674390.
John H. Parrott, Jr., AO816566.
Robert H. Perry, AO719725.
Morris B. Pitts, AO799633.
Alan G. Pound, AO775545.
Andrew Pringle, Jr., AO1910407.
Walter W. Rogers, AO1046628.
Charles G. Romine, AO705992.
Jerome A. School, AO1847211.
William C. Slattery, AO1910344.
Oswald D. Tolley, AO2101832.
Constantine J. Tringas, AO1856785.
Carl M. Turbyfill, Jr., AO827086.
Jack E. Turner, AO1849276.
Charles L. Waid, AO933268.
Paul E. Williams, AO794733.

To be second lieutenants

Gordon J. Allen, AO2232168.
Jesse J. Anderson, AO1911917.
Harry M. Archuleta, AO939271.
Leonard E. Baltzell, AO1854669.
Samuel L. Bertic, AO930401.
Donald D. Brown, AO2221740.
Julius W. Brown, Jr., AO2080983.
Franklin M. Charette, AO2222225.
Edward B. Clark, AO944417.
Arthur S. Cole, AO1858098.
Gerald E. Cooke, AO2093169.
Robert E. Crawford, AO872200.
Gerald B. Custer, AO785768.
Gerald R. Dahl, AO1912066.
Charlie B. Davis, Jr., AO2221578.
Frederick C. Dietz, AO831138.
Dale E. Downing, AO1858101.
Robert G. Elliott, AO2063809.
Harold D. Farris, AO819778.
Rodney D. Faulds, AO938184.
Joseph Fischle, AO1851084.
Philip Florio, Jr., AO2218666.
Billy G. Halbert, AO705388.
Harold C. Hall, AO715198.
Richard A. Heard, AO2092132.
William V. Hughes, AO721094.
Joseph D. Jefferis, AO698563.
Billy M. Jones, AO839024.
Henry L. Jones, AO1907316.
Jacob A. Joppa, Jr., AO1912093.
Thomas J. Killion, Jr., AO838111.
Charles E. Koeninger, AO1856403.
Harold F. Leatherby, AO1910749.
Robert H. McIntire, AO2084949.
John A. McMillan, AO1905997.
John R. McQuillen, AO2221853.
William S. O'Leary, AO1863063.
Lawrence M. Olson, AO942128.
George E. Omley, AO786451.
Foster A. Post, AO2221914.
Henry D. Rauchenstein, AO555231.
Herbert H. Reynolds, AO2218770.
Charles C. Runnels, Jr., AO1856421.
Charles C. Runyan, Jr., AO788260.
Charles R. Schifferdecker, AO723695.
Richard J. Schimberg, AO1861099.
Wilbur C. Watson, AO2221574.
Mark A. Welsh, Jr., AO784638.
Charles L. Wilson, AO2058327.
George G. Yeager, Jr., AO838482.

The following-named persons for appointment in the Regular Air Force, in the grade indicated, with dates of rank to be determined by the Secretary of the Air Force under the provisions of section 506, Public Law 381, 80th Congress (Officer Personnel Act of 1947); and section 301, Public Law 625, 80th Congress (Women's Armed Services Integration Act of 1948):

To be second lieutenants

Elizabeth W. Collins, AL2218637.
Virginia R. Rathburn, AL1910777.
Mary A. Sawyer, AL2218781.

The following-named distinguished officer candidates for appointment in the Regular Air Force in the grade indicated, with dates of rank to be determined by the Secretary of the Air Force under the provisions of section 506, Public Law 381, 80th Congress (Officer Personnel Act of 1947):

To be second lieutenants

Robert A. Schultz, AO2220327.
Joseph C. Stehlin, Jr., AO2220350.

CONFIRMATIONS

Executive nominations confirmed by the Senate June 24 (legislative day of June 8), 1953:

UNITED NATIONS

John C. Baker, of Ohio, to be representative of the United States of America to the

16th session of the Economic and Social Council of the United Nations.

DIPLOMATIC AND FOREIGN SERVICE

James S. Kemper, of Illinois, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Brazil.

L. Corrin Strong, of the District of Columbia, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Norway.

M. Robert Guggenheim, of the District of Columbia, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Portugal.

FEDERAL MARITIME BOARD

Louis S. Rothschild, of Missouri, to be a member of the Federal Maritime Board for the remainder of the term expiring June 30, 1956.

UNITED STATES ATTORNEY

William F. Tompkins to be United States attorney for the district of New Jersey.

HOUSE OF REPRESENTATIVES

WEDNESDAY, JUNE 24, 1953

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

O Thou who art the guiding intelligence in the life of men and nations, wilt thou gird our minds and hearts with a courageous and cheerful spirit as we seek to do what Thou dost desire and demand.

We humbly confess that we do not know how to rightly read and interpret the signs of the times, but may we believe that it is our highest wisdom to put our trust in Thy divine providence and not be afraid.

Grant that we may never allow the multitude and magnitude of our tasks and responsibilities to pall on us and fill us with a sense of futility and frustration.

Show us how we may strengthen the bonds of fraternity and friendship among all the members of the human family and may it be our constant and controlling purpose to establish peace on earth.

In Christ's name we pray. Amen.

The Journal of the proceedings of yesterday was read and approved.

THE LATE HARRY P. O'NEILL

Mr. CARRIGG. 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 Pennsylvania?

There was no objection.

Mr. CARRIGG. Mr. Speaker, it is my sad duty to announce the unexpected passing of our late colleague, Harry P. O'Neill, who, during the sessions of the 81st and 82d Congresses represented the 10th District of Pennsylvania in this House.

Those of us who remember Mr. O'Neill, remember him as a quiet, unassuming, and kindly gentleman, one who went about his work here as a Representative without fanfare or ostentation.

I am sure that those of us who have been associated with him in the past will miss his kind friendship in the days to come.

I know I express the wish of this House when I say to his family that they have our deepest sympathy. I know that the House joins with me in the prayer that Almighty God will grant him and to those who have departed, the former Members of this House, everlasting peace and comfort in the world to come.

Mr. WALTER. Mr. Speaker, will the gentleman yield to me?

Mr. CARRIGG. I yield to the distinguished gentleman from Pennsylvania.

Mr. WALTER. I join my distinguished friend in extending to the family of our beloved colleague our deepest sympathy. Harry O'Neill was a family man first, and I am sure that his passing will be a great blow to his fine family. It has lost a devoted husband and father, and the community in which he resided has lost a fine public servant who contributed much to the welfare of all of the people he represented so unselfishly as a representative in the General Assembly of Pennsylvania and in the Congress of the United States. Harry O'Neill will be missed by all who were privileged to know him.

Mr. SAYLOR. Mr. Speaker, will the gentleman yield to me?

Mr. CARRIGG. I yield to the gentleman from Pennsylvania.

Mr. SAYLOR. It was with a sense of deep personal loss that I learned this morning of the passing of my friend and former colleague from Pennsylvania, Harry O'Neill. It was my distinct privilege to serve with Harry O'Neill as a member of the House Committee on Interior and Insular Affairs. Since he and I came from Pennsylvania, and sat on opposite sides in that committee, it was always a pleasure to discuss the legislation before us. His great wealth of legislative knowledge gained from 20 years' experience in the Pennsylvania Legislature was helpful to all who asked him for help. It was always interesting to note that Harry placed his country's interests above any party interest in every matter of legislation that came before Congress while he was a Member.

In traveling on committee business I got to know him very well. I know that he was a family man, a good father, a dutiful husband, a Christian gentleman, and a loyal American. I know that he was loved by his family; that he was always interested in the welfare of his country; and I know that his family will miss him. To his wife and his family, I join with his many friends in extending to them my sympathy.

His passing will be a great loss not only to them, but to his community and to his country.

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

Mr. CARRIGG. I yield to my colleague from Pennsylvania.

Mr. JAMES. Mr. Speaker, I am shocked and deeply moved by the notice I received just a few minutes ago of the passing of a very dear friend, Harry O'Neill.

It was my privilege to serve in the General Assembly of the Commonwealth of Pennsylvania with Harry O'Neill. When I entered that body as a new representative, Harry was even then the dean of the Democratic delegation in the general assembly. Harry was more than a friend to me for although we sat on opposite sides of the aisle, I was at all times able to secure his valuable advice, and in many ways he helped make my tenure of 8 years in the legislature pleasant, much happier, and more useful than might have been if he were not among those who were so cooperative.

I know the people in Pennsylvania who are aware of Harry's long and faithful service in the body in which he served so long so well will deeply regret his passing. I know he will be mourned by many in public life in the State of Pennsylvania.

I wish to extend my most profound sympathy to the members of his family. I join with my colleagues in the certain knowledge that Harry will meet his Maker, and his Maker will say to him, "Well done, thou good and faithful servant."

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

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

Mr. ENGLE. Mr. Speaker, I am distressed to learn of the death of my old friend and associate on the Committee on Interior and Insular Affairs, Harry O'Neill. It was my privilege to serve with him on that committee and to travel throughout the country with him on several occasions, which gave me an opportunity to get acquainted with him and to know him, and from which I formed a deep and friendly attachment to him.

I do not know of a man in this House who was more kindly, more friendly, or had a sweeter disposition. He was a conscientious public servant. He wanted to do his work and he wanted to do it well. He was an experienced and able legislator. He was a wonderful family man. He took great pride in his family, and I know his passing is a grievous loss to them.

His passing is going to be a great loss to all of us who knew him and served with him on the Committee on Interior and Insular Affairs.

I especially want to join in expressing my sympathy to Mrs. O'Neill, whom I knew very well, and in expressing my sympathy to all members of his family and to the people of his community. He was a fine citizen, a great American, and an able Congressman.

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

Mr. CARRIGG. I yield to my colleague from Pennsylvania.

Mr. GRAHAM. Mr. Speaker, in the passing of Harry O'Neill we in the Pennsylvania delegation have lost a fine friend. It is true he is not with us as a Member, Mr. CARRIGG having taken his place, but during his occupancy of this House as a Representative from his district he served his people well. He

was a kindly gentleman and very solicitous of his people, and very considerate of his family and friends.

We shall miss him, and we extend to his family our sincere sympathy and deep regret at his passing.

Mr. D'EWART. Mr. Speaker, will the gentleman yield?

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

Mr. D'EWART. I would like to join with my colleagues in paying my respects to Harry O'Neill. I served with him on the same committee and traveled throughout the West in studying various problems connected with that committee. He was on the opposite side from me, and I have a high regard for him.

I extend my sympathy to his family in their great loss. It is not only their loss alone, but also the loss of the country as a whole.

Mr. SCOTT. Mr. Speaker, it was with a great deal of regret that I learned this morning of the passing away of my friend, former Congressman Harry P. O'Neill, of Scranton, Pa.

The people of Scranton have lost a valued friend in the death of Harry O'Neill. He was unsparing in his devotion to the welfare of the people of his district.

For myself, I have only the happiest of memories of my associations with Harry P. O'Neill.

I join with the other Members from Pennsylvania in extending my sincere sympathy to the family of Mr. O'Neill.

Mr. ASPINALL. Mr. Speaker, it is not our privilege to get to know well each of the many Members who serve in this honorable body even though the many associations we have are warm and treasured. So it is that we are the more touched when death comes to one of the many fine personalities here with whom we have been privileged to have a more intimate association. I am grieved today because of the passing of our former colleague, Harry P. O'Neill, surely as fine and noble a man as ever represented his great State. He came to Congress the same year as I did, that was for the 81st Congress. He had had a long and successful career in the State House of Representatives before coming to Congress.

Mr. O'Neill and I were assigned to the same committee, Interior and Insular Affairs. We sat next to each other for 4 years. On that committee, I learned more about this gentleman from Pennsylvania, learned of his seven fine children and how all of his sons served in World War II. I met his charming wife and learned of their beautiful and companionate home life. I learned of his humble background and of his early struggle and yet of the progress he made through the efforts of himself, his loyal family and host of friends. Yes, I learned all this and much more about Harry O'Neill, a credit to his Nation and to this body. Naturally, I missed him when, as such things will occur, he failed of reelection for this present Congress.

I have seen Harry O'Neill but once since this Congress convened but this does not lessen the loss which I today feel. My thoughts, though with him in memory, turn mostly to his fine family, to those he has started on life's road and to them, I offer my most sincere condolences. I speak only that they might know that Harry O'Neill, a fine and lovable gentleman, has not been forgotten here in Congress where he served so well. Those of us who were privileged to walk with him for a while are the better because of our travels together.

VETERANS' ADMINISTRATIONS IN REPUBLIC OF THE PHILIPPINES

Mr. ALLEN of Illinois, from the Committee on Rules, reported the following privileged resolution (H. Res. 302, Rept. No. 650) which was referred to the House Calendar and ordered to be printed:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 3884) to extend the authority of the Administrator of Veterans' Affairs to establish and continue offices in the Republic of the Philippines. After general debate, which shall be confined to the bill, and shall continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Veterans' Affairs, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

HOME AND FARMHOUSE LOAN AUTHORITY OF VETERANS' ADMINISTRATION

Mr. ALLEN of Illinois, from the Committee on Rules, reported the following privileged resolution (H. Res. 303, Rept. No. 651) which was referred to the House Calendar and ordered to be printed:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 5456) to extend to June 30, 1954, the direct home and farmhouse loan authority of the Administrator of Veterans' Affairs under title III of the Servicemen's Readjustment Act of 1944, as amended, to make additional funds available therefor, and for other purposes. After general debate, which shall be confined to the bill, and shall continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Veterans' Affairs, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

SUPPORT OF RESISTANCE MOVEMENTS BEHIND IRON CURTAIN AND SET UP NATIONAL MILITARY UNITS FROM ESCAPEES FROM IRON CURTAIN COUNTRIES

Mr. KERSTEN of Wisconsin. 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 Wisconsin?

There was no objection.

Mr. KERSTEN of Wisconsin. Mr. Speaker, I wish to call the attention of the House this morning to the great speech made yesterday by Chancellor Adenauer in Germany concerning the death of those heroic persons who rose against the Communist police state in Eastern Germany and who were killed by the Soviets in the current uprising. In his speech Chancellor Adenauer called for the unification of Germany under the free government. The Soviets, we know, are calling for the unification of Germany under the hammer and sickle.

Mr. Adenauer stated that the West Germans would support the East Germans in their resistance to communism, and I think that should be the position of the free governments of the world. I think that we should support wherever we can movements of resistance in the other countries behind the Iron Curtain, Poland, Hungary, Czechoslovakia, and the other countries under the Communists, particularly to the point of implementing that portion of the law that provides for the setting up of national military units to be attached to the armed forces of the Western nations so as to be magnets of defection to the armed forces behind the Iron Curtain, because many elements of the armed forces under the Communists would defect and want to fight against their Red masters.

REDUCTION OF INCOME TAX

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

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

There was no objection.

Mr. HELLER. Mr. Speaker, when the people of this country voted last November to change administrations, one of the factors which prompted them to do so was the burden of taxation. The new administration, which made this an issue, is now in control nearly 6 months, but as yet the promise to cut taxes remains unfulfilled.

Nothing has been done to show the people that that promise will be kept this year. The bill, H. R. 1, introduced by the gentleman from New York [Mr. REED], has made no headway, so that its sponsor was forced to place a discharge petition on the Speaker's desk in the hope that a sufficient number of Members will sign the petition to bring the bill before this House for prompt action.

Mr. Speaker, yesterday I signed that petition. I signed it because the people are getting impatient about this matter. They are impatient because prices of food and other necessities are high and they find it difficult to meet the high cost of living. They are also impatient when they see the efforts to eliminate

the excess-profits tax for the rich, while nothing is being done for the poor.

Mr. Speaker, there is an old proverb which says: "Saying and doing are two different things." As my distinguished colleague, the gentleman from New York [Mr. REED] has repeatedly stated on the floor of the House to his Republican colleagues: "You said it during the campaign"—I say, "Do it now."

SPECIAL ORDER GRANTED

Mr. PERKINS asked and was given permission to address the House for 10 minutes today, following any special orders heretofore granted.

REORGANIZATION PLAN NO. 6

Mr. SHORT. Mr. Speaker, I ask unanimous consent to revise and extend my remarks at this point in the RECORD.

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

There was no objection.

Mr. SHORT. Mr. Speaker, I wish to call to the attention of the Members of the House, because of the possibility of not being able to get much time when Reorganization Plan No. 6 is brought to the floor, a speech that I am inserting at this point in the RECORD and one that I wish I might have delivered in person to the Members of this body. I do trust that all Members on both sides of the aisle will find time to read and study this explanation of Reorganization Plan No. 6, which most vitally affects our Defense Department and the security of our Nation.

Mr. Speaker, let me make one point clear before I get to the details of this reorganization plan and the resolution to reject it, introduced by Mr. CONDON.

These comments are mine only. They do not commit any other member of the Committee on Armed Services, but reflect, I believe, the views of a majority. I am speaking for myself alone and not as chairman of the committee.

I wanted to make that statement because the Armed Services Committee has not considered this plan officially, and I do not know, personally, but believe most members of the committee are in favor of the plan.

You may also wish to receive testimony or views from some of the other members of the Armed Services Committee. Most of them have an excellent background on the questions involved in this proposal.

Now, I am not going to belabor you with long and involved arguments. The plan is simple. Its provisions are clear. The issues it raises are uncomplicated and easily explained. The history of the provisions brought into question is well known, I believe, to all—or almost all—of the Members of the House.

I know of only one phase of the plan that occasions any particular concern among any of us. That is the part that relates to the Joint Chiefs of Staff. The balance of the plan rearranges the civilian functions of the office of Secretary of Defense and—I think all of us agree—is likely to result in substantial improvement of and heightened efficiency in that office.

I like particularly the abolition of the Munitions and Research and Development Boards, because they have been administrative headaches ever since shortly after their creation in 1947—and the Armed Services Committee has found time after time that the main purpose of these Boards seemed to degenerate into accomplishment of delay, diffusion of responsibility, and increase in cost of the armed services.

Also I like the idea of giving the top policy people in the office of the Secretary and Deputy Secretary of Defense the same civilian title and pay. It ought to make a more efficient, more cooperative, more stable Defense team, and providing Senate confirmation for these men as Assistant Secretaries, as the plan does, will make these positions more attractive to men of large capacity and vision.

The new Assistant Secretary for applications engineering—whose functions, I am sure, have already been fully explained to you—has especially attracted my attention and interest, because, frankly, I did not suspect previously that this type of management function should be provided for, and because I share the enthusiasm of the Secretary of Defense for the type of duties he will perform.

It is my expectation that if this man is given his head, and if a really outstanding man is put into this new post, then we ought to find ways and means for accomplishing savings in defense expenditures dwarfing those heretofore proposed by anyone—and without the slightest impairment of the combat capabilities of the Armed Forces. For a long time we have had an acute need for someone with clear-cut responsibility in the Pentagon to get common sense into service weapon design and research. This is the position calculated to do it, and I think it is a great step forward for defense and for rationality in this important field.

Now, about these Joint Chiefs of Staff provisions, I want first to make it clear that I am in full support of the provisions of the plan and, therefore, in opposition to rejection of the plan or any proposal to approve the plan with the proviso that the heart of these provisions be plucked out.

Bear this in mind as I proceed.

I have been, for some years, in the forefront of the fight in the House and in conference with the Senate against the creation of a military chief of staff over all of the military forces. I have been one of the most outspoken opponents of the Armed Forces general staff concept. I have been no blind follower of merger, which some think—mistakenly, in my opinion—should be the end result of unification.

The point is, I am no storm trooper devotee seeking to foist upon the Nation a military man with gargantuan powers, who can issue ukases and fiats, who can utter the last word on all military matters, who can know all and do all in relation to our national defense, overwhelming the President and the Congress with his tyranny over all our military.

Quite the contrary.

With my good friend and our respected and beloved colleague, CARL VINSON—who has forgotten more about this subject than most of us will ever find out—I played a forthright and vigorous part in delimiting the powers of the Chairman of the Joint Chiefs of Staff and imposing certain fetters upon the Secretary of Defense.

So, Mr. Speaker, this is no evangelist, no impractical dreamer, who is now before you urging approval of this plan.

But, my friends, we are getting to the point where we are seeing ghosts, ghouls, and goblins in these matters—we are getting to where we are afraid to legislate on certain aspects of national defense for fear that later on we might do something else wholly unacceptable today. We are acting emotionally about a subject that requires, above just about all others, the most crystal clear, most objective, most reasoned commonsense and judgment.

About this Chairman of the Joint Chiefs, just what is he under the law?

First, he is a military man. He holds four stars by virtue of this position. He gets the same pay as the other members of the Joint Chiefs of Staff, all of whom have the duty of strategic planning for our country.

Second, he has precedence over the other members of the Joint Chiefs of Staff. And why? So he can walk in front of them and at official functions, take the lead. When we wrote this into the law in 1949 we did so because, mainly, the Chairman would have looked mighty peculiar following the others around and taking a back seat at this and that function—then going back to the Pentagon and presiding over their meetings.

Third, he works under the Secretary and Deputy Secretary of Defense. The law says he is under their direction and authority. This means, if language means anything, that he is completely under their thumb. Also, as a member of the Joint Chiefs of Staff, he is also under the Secretary of Defense, for that body works under the Secretary.

Fourth, he has three duties that we gave him in 1949.

He writes up the agenda for the Joint Chiefs of Staff.

He presides over their meetings.

He advises the Defense Secretary and the President when the Joint Chiefs cannot agree.

These duties are in addition to his function as serving as a member of the Joint Chiefs of Staff.

And, as all of you know, he has no vote in the Joint Chiefs of Staff meetings.

So, all in all, he is a mighty closely confined officer, mainly having the function of helping the Joint Chiefs get their work done efficiently and in a reasonable time. That is about all he can do under the law.

Now, what have we here before us in this plan?

It does one thing only in respect to the Chairman.

It gives him the management of the Joint Staff, which heretofore, under the law, has worked under the Joint Chiefs of Staff.

Well, Mr. Speaker, some of my good friends look upon this as some devilish scheme to get a single Chief of Staff over all four of the Armed Forces—some indirect, covert device that will do indirectly what we have prohibited by law.

Let me say, in the first place, that I, for one at least, do not buy any such argument, because I know to my full satisfaction that President Eisenhower does not deal in this kind of indirection. I am told, in fact, that these provisions are in the plan simply to insure that there can be no misunderstanding about what is being attempted here. There is little doubt that the President and the Secretary of Defense could accomplish this result by means of the present law without coming to Congress about it. However, the intent of the law is involved, so these provisions are before us simply to keep all of this entirely open and aboveboard.

And, in the second place, fears about this are absurd if you have any reasonable understanding of the law, because the law contains provisions so flatly prescribing a single Chief of Staff and an overall Armed Forces general staff, that it simply cannot be done under this plan, directly or indirectly.

Look how the law ties this down.

The Chairman cannot vote in Joint Chiefs of Staff meetings.

He has no duties other than those prescribed in the law; in other words, he cannot float around accumulating all kinds of duties; he can do only those things prescribed for him.

He exercises no command, so he cannot tell the other Joint Chiefs what to do.

He cannot usurp the duties of the Joint Chiefs of Staff because, by law, all four of them hold these duties.

He cannot act as the prime military man because all four of the Joint Chiefs are, by law, the principal military advisers—not just the Chairman—to the President, the National Security Council, and the Congress.

In the face of all this—not to mention the fact that the Chairman also remains totally under the thumb of the Secretary of Defense, the President, and cannot escape the probing influence of the Congress—I can find little justification for alarm about his riding rough shod around the Pentagon and assuming functions and powers not in keeping with the law.

This Joint Staff—I just wonder how many of us know much about it. Certainly few of us have given much thought to it in the last 4 years.

It consists of 210 officers—70 from each military service. Actually it has never had more than 129 officers. These men are selected by the Joint Chiefs of Staff. The law prescribes that they work under the direction of a Director, who historically has held three stars. Its duties—and the Director's duties—are not spelled out in the law. They are just expected to do what the Joint Chiefs of Staff want them to do.

Now, this plan puts this group under the Chairman instead of under the Joint Chiefs of Staff, except that the Chairman still has to pick his men from lists provided by the other three Joint Chiefs—he cannot go down into each service and find his men himself.

Now, I have heard some Members of the House express grave perturbation about this—something to the effect that the Chairman might throw off of the staff someone who does not agree with him, or that he might make the staff report only what he wants it to be and thereby hamstring the Joint Chiefs of Staff. Others seem to think this is the genesis of the Armed Forces general staff.

Well, here are goblins again.

The staff is, speaking comparatively, a tiny group; 210 officers are simply nothing to get wrought up over. All they can do is to make studies for the Joint Chiefs, and even that cannot amount to much more than briefing studies worked out in great detail by the huge staffs of the Army, Navy, Air Force, and Marine Corps. It is physically impossible for it to suddenly blossom into an Armed Forces general staff unless we take off the statutory limit on the number, and we do not propose doing that. Remember there actually has never been more than 129 officers on it.

Bear in mind that the Chairman holds the statutory responsibility for providing an agenda for the Joint Chiefs. But, under present law, he has absolutely no staff to help him work up the necessary papers for this. I guess he is expected to just dream it up. Actually, I think we missed an important point here when we drafted up the 1949 amendments to the National Security Act, because I fail to see how any chairman, of any group—even of our own committees, Mr. Speaker, can work up a worthwhile agenda for important meetings unless we have a staff of some sort to do the spade work.

So this ought to make for better work by the Chairman, and the work of the Joint Chiefs altogether ought to be better. And also, this ought to make it possible for the Chairman to shed from the Joint Chiefs much minutiae and some of the detail now cluttering up their work, so they can get down to business on the important planning as they are supposed to do under the law.

Now, let me say here that all of us missed the boat about the Director of the Joint Staff.

In 1949 we put him under the Joint Chiefs of Staff. But then, we neglected to give him any duties, except to say that he will do what the Joint Chiefs of Staff tell him to do.

The result is that he works away just about as he pleases, because you and I know very well that each of the Joint Chiefs of Staff is so terribly burdened by tremendous problems incident to running the military forces and working on JCS business—and coming up here on the Hill all hours of the day—that they are not going to trouble themselves about running this little 210-man staff that is supposed to take care of JCS detail and make studies for them.

So, here we have a director—a vice admiral or a lieutenant general—running this little staff more or less as his private empire. I have not heard anyone complaining about that before. I have not heard anyone express great fears that he would abuse the Joint Staff by making it report only what he wanted, although I hardly see why he could not get this done if he happened to be unscrupulous.

And as for firing the members of the Joint Staff, everyone of us knows that if a bad apple gets on this staff, whether from the Army, the Navy, or the Air Force, he will be gotten off, even if it requires that the Director go through the Chairman of the Joint Chiefs to the Secretary of Defense.

So what is being done under the plan is making this Joint Staff far more responsible than it has been before, and I think that is a great improvement. Especially do I think that when I talk, as I have, with some of my fellow members on the Armed Services Committee and discover that hardly any of them know who has been the Director of the Joint Staff in the past, neither do they know what he did while he was the Director. I just wonder, Mr. Speaker, why this proposal should raise so many hackles when this other situation has gone along for 6 years without generating any of these biases and phobias.

I far prefer having this staff under some widely respected officer like Admiral Radford, who as Chairman will be looked at, checked on, cross-examined, and cross-checked on everything he even thinks about doing, than to have it entirely in the grasp of some unknown three-star officer whom we never see and do not know very much about.

So, without flogging this dead horse much longer—

We need not fear the single chief of staff from this plan; it is impossible under the law.

We need not fear the Prussian general staff under this plan; it is impossible under the law.

We need not fear that the Chairman is going to do something dastardly with this tiny Joint Staff, because the Chairman would get eaten alive by the other Chiefs, by the Secretary, by the President, or by the Congress, if he tried to get away with something, and because he has to do everything out in public and stand the consequences. We have more occasion for fear if we leave this setup in the hands of the mysterious and anonymous Director as provided under present law.

Since this new arrangement ought to make for a more efficient, more responsible Joint Chiefs of Staff organization, and since it does not warrant any fears, I support the provisions of the plan relating thereto and, Mr. Speaker, I therefore oppose the resolution to reject or any resolution to affirm the plan without all the provisions in it.

Incidentally, do not let anyone lead you astray with the idea that this is just another drop of water wearing away the stone—that through this plan we are well on our way to the single Chief of Staff and Prussian staff system.

It just is not so.

It cannot be so until certain specific, precise, deliberate changes are made in

the law, and I cannot see any likelihood that the Congress will ever approve any such changes.

We would have to remove the numerical limit on the Joint Staff.

We would have to give the Chairman command over the other three Chiefs of Staff.

We would have to give the Chairman a vote in the Joint Chiefs of Staff organization, or abolish the organization entirely.

We would have to give the Chairman a higher rank than the other Chiefs.

We would have to give the Chairman duties now belonging to all four of the Joint Chiefs of Staff.

We would have to remove separate administration of the military departments so the Chairman could have command over all the forces in a merged organization.

If you, my friends, anticipate that the Congress will buy a bill of goods like that, then I say that you simply have no appreciation of the attitudes of the Congress. So I say to you that we have no occasion to get into this psychoneurosis about a Prussian general staff and overall Chief of Staff.

Mr. Speaker, I like Ike—I am going to support Ike, not blindly, but when I think he is right. He is right in this instance. I believe in the integrity and good judgment of Ike—and I am not going to hold one hand behind my back on this reorganization plan that he has asked the Congress to approve. I say give him the support he has asked. Give the new Secretary and Deputy Secretary of Defense the support they have asked, and let us get on down the road leading to a better, more economical Defense Establishment. This plan will give more civilian control over the military and restore some dignity, authority, importance, and prestige to the Secretaries of all three Departments of Defense who under present law and practices have been relegated almost to oblivion.

I hope the plan becomes law without change.

Thank you.

THE FITNESS OF TOM LYON TO HEAD UNITED STATES BUREAU OF MINES

Mr. PERKINS. 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 Kentucky?

There was no objection.

Mr. PERKINS. Mr. Speaker, Tom Lyon has been selected by Secretary McKay and nominated by President Eisenhower to head the United States Bureau of Mines. As such, he will be responsible for the enforcement of the mine-safety law which he readily admits he opposes in principle. His lack of qualifications for this position has been dramatically pointed up by no less authority than John L. Lewis, president of the United Mine Workers of America. Mr. Lewis insists that his selection is a political deal which could be reflected in the maiming or killing of coal miners. His mining experience, if any, has been limited to an office job for the Anaconda Copper Co., which has retired him on a pension of $5,000 per year.

Even if he had actual experience as a hard-rock miner, he would lack the practical knowledge of the dangers and problems of coal mining, which has consistently taken the largest annual toll of lives. This sacrifice of human lives can be substantially reduced by the enforcement of proper safety regulations.

Tom Lyon is to be congratulated for his frankness in his testimony to the Senate committee, but more to be pitied for his lack of feeling toward his fellow man. He is quoted as testifying that he would not hesitate for a minute to close down a mine violating a mine-safety law. "It's the law," he said, although he added that he did not think it "should have been enacted." His statement that 99 percent of the mine accidents are caused by individual miners can be readily refuted by an inspection of the records on casualties in the coal-mining industry. Since the States, and finally the Federal Government 1 year ago, enacted mine-safety laws, there has been a steady decline in the number of mine disasters. He may argue that this decline is a result of safety precautions instituted by the mine operators, but the facts are that such precautions have always been inadequate except when enforced by a law with teeth in it. We all know that the officials charged with the enforcement of such acts can readily extract the teeth and generally do when they are not in sympathy with the principles of the law which they are enforcing.

Mr. Lyon expressed his attitude when asked if a human life does not "come before a material matter." "You'd think so," Lyon replied, "but life appears to be becoming very cheap on the globe."

This country owes a debt of gratitude to John L. Lewis and others who insist that human lives should be more important than profits.

THE EFFECT OF THE ST. LAWRENCE SEAWAY ON THE STATE OF WEST VIRGINIA

Mr. BAILEY. 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 West Virginia?

There was no objection.

Mr. BAILEY. Mr. Speaker, I have asked for this time in order to protest the action of the House Public Works Committee in reporting favorably, as it did today, on construction of the St. Lawrence seaway. My colleagues in this House will appreciate the difficulty I am having in the State of West Virginia in the way of unemployment due to the operation of the reciprocal trade agreement. The construction of the St. Lawrence seaway will be the final straw to break the camel's back. The construction of that seaway will permit tankers to bring in residual fuel oil from Saudi Arabia and Venezuela to the lake ports. If there are no refineries up there, they will set up their own refineries to take care of this residual oil. That means that the market of West Virginia, so far as 80 percent of its coal production is concerned, will be taken away by the importation of this cheap residual fuel oil.

We might then just as well turn the State of West Virginia back to the Indians, because 68 percent of the entire economy of West Virginia is lodged in the coal industry. This will be the final action. In the past we have been the stepchildren in practically every governmental activity. Now you are proposing to make us a distant cousin, probably a second or third cousin.

INDIA

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

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

There was no objection.

Mr. POWELL. Mr. Speaker, beginning with the debate on the mutual security bill and concluding with the action of the House yesterday on the bill involving grain for Pakistan, many statements were made concerning the country of India.

I have checked very carefully concerning these statements and I have found that there are many inaccuracies. In order that the record may be straight I ask for a special order today to cover the entire situation.

SPECIAL ORDER GRANTED

Mr. POWELL asked and was given permission to address the House for 10 minutes today, following the legislative program and any special orders heretofore entered.

REDUCTION IN TAXES

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

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

There was no objection.

Mr. KLEIN. Mr. Speaker, I am very happy that the gentleman from New York [Mr. REED], chairman of the Committee on Ways and Means of the House, is present. Perhaps he can help me out of a dilemma. I do not know who to believe. The House leadership says that the excess profits tax will be extended; the gentleman from New York says it will not be. I want to serve notice here, and I think I speak for a considerable number of northern Democrats, that if the excess profits tax is not extended, if you are going to extend tax relief to the big corporations of this country I shall, and I hope my colleagues will follow me, sign the petition of the gentleman from

New York. This petition, if signed by a majority of Members, would bring H. R. 1 before the House for a vote. This would reduce taxes.

Let us give tax relief to everybody in the county, if we give it to some. I oppose reduction of taxes unless the budget is balanced. But let us treat all our people alike.

Let us not give benefits to the big corporations alone. If you do not want to extend the excess profits tax then the only fair thing would be to sign the discharge petition, and give tax relief to all the people of this country, particularly to those in the lower brackets.

THE BUDGET

Mr. SCOTT. 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 Pennsylvania?

There was no objection.

Mr. SCOTT. Mr. Speaker, in line with the so often announced intention of the minority to cooperate with the administration, we have heard here again today the howls of pain, accompanied by the slings and arrows of the outrageous fortune squanderers, who, for 20 years, have kept this country in a bucket and who cannot understand why, in 5 months, the present administration has not been able to set everything right all at once. I would suggest that the proper way to secure tax relief to this country is to cut down the spending, first of all, and that is being done and will be done this year, I am told, to the extent of about $8 billion. I am told also, and I believe, that tax relief should be given to the taxpayers of this country at the earliest possible moment. I, myself, think that tax relief should be extended to business concerns, to help employers and employees, and to the individual taxpayer at the same time. But the important thing is to cut the expenses of this Government and the next thing is to support the recommendations of the President of the United States, for whom all the members of the majority did a lot of cheering and a lot of talking; support him in his tax program; support him in his effort to balance the budget; support him in the request that he makes that we make tax relief an accomplishment of the 83d Congress, but that we do it by first paying our bills, then by saving money, so that as soon as it costs less to run the Government there will be more for the taxpayer to keep in his pockets or use to improve his standard of living.

FIRST INDEPENDENT OFFICES APPROPRIATION BILL

Mr. ROOSEVELT. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

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

There was no objection.

Mr. ROOSEVELT. Mr. Speaker, we all know that there is a great deal of work pressing upon the House before adjournment. For that reason, it seems to be quite unnecessary to continue delaying action on measures already before us.

On April 22, this House passed H. R. 4663, the first independent offices appropriation bill for 1954 and sent it to the Senate. The Senate passed this measure on May 20, and appointed conferees to resolve its differences with the House. Yet, despite this lapse of 2 months since House action and 1 month since Senate action, the House has not yet appointed its conferees.

I recognize how difficult it is for the Congress to make appropriations in the absence of an Executive budget; especially where Executive guidance has not gone beyond a categorical spirit to cut essential services and to offer a piecemeal approach to the total cost of Government.

Mr. Speaker, all of the Members are very appreciative of the fact that the various subcommittees of the Committee on Appropriations have worked hard and long during this session of the Congress, but as we approach the end of the sixth month of the session, only two appropriation bills have reached the President and these were supplemental appropriations for fiscal 1953. How can the agencies of Government plan their operations when some 6 days before the beginning of the next fiscal year, the Congress has either not acted or when they have acted, the House has not even appointed conferees.

The Senate and House version of the first independent offices appropriation bill contained differences involving the following agencies: Civil Service Commission, Federal Communications Commission, Federal Power Commission, Federal Trade Commission, General Accounting Office, General Services Administration, Housing and Home Finance Agency, Indian Claims Commission, Interstate Commerce Commission, National Advisory Committee for Aeronautics, National Capital Planning Commission, National Science Foundation, Renegotiation Board, Securities and Exchange Commission, Smithsonian Institution, Subversive Activities Control Board, Tariff Commission, Tax Court of the United States, War Claims Commission.

In addition to all of the administrative problems which these agencies face because of our failure even to attempt to resolve the differences between the respective bodies of the Congress, there is the all-important question of the 35,000 urgently needed public-housing units. The Senate very commendably made provision for the construction of these units, yet the response of the House has been nothing but reprehensible delay.

Is it possible that we are preventing the proper planning and functioning by all of these executive agencies of the Government because the House would rather dodge this crucial issue of public housing than to deal with it forthrightly?

I call upon the House to recognize that it is imperative that these executive agencies be granted their necessary funds and that they appoint conferees so that we may get out of this artificial state of suspended appropriation.

NIAGARA POWER PROJECT

Mr. NEAL. 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 West Virginia?

There was no objection.

Mr. NEAL. Mr. Speaker, as a member of the Public Works Committee I rise to correct the impression that was made by my colleague from West Virginia a few minutes ago. I am sure it was not intentional on his part. He referred to the decision of the Committee on Public Works to report out the St. Lawrence seaway bill. The full committee acted not on that bill but on the Niagara power project this morning.

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

Mr. NEAL. I yield to the gentleman from West Virginia.

Mr. BAILEY. I acknowledge that the information I received was misleading. It was gotten across to me that they had acted on the seaway proposal. I have since been informed by my colleague from West Virginia [Mr. NEAL] that action was taken only on the power project. Is that correct?

Mr. NEAL. That is correct.

Mr. BAILEY. I indeed regret that I put that information in the RECORD. I was misinformed about it.

HOW AMERICAN AID IS RECEIVED BY THE COMMUNIST GOVERNMENT OF YUGOSLAVIA

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, the question has come up of the policy of giving aid to the Government of Yugoslavia and to its dictator, Tito. I would like to explain how the Yugoslav Government feels about that aid.

In connection with the American aid to the Communist Government of Yugoslavia, at a reception for the railroad workers on January 11, 1951, Tito said:

> Every machine which enters our country helps to build socialism. We saw how right the Bolsheviks were when they asserted that socialism can be built with the aid of capitalistic states. The American engineers built the largest power combine, Magnitogorsk, for the Russians and it never occurred to anyone to question their loyalty to communism. The aid of the western capitalists to us has exactly the same value.

That is Tito's feeling on American aid. In addition, on December 30, 1950, the official Belgrade radio on its Hour of

Humor, had this to say of American aid in an amusing couplet:

Those who to us aid do send
See no further than their noses' end.

Then another example: At a preelection meeting at Sarajevo, Yugoslavia, November 26, 1950, the Premier of the People's Republic of Bosnia and Herzegovina, a member of the Central Committee of the Yugoslav Communist Party Ijuro Pucar stated that the cooperation between Yugoslavia and America and the West in general was necessary in order to facilitate the completion of the 5-year plan and the building of socialism.

That is where American dollars are going today.

WAR-RISK HAZARD AND DETENTION BENEFITS

Mr. REED of Illinois. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 4126) to continue the effectiveness of the act of December 2, 1942, as amended, and the act of July 28, 1945, relating to war-risk hazard and detention benefits, until July 1, 1954, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Strike out all after the enacting clause and insert "That section 201 of the act of December 2, 1942 (ch. 668, 56 Stat. 1033), as amended, is amended by—

"(a) Deleting the words 'the end of the present war' and substituting in lieu thereof 'July 1, 1954';

"(b) Adding the following new paragraphs at the end thereof:

"'(c) The term "enemy" means any nation, government, or force engaged in armed conflict with the Armed Forces of the United States or of any of its allies.

"'(d) The term "allies" as used in this act and as used in the statutory provisions referred to in section 101 (a) (1) of this act, means any nation, government, or force participating with the United States in any armed conflict.

"'(e) The terms "national war effort" and "war effort" include national defense; the term "war effort" as used in the statutory provisions referred to in section 101 (a) (1) of this act also includes national defense.

"'(f) The term "war activities" includes activities directly related to military operations'.

"SEC. 2. Section 101 (c) of the act of December 2, 1952 (ch. 668, 56 Stat. 1030), as amended, is hereby repealed.

"SEC. 3. Section 101 (d) of the act of December 2, 1942 (ch. 668, 56 Stat. 1030), as amended, is amended by adding before the period at the end thereof a comma and the following: 'or (3) who is not a citizen of the United States and who suffers an injury, disability, death, or detention by the enemy subsequent to the effective date of this amendment'.

"SEC. 4. Section 301 of the act of December 2, 1942 (ch. 668, 56 Stat. 1035), as amended, is amended by adding the following new subsection:

"'(f) The liability under this act of a contractor, subcontractor, or subordinate contractor, engaged in public work under subparagraphs (1), (2), (3), and (4) subdivision (a) of this section shall not apply with respect to any employee not a citizen of the United States who incurs an injury or death resulting in death subsequent to the effective date of this amendment'.

"SEC. 5. Section 5 (b) of the act of July 28, 1945 (ch. 328, 59 Stat. 505), is amended by—

"(a) Inserting after the words 'during the present war' the words 'and until July 1, 1954'.

"(b) Adding at the end thereof the following: 'The term "enemy" as used in this subsection means any nation, government, or force engaged in armed conflict with the Armed Forces of the United States or of any nation, government, or force participating with the United States in any armed conflict.' This subparagraph shall not apply in the case of a person not a citizen of the United States who suffers disability, or death after capture, detention, or other restraint by an enemy of the United States after the effective date of this amendment.

"SEC. 6. Sections 1 (a) (13) and 1 (a) (17) of the Emergency Powers Continuation Act (ch. 570, 66 Stat. 332) are repealed."

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

There was no objection.

The Senate amendment was concurred in, and a motion to reconsider was laid on the table.

REORGANIZATION PLAN NO. 6

Mr. HOFFMAN of Michigan. 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 Michigan?

There was no objection.

Mr. HOFFMAN of Michigan. Mr. Speaker, the House Committee on Government Operations this morning voted to report out a resolution on Reorganization Plan No. 6, which has to do with the reorganization of the National Defense Department.

Because the situation is somewhat confusing permit a brief statement.

The President's Reorganization Plan No. 6 of 1953—exhibit A—came to the committee on April 30, 1953.

Hearings were held. Three witnesses testified in favor of the plan as written. Seven witnesses were opposed to the plan unless subsections (c) and (d) of section 1 were stricken. Three individuals filed statements to that effect—see exhibit B of report, or page 265 of the printed hearings.

While there were minor objections to the plan as written, major opposition centered upon the deletion of subsections (c) and (d) of section 1.

On June 22, 1953, by a vote of 14 to 12, the committee voted out House Joint Resolution 264, approving the plan with subsections (c) and (d) of section 1 deleted.

The committee instructed the chairman to ask for a rule. That request was made and, on June 23, 1953, denied, hearings before the Rules Committee being refused.

THE RESOLUTION BEFORE THE COMMITTEE

On June 24, 1953, by a vote of 16 to 14:

The Committee on Government Operations, having considered the resolution (H. Res. 295) providing that the House of Representatives does not favor Reorganization Plan No. 6 of 1953, reorganizing the Department of Defense, submitted by the President to the Congress on April 30, 1953, report thereon, recommending that the resolution do not pass.

A Member who votes in favor of the resolution on the floor of the House will be casting his vote against Reorganization Plan No. 6. A Member who votes against the resolution on the floor of the House will be casting his vote in favor of Reorganization Plan No. 6.

Two issues were before the committee.

The first of these issues was whether House Resolution 295 to disapprove the plan be reported out at all.

The second issue, assuming that the resolution would be reported out, was whether it should be reported favorably or unfavorably.

From the stenographic report of the committee meeting, it is fair to assume that, because of the parliamentary situation then confronting the committee members, some of the members of the committee who are in favor of Reorganization Plan No. 6, nevertheless voted against reporting out unfavorably House Resolution 295, because they were opposed at that time to voting out any resolution at all.

On the other hand, because of that same parliamentary situation, a majority of those members of the committee who are opposed to the Reorganization Plan No. 6 and accordingly in favor of House Resolution 295 nevertheless voted to report out House Resolution 295 unfavorably, because they wished the House and the Members of the House to be given an opportunity to express their views on the RECORD and to vote upon the adoption or rejection of the plan.

If the parliamentary situation is correctly understood, a Member desiring to cast his vote in favor of Reorganization Plan No. 6, when the vote on House Resolution 295 comes up, should vote "nay." A Member who is opposed to Reorganization Plan No. 6 as written should, when the vote is taken—if he desires to express his opposition to plan No. 6—vote "yea."

The hearings on House Joint Resolution 264, which sought approval of the plan with subsections c and d stricken, have been printed, and with a report which I beg you to read, are available.

GUARANTEEING INVESTMENTS IN YUGOSLAVIA

Mr. GROSS. 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 Pennsylvania?

There was no objection.

Mr. GROSS. Mr. Speaker, in connection with the remarks of the gentleman from Pennsylvania [Mr. FULTON], made a few minutes ago, I call your attention to the fact that about 3 weeks ago, there was passed in this House a bill creating a $100 million fund guaranteeing exporters, and big banks that

loan money to exporters, against loss through expropriation of property in foreign lands, and that includes Yugoslavia which, as the gentleman from Pennsylvania [Mr. FULTON] just pointed out to us, will have no hesitation in seizing or expropriating any property that comes within that domain.

I opposed that special treatment and subsidy for a special few, and I believe the RECORD will show that I was the only Member of the House to do so.

TRIP-LEASING BILL

Mr. CHENOWETH. Mr. Speaker, by direction of the Committee on Rules I call up House Resolution 272 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 3203) to amend the Interstate Commerce Act in order to prohibit the Interstate Commerce Commission from regulating the duration of certain leases for the use of equipment by motor carriers, and the amount of compensation to be paid for such use. After general debate, which shall be confined to the bill, and shall continue not to exceed 2 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interstate and Foreign Commerce, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. CHENOWETH. Mr. Speaker, I yield 30 minutes to the gentleman from Virginia [Mr. SMITH].

I yield myself such time as I may require.

Mr. Speaker, this resolution makes in order the consideration of H. R. 2303, which has been commonly known as the trip-leasing bill. This bill amends the Interstate Commerce Act and prohibits the Interstate Commerce Commission from regulating the duration of certain leases for the use of equipment by motor carriers and the amount of compensation to be paid for such use.

Mr. Speaker, this bill has received considerable publicity. I think the Members of the House are familiar with the purpose of this legislation, which is to prevent the Interstate Commerce Commission from putting into effect an order which forbids the leasing of motor vehicles for less than 30 days. I understand the principal interest in this bill comes from agricultural areas where the truck leasing system has been in effect for some time. The bill comes to us today from the Committee on Interstate and Foreign Commerce after extensive hearings. I do not wish to take the time of the House at this time to go into the details of this measure because it will be fully explained by the members of the committee.

This bill comes to the House under an open rule with 2 hours of general debate, to be divided equally between the Chairman and the ranking minority member of the Committee on Interstate and Foreign Commerce.

Mr. SMITH of Virginia. Mr. Speaker, as stated by the gentleman from Colorado [Mr. CHENOWETH] this brings up the so-called trip leasing bill. There are 2 hours of general debate on the bill.

I have no requests for time on this side. There is one area and only one area of disagreement on the measure.

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

I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

CALL OF THE HOUSE

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

The SPEAKER. Evidently there is no quorum present.

Mr. CHENOWETH. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

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

[Roll No. 64]

Bentsen	Javits	Robsion, Ky.
Buckley	Kearney	Scherer
Busbey	King, Calif.	Secrest
Bush	Lucas	Shelley
Chatham	McConnell	Sheppard
Coudert	McVey	Spence
Dies	Mack, Ill.	Stringfellow
Dingell	Miller, Calif.	Taylor
Dolliver	Morrison	Thornberry
Eberharter	Moulder	Tuck
Fogarty	Nelson	Velde
Hale	O'Konski	Wainwright
Hinshaw	Philbin	Wigglesworth
Hoeven	Phillips	Yates
Hoffman, Ill.	Prouty	Young
Holifield	Rayburn	
Hosmer	Regan	

The SPEAKER. On this rollcall 378 Members have answered to their names, a quorum.

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

COMMITTEE ON BANKING AND CURRENCY

Mr. KILBURN. Mr. Speaker, I ask unanimous consent that the Committee on Banking and Currency may sit during general debate while the House is in session this afternoon.

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

There was no objection.

SUBCOMMITTEE ON FLOOD CONTROL

Mr. DONDERO. Mr. Speaker, I ask unanimous consent that the Subcommittee on Flood Control may sit during general debate while the House is in session this afternoon.

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

There was no objection.

TRIP-LEASING BILL

Mr. WOLVERTON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 3203) to amend the Interstate Commerce Act in order to prohibit the Interstate Commerce Commission from regulating the duration of certain leases for the use of equipment by motor carriers, and the amount of compensation to be paid for such use.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 3203, with Mr. JUDD in the chair.

The Clerk read the title of the bill.

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

Mr. WOLVERTON. Mr. Chairman, I yield myself 20 minutes.

Mr. Chairman, I desire first to call attention to certain misinformation that seems to be so prevalent in the House. The membership is being told that the amendment to be offered will clear up all opposition to the bill. That is not true. The amendment to be offered would wreck the bill reported by the committee now before us. Never have I experienced such an insidious, deceptive, and untruthful way of working on the membership of this House as to legislation now before it. I was astounded this morning when I came to the floor of the House to be advised that certain interests were stating that an amendment had been agreed to which removed all objection to the bill. I tell you no such agreement has ever been made. The committee is presenting the bill, as it was reported, without amendment other than the committee amendment which substitutes a bill for that which was originally introduced. I call this to your attention for the reason that I want no one to be influenced by the statement there is no opposition to the amendment to be offered.

Mr. Chairman, today we have before us a question the correct solution of which is fundamental to the future welfare not only of producers of agriculture products, livestock, fish and shell fisheries, and horticultural products, but, also to the maintenance of an efficient and adequate transportation system by motor vehicles.

REASON FOR TRIP-LEASING BILL

The situation that brings before us the question that necessitates an amendment of the Motor Carrier Act of 1935, arises through the action of the Interstate Commerce Commission in promulgating an order on May 8, 1951, and now a later one effective September 1 next, which among other things, would require that any lease for use of a motor vehicle, under the Motor Carrier Act, must be for not less than 30 days. This in practical effect, would abolish a practice, which has been lawful in the regulated motor-carrier industry for many years, known as trip-leasing.

WHAT IS A TRIP LEASE?

The so-called trip lease takes its name from a practice, quite generally followed by motor carriers engaged in transport-

ing exempt farm products, livestock, fish and shell fisheries, and horticultural products, and, under certain conditions nonexempt property as well, in interstate commerce. This practice, or, as it is now an established custom, consists of utilizing a lease arrangement for the use of a motor vehicle for a single or round trip, hence the term "trip lease."

ORDER OF ICC DESTROYS TRIP LEASING

Until the making of the aforementioned order it had been deemed legal, as well as appropriate, in promoting efficient and economical transportation by motortruck to use this trip-leasing arrangement. However, the said order was undoubtedly designed, and, had for its purpose, the elimination of this practical and sensible device that all through the years has worked so satisfactorily in reducing costs of transportation, as well as promoting efficiency, in the transportation particularly of the so-called exempted farm and other products set forth in the Motor Carrier Act of 1935. Whether this was, or was not, the preconceived intention of the Interstate Commerce Commission, the fact remains that the order would have such effect. The best evidence as to what would be the effect of the order can be judged by the apparent desire of the railroad interests to sustain the order of the Commission and prevent the passage of this legislation that seeks to limit the power of the ICC in this respect. The railroads can readily see, as can anyone else who considers the matter, that the requirement to lease for not less than 30 days would in most cases preclude the farmer, or any other person who owned an available truck, from entering into such a long term contract in place of a hiring for a single trip. Thus, if trip leasing could be discontinued as it would be by the ICC order, then, it would provide an additional opportunity for the railroads to get additional business, even though it is generally recognized it would mean higher costs to the producer, the shipper, and the consuming public, and, with less satisfactory service to all. Much as they might desire to do so the railroads are not equipped for, nor is it possible for them to meet the needs of this form of traffic. If they had been able to do so then there would have been no field of activity in this respect for the trucks and the practice of trip leasing would never have been inaugurated.

NATIONAL TRANSPORTATION POLICY GIVES RECOGNITION TO ALL

There is no one who would not want to be helpful to the railroad industry, but, within the recognized limits of its ability to serve the public, and, not at a loss to the proper sphere within which the trucking industry, farmers, and shippers operate, nor, to the disadvantage of the consuming public. Each form of transportation, rail, truck, air, and water deserve consideration in matters of regulation consistent with and not detrimental to the advantages inherent in each. This is the very basis of our national transportation policy adopted by Congress when it passed the act of 1940. That policy is set forth in the following language:

NATIONAL TRANSPORTATION POLICY

It is hereby declared to be the national transportation policy of the Congress to provide for fair and impartial regulation of all modes of transportation subject to the provisions of this act, so administered as to recognize and preserve the inherent advantages of each—

And so forth. There is room for all forms of transportation to meet our ever expanding needs. We cannot afford to discard the advantages of any one form when it meets the needs of our people better than some other form.

WHY THE NECESSITY FOR SUCH HASTE BY ICC?

The present order that adversely affects trip-leasing becomes effective September 1, 1953. The time that has intervened since the original order and the present revised order has been utilized in litigation. The Supreme Court has decided that the Interstate Commerce Commission has authority to issue regulations, but, did not decide the merit of the regulation to which objection has been made. It can be assumed that the ICC will persevere in its intention to require compliance with its order on September 1, next. This apparent hurry on the part of the Commission to carry out its order, while Congress is giving consideration to the matter of limiting the power of the Commission indicates a disregard of what may be adopted as a different policy of Congress, or, a desire to make the Commission's will effective before Congress can act. This is a rather unusual attitude, even for a bureau of Government directly responsible to Congress. It would seem that it would have been far more respectful if the Commission had given Congress at least a reasonable time within which to act or otherwise display its will. Certainly, no harm could be done by the ICC withholding action until Congress has acted, especially in view of fact that the practice of trip-leasing has been carried on ever since the Motor Carrier Act was adopted in 1935.

PRINCIPAL PURPOSE OF THIS LEGISLATION

The purpose of this legislation—H. R. 3203—is to vacate or eliminate that portion of the Commission's order which prohibits leases of less than 30 days' duration, and to prevent the Commission exercising any power to issue orders which would seek to fix the duration of leases of motor vehicles. The net result of this bill in this respect would be to permit the same practices and customs for trip leasing as now exist, and have always existed heretofore.

The testimony presented to the committee during its hearings on the bill leaves no doubt that the order to require leases of 30 days' duration, if permitted to become effective, would prove highly detrimental to the best interests of agriculture, livestock, fish and shell fisheries industry, and horticulture production. It would also prove harmful to the general motortrucking industries. Some of the impelling reasons that justify this legislation as set forth in the committee report are as follows:

First. Would put out of business a substantial number of truckers, largely those engaged in hauling agricultural commodities;

Second. Would thus deprive the farmers of this Nation of a highly flexible motor-transportation service which is available to them at the places where it is needed at the time it is needed, both for the handling of peak loads and at other times;

Third. Would thus impair the existing means for efficient and economical distribution of livestock, fish, and agricultural products, including grain and highly perishable seasonal commodities, to consumers' markets; and

Fourth. Would in consequence have the effect of impairing the agricultural exemption provided for in section 203 (b) (6) of the Interstate Commerce Act.

The bill reported by the committee would also, as did the introduced bill, deny to the Commission the power to regulate the amount of the compensation to be paid by a regulated motor carrier for the use of a motor vehicle not owned by such carrier, since through such regulation the Commission might be able in effect to abolish trip leasing.

The committee recognizes that there are conditions growing out of motor-carrier use of leased vehicles which may need to be regulated. In the Commission's order above referred to, which is set forth in full in appendix A of the report, there are provisions, other than the 30-day-lease rule, which are aimed at correcting these conditions, and no substantial objection has been made to these provisions. The committee is convinced that if these provisions of the Commission's order—not including the 30-day-lease requirement — are adequately enforced, much can be accomplished correcting the evils which the Commission has found to exist.

However, in order that the Commission will not be lacking in power adequately to control the situation, the bill as reported by the committee would confer on the Commission express statutory authority, which heretofore has been lacking, to deal with these problems.

EFFECT OF 30-DAY LEASING RULE ON REGULATED MOTOR CARRIERS AND SHIPPERS

Aside from the catastrophic effect which the 30-day leasing rule would have on agriculture, this rule would also impose unduly burdensome restrictions on the practices of regulated motor carriers in the leasing of equipment. These restrictions, in my opinion, would effectively nullify the provisions of sections 208 and 209 of the Interstate Commerce Act which prohibit the Commission from imposing any terms, conditions, or limitations which shall restrict the right of common and contract carriers by motor vehicle to add to their equipment and facilities as the development of their business and the demands of the public shall require.

The vehicles of exempt commodity truckers, itinerant owner-operators, and private motor carriers provide a pool of equipment available to regulated motor carriers, even those owning a substantial number of vehicles, during periods of emergency and peak demand, for which no investment is required and for which no maintenance facilities need be provided, thereby saving the regulated motor carriers from making investments in

additional equipment which would not be used except at seasonal peaks. The use of such equipment reduces the empty mileage not only of private carriers and itinerant owner-operators but also of regulated motor carriers. With respect to the haulers of agricultural commodities, particularly perishables, a substantial business has been developed dependent on such haulers obtaining a return load of general commodities. Such single-trip-leasing arrangements have proved to be highly satisfactory and economical both to the lessor and lessee of such vehicles.

Obviously if a motor carrier is required to lease equipment for a period of not less than 30 days, the one-way or round-trip lease, a practice which has been in use for many years, would have to cease altogether. Exempt commodity haulers, itinerant owner-operators, and private carriers cannot afford to turn over to a regulated motor carrier the full direction, control, and responsibility for their equipment for a 30-day period. Nor does the motor carrier desire to undertake the responsibility and expenses involved in leasing a vehicle for a 30-day period when he needs such vehicle for a one-way trip. The inevitable result of the 30-day minimum lease rules must be the complete abolition of the economical and efficient trip-leasing arrangements to the detriment of the lessor and lessee of such equipment. Many thousands of itinerant owner-operators who depend on trip leasing for a livelihood will be forced out of business. The pool of motor vehicles now available to regulated motor carriers during periods of emergency and peak demand will disappear completely. Regulated motor carriers will have to buy additional equipment at an expenditure of hundreds of thousands of dollars for which they may have only a limited need, in order to replace the pool of equipment now obtained under trip-leasing arrangements. The empty mileage of motor vehicle equipment will rise substantially, because nearly all vehicles which now obtain return loads under trip-leasing arrangements will have to return empty. Accidents on our highways are likely to increase because it has been demonstrated conclusively that an empty vehicle on the road is more dangerous than a loaded vehicle. The operating costs of motor carriers will rise, resulting in an eventual increase in rates and charges to shippers and the public in general.

ICC ORDER IS A DETRIMENT TO NOT ONLY FARMER AND OTHER EXEMPT PRODUCERS, BUT ALSO TO REGULAR CERTIFICATED AND LICENSED MOTOR CARRIERS

The widespread detrimental effect of the Commission order even reaches the certificated carrier in its common-carrier operations and the licensed carrier in its operations as a contract carrier. Frequently, it is thought that the order of the Commission only affected the exempt agricultural producers, the fish and shell-fisheries industry and the horticulturist, but, it also adversely affects the above-mentioned authorized, certificated, and licensed carriers. This is plainly set forth in the report of the committee. There is no denial of the fact.

Ever since the enactment of part II of the motor-carrier section of the Interstate Commerce Act in 1935, it has been a common practice of the authorized common and contract motor carriers of property to perform the services covered by their certificates, or permits through the use—under leasing or similar arrangements—of motor vehicles owned by other persons, and in many cases such arrangements include the services of a driver. Such arrangements have never been considered to be unlawful, and have become an accepted part of the motor-transportation system of the country.

Such arrangements are made under a great variety of circumstances, in some cases covering a period of months or years. The type of arrangement with which this legislation is particularly concerned is that of trip leasing for a single one-way haul or round trip. Virtually all large motor carriers occasionally trip lease a truck with driver to handle peak loads, and there are some motor carriers who own a limited number of motor vehicles or none at all, who make very substantial use of vehicles under trip leases. The order of the Commission would seriously interfere with this practice and in all probability result in its discontinuance.

COMMITTEE BILL WILL CORRECT AND ENABLE ICC TO CONTROL ANY ABUSES ALLEGED TO EXIST

The leasing practices of authorized motor carriers have, in the opinion of the Interstate Commerce Commission, created problems that should be corrected. The Committee on Interstate and Foreign Commerce concurs in the views of the Commission that some abuses may have existed because of failure upon the part of some to observe and practice all the rules and regulations of the Commission. But the committee is of the opinion that many, and it may be all, of the alleged abuses could have been stopped if there had been adequate prosecution of its rules by the Commission against the offending carrier. However, this does not seem to have been done as efficiently as might have been. Furthermore, the offenders were exceptional. The great and overwhelming majority observed the rules and regulations. The Commission is in no position to claim that drastic changes such as suggested is necessary to cure the alleged evils when it has not utilized the means that are at its disposal. In other words, the Commission adopts measures to kill before it has attempted to cure.

The bill proposed by the committee takes cognizance of every possible abuse that has been or might be practiced by a carrier seeking to evade the requirements determined by the Commission, and grants all necessary power to regulate such and make whatever additional rules and regulations may be necessary to provide proper and effectual administration of part II of the Interstate Commerce Act.

There is only one thing that the Commission provides for in its newest order that cannot be done if this bill is adopted, namely, require that leases shall be for a 30-day duration. This the committee has found unnecessary for the purpose of obtaining proper and effectual regulation, and that it would in fact be highly destructive of the rights now possessed, and that have been used by the interested parties since the Motor Carrier Act was adopted in 1935. The bill seeks to prevent the loss and damage that would result to legitimate business if the 30-day lease clause is permitted to remain.

The following is the exact wording of the powers conferred by the pending bill:

That section 204 of the Interstate Commerce Act, as amended (49 U. S. C., sec. 304), is amended by adding at the end thereof the following subsection:

"(e) The Commission is authorized to prescribe, with respect to the use by motor carriers (under leases, contracts, or other arrangements) of motor vehicles not owned by them, in the furnishing of transportation of property—

"(1) regulations requiring that any such lease, contract, or other arrangement shall be in writing and be signed by the parties thereto, shall specify the period during which it is to be in effect, and shall specify the compensation to be paid by the motor carrier, and requiring that during the entire period of any such lease, contract, or other arrangement a copy thereof shall be carried in each motor vehicle covered thereby; and

"(2) such other regulations as may be reasonably necessary in order to assure that while motor vehicles are being so used the motor carriers will have full direction and control of such vehicles and will be fully responsible for the operation thereof in accordance with applicable law and regulations, including the requirements prescribed by or under the provisions of this part with respect to safety of operation and equipment; but nothing * * * shall be construed to authorize the Commission to regulate the duration of any such lease, contract, or other arrangements for the use of any motor vehicle, or the amount of compensation to be paid for such use."

Could any more specific right, power and authority be given to carry out the objectives of enforcing the leasing, safety, and other necessary features of the Motor Carrier Act? If the ICC cannot make rules and regulations under that law that will adequately carry out the necessary objectives of the act, and provide means of effective enforcement, then we had better look for a new Commission.

As the committee sees the problem, it is essentially one of imposing and enforcing adequate requirements to insure that authorized motor carriers of property are held to the same standards, and to the same degree of responsibility, in performing service with trip leased vehicles that they must meet in performing service with their own vehicles. This is accomplished by the committee bill.

ICC SEEMS DETERMINED TO CUT DOWN, CHANGE, OR BYPASS THE CONGRESSIONAL INTENT IN THE MOTOR CARRIER ACT

Never has there been a clearer demonstration of a bureau of government endeavoring to impose its will over Congress and, set aside congressional intent for its own, than in the attitude of the Interstate Commerce Commission to-

ward the subject of the exemptions provided in the Motor Carrier Act for the haulers of agricultural commodities, livestock, fish and shell fisheries, and horticultural products. I regret to say this. I have such a high regard for the fine service the Commission has rendered over a long period of time, but, the fact remains I believe this criticism justified.

This has been true from the time the Motor Carrier Act was adopted and up to the present time. During the time this bill has been before the Committee on Interstate and Foreign Commerce the Commission has made some changes in the order of May 8, 1951, but, nothing that was in any way consequential. It might seem that some concession has been made to agriculture, but examine the matter and you will find from a practical standpoint the change is more fanciful than real.

Through the years that have intervened the Commission has tried in every conceivable manner to cut down, whittle away and change the exemptions of the subject matter of this legislation, as provided in the Motor Carrier Act. The Commission has sought to change it by amendment of the law, by interpretations of the intent of Congress, and, now most recently have sought to kill the provision by rules and regulations. This latter method seems a more effectual or more plausible method.

Let me illustrate just a few instances of how it has been attempted by the method of interpretation. Time does not permit me to give the whole story, but, just a few to illustrate my point:

First. Commodities held to be manufactured products, hence not within the exemption:

(a) By the Commission, division 5: Cottage cheese; clean rice, rice bean; pasteurized milk; fresh cut vegetables in cellophane bags or boxes; fruits and vegetables, quick frozen; peanuts, shelled; poultry, killed and picked, though not drawn; leaf tobacco, redried.

(b) By the Bureau of Motor Carriers: Barley, rolled; butter, cottonseed meal and hulls; beans, packaged, dried artificially or packed in small containers for retail trade; dried fruits; peaches, peeled, pitted, and so forth, and placed in cold storage in unsealed containers; strawberries, capped, in sirup, in unsealed containers and placed in cold storage; cucumbers, packed in salt water as a preservative; milk, condensed, skim; buttermilk, pasteurized; feathers; rice, cleaned or coated; tobacco, dried with stems pulled and leaf chopped up.

And, now another class of commodities held by the Bureau of Motor Carriers not to be agricultural commodities and hence not within the exemption: Flowers, or ornamental plants; gladiolus bulbs; grass sod; hides, green—salted or unsalted; logs; mushroom spawn; shrubs, cut flowers and other nursery stock; seeds, which have received special attention and handling for marketing such as those prepared by seed houses and placed in packages for distribution by merchants; soil, top; and, trees, including Christmas trees.

It is interesting to note that it was necessary for Congress to actually pass legislation to include the horticultural commodities above named in the exempt agricultural class. Even with this display of congressional intent the Commission expressed the opinion that the language of the horticultural act was not sufficient in the language used to exempt nursery stock, bulbs, and so forth. And, that it was only because the report of the committee included such that it would be held that it was included. Never has there been a greater display of bureaucratic intent to set aside Congress intent for its own ideas.

If time permitted I would make specific references to suggested changes in the law, opinions expressed on bills introduced and with respect to which reports were made, statements contained in opinions filed, and, in briefs submitted to courts or statements made in open court by the representatives of the Commission. One that is most interesting and certainly illustrates my point is the reference to a colloquy during the trial in the district court of the case of *American Trucking Associations* v. *United States et al.* (decided Jan. 12, 1953, vol. 344 U. S., No. 3, p. 298).

In the dissenting opinion of Justice Black, page 331, we find the following with reference to the above:

> The Commission reported that this rule would completely prohibit trip leasing. A very large part of all trip leasing takes place between regulated carriers and truckers who are exempt because they carry farm products. An illustration can be found in the carriage of Florida citrus fruits. On delivering fruit in northern States the practice of these exempt truckers has been to lease their motor vehicles to regulated carriers for the transportation of goods to Florida. Unless vehicles that bring citrus fruits north can make such arrangements they must go back to Florida empty. "Empty or partially loaded trucks on return trips may well drive the enterprise to the wall." (*United States* v. *Carolina Carriers Corp.*, 315 U. S. 475, 488.) The Commission's rules make it impossible for these exempt carriers of agricultural products to get the advantage of a lease for a return haul. The result is destruction for a large part of that business.
>
> The reason the Commission has adopted a rule so destructive of the agricultural exemption Congress granted is apparent from a colloquy which took place in the district court. The attorney for the Commission was asked if it was wasteful for a truck to go back to Florida empty. With commendable candor he said: "It does seem uneconomical in requiring it to go back empty, but they can—the difficulty comes, I think, in letting it come up in the first place." In other words the "difficulty comes" because Congress agreed to exempt these farm products. This congressionally created "difficulty" is being cleared up by the Commission. Its new rules against trip leasing will force these agricultural carriers to raise their rates high enough to frustrate purposes underlying the agricultural exemption.

WIDESPREAD SUPPORT FOR COMMITTEE BILL

The demand for this legislation has come from all sections of the Nation, from all types of businesses and activities, in addition to the so-called agricultural, livestock, fish and shell fisheries, and horticultural activities. From shippers, cooperatives, motor carriers, both common and contract, small individual and private truckers.

It would astound you to see how numerous, varied, and extensive the list of those favoring this legislation. The following is only a partial list but sufficient to demonstrate the truth of the statement I have just made:

American Farm Bureau Federation, Washington, D. C.

The National Grange, Washington, D. C.

National Farmers Union, Washington, D. C.

National Council of Farmer Cooperatives, Washington, D. C.

United Fresh Fruit and Vegetable Association, Washington, D. C.; Western Growers Association, Los Angeles, Calif.; Idaho Shippers Association, Idaho Falls, Idaho.

Northwest Horticultural Council, Yakima, Wash.; Washington State Apple Commission; Winter Pear Control Committee; Hood River Traffic Association; Rogue River Valley Traffic Association; Wenatchee Valley Traffic Association; Yakima Valley Traffic Association.

International Apple Association, Washington, D. C.

National Fisheries Institute, Inc., Washington, D. C.

Growers and Shippers League of Florida, Orlando, Fla.

National Live Stock Producers Association, Chicago, Ill.; American National Cattlemen's Association; National Wool Growers Association; Texas and Southwestern Cattle Raisers Association; Texas Sheep and Goat Raisers Association.

Motor Carriers Leasing Conference, Indianapolis, Ind.

Milton E. Diehl, attorney, Washington, D. C.

Middle Atlantic Transportation Co., Inc., New Britain, Conn.

Maxwell W. Wells, attorney, Orlando, Fla.

American Association of Nurserymen, Inc., Washington, D. C.

Private Carrier Conference, American Trucking Associations, Inc., Washington, D. C.

California Grape and Tree Fruit League, San Francisco, Calif.

Dairy Industry Committee, Washington, D. C.

Florida Fruit and Vegetable Association, Orlando, Fla.

Georgia Peach Industry, Macon, Ga.

Vegetable Growers Association of America, Inc., Sparrows Point, Md.—KARL C. KING, Member of Congress, State of Pennsylvania.

Missouri Farmers Association, Columbia, Mo.

National Association of Commissioners, Secretaries, and Directors of Agriculture.

National Association of Hothouse Vegetable Growers, Terre Haute, Ind.

National Council of Private Motor Truck Owners, Washington, D. C.

National Onion Association, Kenton, Ohio.

Salem County (N. J.) Board of Agriculture, Salem, N. J.

Texas Citrus and Vegetable Growers and Shippers, Harlingen, Tex.

Texas Farm Bureau Federation, Waco, Tex.

Armour & Co., Chicago, Ill.

AAA Transportation, Inc., Indianapolis, Ind.

Peter A. Berancki, freight broker, Philadelphia, Pa.

Bolton Broiler, Inc., Commerce, Ga.

Safeway Truck Lines, Inc., and others, Chicago, Ill.

Super Trucking Co., Inc., Minneapolis, Minn.

Hon. KIT CLARDY, Member of Congress, Michigan.

Hon. JOHN J. DEMPSEY, Member of Congress, State of New Mexico.

Karl D. Loos, Solicitor, United States Department of Agriculture, on behalf of Secretary of Agriculture.

The statements made by the parties I have just named, and the letters and telegrams received from hundreds of interested parties, if read here would be exceedingly convincing. It would demonstrate without any question whatsoever that the judgment of the committee in proposing this legislation is acting in the public interest and for the welfare of our people.

The Solicitor of the Department of Agriculture, in his testimony before the committee, stated that the inevitable result of the Commission's order "will be to force from the highways of our country many of the agricultural truckers hauling exempt agricultural commodities to consuming areas by depriving them of their right to trip-lease their equipment and requiring that all leases be for not less than 30 days."

If these haulers are unable to survive the farmers of the country will be deprived of a flexible and economical type of transportation, particularly adapted to meeting their needs, especially in peak seasons, which they have come to depend on over the year.

It is not necessary nor just to put out of business thousands of these truckers and thereby bring financial ruin to them, handicap our farmers, and curtail the useful service rendered by our authorized motor carriers.

It is to avoid these consequences that the committee believes it is necessary to enact into law the provisions of the bill now before us which would deny to the Commission the authority to regulate the duration of leases or the amount of the compensation payable thereunder, since this authority could be very easily used to abolish trip leasing.

The adoption of this bill by the committee will preserve intact a type of transportation service that has proved beneficial to the farmer, the shipper, the common and contract carriers by motor vehicle, and to the public in general. I ask that you support the bill without any amendments that may be proposed to weaken its effectiveness.

Mr. HARRIS. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, as usual we have from our Committee on Interstate and Foreign Commerce today a bill that on its face appears to be somewhat complicated and technical. However, when you consider it, it is, in fact, a very simple proposition. I should like to give you just a little background of the problem and some explanation as to how the committee has endeavored to reach a solution.

In the first place the Motor Carrier Act was passed in 1935. It was considered at that time that the motor transport industry was in such a chaotic condition that something should be done about it.

So, it became part 2 of the Interstate Commerce Act.

The question of exemption from regulation by the Interstate Commerce Commission arose during the consideration of the act at that time by the Congress. The Congress, as a policy, exempted from regulation the transportation of agricultural products. That is the first thing to remember in conection with this problem, the establishment of a policy by the Congress.

Another important policy was established, and that is, the two classes of carriers, which have been referred to here today as authorized carriers, that is, common carriers and contract carriers, would have no restrictions whatsoever in leasing or otherwise augmenting their equipment in order to carry out the responsibilities which they assumed when a permit by the Interstate Commerce Commission was given.

Now those were two things this Congress provided in the Motor Carrier Act of 1935 which established a very definite policy. Two important provisions of the act relating to agriculture transport.

Under those provisions during these years a procedure has developed; a procedure which is called trip leasing. That means that the farmer or the trucker engaged in transporting agricultural products would transport produce to the market, and under the provisions of the act he would be exempted from regulation by the Interstate Commerce Commission.

The practice that has developed over these many years has been that after the product was transported to the market the trucker would lease his equipment to an authorized carrier, a regulated carrier, who was authorized to transport regulated, manufactured products, for a back haul or a haul to some other locality.

In other words, a truck engaged in transporting agricultural produce may take a load of vegetables from Virginia to New York. This trip is exempted under the Motor Carriers Act. Under present procedure, it is leased to an authorized carrier and may take a load of manufactured produce back to or in the vicinity from where he started. This helps him to meet his expense and therefore, affords cheaper transport rate of the agriculture commodity.

Now if this truck which transported the vegetables to New York had any reason to go back to the vicinity of Virginia but was needed in Maine to pick up a load of potatoes, it would be leased to the authorized carrier, perhaps to take a load of regulated commodities under the permit to Maine. Then in Maine, he would get his load of potatoes and be on his way to the market again.

This truck engaged principally in agriculture transport may be needed in various localities as the harvest demands and thus the practice as explained to permit the cheaper rates for agriculture transport.

There are thousands of such trucks which are needed and are engaged in such transport. They are necessary because they are engaged in the transportation of perishables which must be taken to the market when they are ready.

This is what is referred to as flexibility of agriculture transportation and is essential in our agriculture economy.

That is the problem we have here today. It is just as simple as that.

How did this problem arise? In the first place, virtually all of the authorized carriers in the United States occasionally have engaged and do engage in trip leasing. It has been considered as authorized under the act. The Interstate Commerce Commission has never been in sympathy with this policy of the Congress. That cannot be questioned because we have the volumes of the record made before the Interstate Commerce Commission in connection with the case that went to the Supreme Court. It was clearly shown that the Interstate Commerce Commission did not in the first place approve of this exemption. We did not have to wait until this came up in 1951 because prior to that time the Interstate Commerce Commission endeavored to regulate carriers who engaged under certain conditions in transporting these exempted products. Their position was challenged. It was carried to a circuit court of appeals, I believe of the southeast district. The circuit court of appeals ruled against the Commission.

That was the first approach by the Commission to indicate that they were not in sympathy with this policy and provision which the Congress provided as a part of the Motor Carriers Act.

About 1940, I believe it was, the Interstate Commerce Commission decided that they would undertake an investigation, and they started an investigation, in my opinion, with one thing in mind, to bring about a procedure where they could nullify the policy of the Congress by administrative action.

The war came on. It is a very significant fact, I think, in connection with this problem, that when we needed the transportation, when all facilities, railroads, waterways, the motor carriers, and all other forms of transportation in this country were called upon, the Interstate Commerce Commission recognized that to be a fact and, realizing that it would interfere with the flexibility of transportation, called off the investigation. It was perfectly all right then because they needed it.

This investigation continued after the the war. After the war when things, as everybody thought—including the Congress—were going to be all right from then on, the Interstate Commerce Commission said, "Well, we will pick up where we left off back some 7 years ago." They started their investigation again throughout the United States, requiring

their fieldmen to make certain reports—for one purpose. Read the record before the Commission. It is clearly shown that they had their fieldmen to report—what? To report information that would permit them to change the law by administrative act.

So, after extensive hearings, the examiner in the case issued a report. This report went to Division 5. Division 5 handles the Motor Carrier Division in the Interstate Commerce Commission. It is interesting that Division 5 did not approve the recommendation of the examiner with reference to the 30-day leasing requirement or the compensation requirement. Division 5 unanimously recommended the other provisions of the proposed recommendation of the examiner. That was, in fact, to get at some abuses that were admittedly present in connection with the administration of the regulated transport industry. But when Division 5—these three commissioners reported it to the full Commission, the Commission accepted the recommendation of Division 5, and, in addition, would require 30-day leasing of equipment and compensation restriction. That puts your agricultural trucks out of business insofar as backhaul movements are concerned, or insofar as leasing their property to regulated carriers to transport regulated products.

Consequently, the effect would be to increase—and it is not denied—to increase the cost of transportation of agricultural commodities to market and thus increase consumer cost. It cannot have any other effect. So the entire Commission made these requirements, but Commissioner Lee of Division 5 wrote a separate opinion concurring in part—that is concurring in the recommendation that they had made but dissenting on the two important requirements here that are the troublesome points, in my opinion. Commissioner Rogers, Commissioner Mitchell, and Commissioner Knudson did not participate. In other words, there were seven commissioners who proposed to put this lengthy rule into effect.

There you have briefly the history of the problem. That is what we have here today. It is to say then to the Commission that you cannot by administrative action, knowing that you are opposed to the policy of the Congress of the United States, nullify what the Congress has done.

A very simple bill was drawn, sponsored unanimously by all the farm organizations throughout the country. The truckers of the United States are divided. It is like the fox question. You have some on one side and some on the other. So the American Truckers Association refrained from taking any position. The railroads are against interfering with the action of the Interstate Commerce Commission to put this rule into effect. Therefore, it becomes as usual, which is wholesome in this country, another example of the keen competition in the transportation industry of the country. The problem was brought to us of the abuses that have been referred to as itinerant carriers or as some refer to them, the gypsy carriers. Abuses have been practiced. A windfall permitted them to do certain things which everyone of us realized should not be permitted. And so our committee made a very special effort to reach both objectives at the same time. We prevailed upon all the interested parties, with these two objectives in mind, to come in and help us work something out. We did not get anywhere with that, so the committee has worked out a bill of its own. What we propose to do is to sustain the action of the Congress in 1935 and continue this exemption provision for the transportation of agricultural commodities.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. HARRIS. I yield myself 2 additional minutes, Mr. Chairman.

This is to prevent the Commission from interfering with an authorized carrier with reference to the compensation paid for and the leasing of equipment. At the same time we make an affirmative approach to all of the other five questions involved, directing the Commission that they shall put them into effect, which, consequently, would have the effect of approaching the other problem, the abuses that were referred to.

Perhaps I should explain the contents of the proposed leasing rules as was given to us by a member of the Commission. It is a somewhat complicated instrument containing four pages of typewritten material but it proposes to do several things which are as follows:

(a) That the lease shall be duly executed in writing;

Shall be operative for a specific period of time, not less than 30 days;

Shall provide that the authorized carrier exercise exclusive possession, control, and use of the equipment and assume complete responsibility therefor without the option of subleasing and that the lease shall specify the compensation to be paid without such compensation being computed on the basis of any division or percentage of the applicable rates or the revenues earned by the vehicle.

(b) That appropriate receipts be issued each shipment, for such equipment;

(c) That the vehicle be inspected for compliance with the Commission's safety regulations by a qualified representative of the carrier;

(d) That the vehicle be properly placarded with the carrier's name;

(e) That the carrier assure itself that the driver of other than the regular carrier employee is physically and otherwise qualified under our safety regulations; and

(f) That appropriate records of the use of such equipment shall be prepared and maintained.

This committee bill would not affect any of these proposals except the 30-day leasing requirement and the provision with reference to compensation. Everything else within the proposed rule may be effectuated, that is, with reference to receipts, compliance with safety regulations, and so forth, appropriate records kept and other requirements.

Now we propose here to go even further than the Commission thus far. We authorize the Commission to prescribe regulations requiring that any such lease contract, and so forth, shall be in writing and signed by the parties thereto. That it shall specify a period during which it is to be in effect and the compensation paid. Also, to require that during the entire period of such lease, the copy thereof shall be carried in each motor vehicle.

Then we say that the Commission shall prescribe such other regulations as may be reasonably necessary to assure that during the terms of the lease the motor carriers will have full direction and control over such vehicles and fully responsible for its operation.

In other words, we take an affirmative approach authorizing the Commission to use the authority within the policy of the Congress to get at these abuses complained of.

We do not permit the Commission, however, to repeal the exemption as to agricultural transport by requiring a minimum of 30 days for any equipment leased or specifying the compensation that must be paid.

The Supreme Court has passed on this question as to the power and authority of the Interstate Commerce Commission. The Court did not interpret the Commission's actions as to these specific provisions of the act. The Court said the Commission had such authority to make these rules under the broad powers of the Interstate Commerce Act.

Thus, we think, Mr. Chairman, that we have done about the best job we could in meeting this problem. For that reason I am supporting this bill as recommended to the House, and ask for its approval. I, with the other members of our committee, commend it to you.

The Agriculture Department is for this bill. Talk about the Government agencies—of course, the Interstate Commerce Commission is not for it. And there we have the agencies involved expressing their views. We have heard all phases of it, all sides of it, an expression of views of everyone we could get. Consequently we have come to you with something that I think is the best possible approach, from the information we have.

Mr. WOLVERTON. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. YOUNGER].

Mr. YOUNGER. Mr. Chairman, in 1935 this Congress enacted the Motor Carrier Act. It was recommended at that time by the Committee on Interstate and Foreign Commerce, and the distinguished minority leader [Mr. RAYBURN] was at that time chairman of the committee.

The Congress, in its wisdom, granted certain exemptions, which have already been referred to by our chairman and by our colleague the gentleman from Arkansas [Mr. HARRIS]. They did that for a very well known purpose.

I have had the pleasure of reviewing the debates that occurred on the adoption of the Motor Carrier Act. There is no question as to what the intent was on the part of the Congress at the time they passed that act. They granted exemptions to the transportation of agricultural products, fish, shellfish, and

horticultural products. The record is full, ever since 1935, of attempts both in Congress and on the part of the ICC to nullify the acts of Congress. Now we come to this year and we have the Interstate Commerce Commission promulgating their Rule M-43 which does whittle away to a greater or lesser degree the exemptions granted by the Congress in the Motor Carriers Act. I want to read from the hearings of the committee a part of the testimony of one of the Commissioners of the Interstate Commerce Commission, Mr. Knudson. I asked him this question:

Now, pursuing some other questions here, practically all the testimony that we have, and most of the testimony that you gave this morning was to the effect that the enforcement of MG-43 will to a lesser or greater degree eliminate the agricultural exemptions granted by Congress.

Now, "to a lesser or greater degree," we have had various degrees in answer to that question. I think you answered this morning that you thought part of the exemptions would be whittled away.

Commissioner KNUDSON. I hope I am consistent, and I hope I always am; the determination of this committee on this bill will have a great deal to do with the right of the carrier to haul, or the right of the farmer to seek a carrier, to haul his goods under the agricultural exemptions that appear in section 203 (b) (6) of the act, and the livestock exemption.

Mr. YOUNGER. Wait a minute. Let us go back to M-43. If you had M-43 and if you enforced it today, in all of the testimony I think without exception, there was no one who testified that the enforcement of that order would not to some degree take away the agricultural exemptions. I think earlier this morning you said yes, it probably would, some of it.

Commissioner KNUDSON. I said to some degree. If I remember my statement correctly, it would take away from use by farmers some owner-operators who have been serving them and who could no longer serve them because they could not or would not comply with the 30-day rule under our leasing rules, and to that extent the farmers would be injured.

Mr. YOUNGER. Now, let us get back to the point. To a greater or lesser degree.

And finally after badgering him all that time he came forth and he said: "Yes, to a lesser degree."

Now you have the cold-blooded admission on the part of a member of the Interstate Commerce Commission before a committee of this House stating that he and his Commission have promulgated a rule which nullifies an act of Congress. This bill that we have before us today is just that simple: Whether you are going to adopt the philosophy of government that a regulatory body created by this Congress as an arm of the Congress has the right by regulation to nullify the acts of the Congress.

Mr. HARRIS. Mr. Chairman, I yield 13 minutes to the gentleman from Florida [Mr. ROGERS].

Mr. ROGERS of Florida. Mr. Chairman, we are considering today what, in my opinion, is a most important bill to the economy of this Nation, not only so far as the farmers are concerned but as far as the consumers of vegetables, citrus fruit, fish, and other foodstuffs are concerned. Perhaps we can best get the idea of what we are trying to do here by looking at the original intent of the Motor Vehicle Act and see what the Congress had in mind when this act was originally passed.

In 1935 the Congress put these particular provisions in the bill which showed it was giving certain concessions to the producers of the foodstuffs of this Nation. These are the exemptions that applied when the act was originally enacted and which contains the policy that this Congress promulgated, the provisions and benefits that would flow to the farmers.

First, there was what was known as the farmer exemption, section 203 (b) (4a) (1):

Motor vehicles controlled and operated by any farmer when used in the transportation of his agricultural commodities and products thereof, or in the transportation of supplies to his farm.

The second was cooperative association exemptions section 203 (b) (5):

(2) Motor vehicles controlled and operated by a cooperative association or a federation of such cooperative associations.

The third, which is of particular importance in this bill is the agricultural commodities exemption, section 203 (b) (6):

(3) Motor vehicles used in transporting ordinary livestock, fish, or agricultural commodities.

Any truck that hauls to market for the farmer, for the fisheries, or for citrus fruit grower is exempt from the jurisdiction of the Interstate Commerce Commission. That Commission has absolutely no control over them with the possible exception of the safety feature and the State laws take care of that.

Here is the policy that the Congress wrote into the bill when the act was passed, showing it was the intent of the Congress at that time that these exemptions shall be granted to the truck haulers that haul these commodities for the farmers.

The ICC in May, 1951, came forth with an order which changed the policy laid down by the Congress. It changed that policy so that these truck owners, these haulers, who hauled commodities to the various markets of the country could not take a return trip load unless they agreed to lease their truck or motor vehicle for a period of 30 days.

Are we as Members of Congress, who are supposed to determine the policy in transportation, to sit here and be derelict in our official duty so far as prescribing policy is concerned, allowing the Interstate Commerce Commission to change that policy so that the farmers and food-producing men of this country cannot continue to operate under the provisions as contained in the original act?

Now what do you mean by "trip leasing"? It just merely means this. Inasmuch as the State of Florida ships a great deal of vegetables in the wintertime, inasmuch as it ships citrus fruits, inasmuch as it ships a lot of fish and products of various other kinds, I will take that as an example. When a truck hauler carries that exempted property, we will say, to the State of New York, and he delivers it, does it not seem foolish to the Members of the Committee why he should be required to come back with an empty load, unless he enters into a contract to lease the truck for a period of 30 days? When they do that it means that whatever certificated or contract motor carrier makes that lease, he can absolutely control that truck for a period of 30 days. To me such an act as that is uneconomical. Here is what it means. It means one of two things. It means that the farmer must pay a higher rate of transportation in getting his foodstuffs or his agricultural commodities to market. It means he has to pay a higher price because of the fact that he cannot haul for less than the contract carrier unless he can get a return load.

Now do you know how he gets a return load? He does not go out and destroy the rate that is promulgated by the Interstate Commerce Commission. If he picks up a load, do you know what he has to do? He cannot go to Mr. Jones and say, "I want to carry a load of your produce or your commodity down to Florida, and I will carry it at a lesser rate than you can get from an authorized certificated motor carrier." No; he cannot do that. But he has to go to that authorized carrier or certificated motor carrier and make a deal with him, and he charges the same rate. He must charge the sender of that freight the exact rate that the certificated motor vehicle carrier who permits him to carry the load back would charge. Now this little farmer that goes up there wanting to get a little something to take back home, cannot do it under the regulations, but he has to go to that certificated motor carrier and make a contract with him before he can even bring a little load back to wherever he came from. It seems to me that this is a great restriction to put on him. It is uneconomical. There are thousands and thousands of trucks, as was said by my good friend, the gentleman from New Jersey [Mr. WOLVERTON] who move produce to market, and we ought to give them every encouragement instead of strangling them. I want to tell the Membership of this Committee that if you allow this situation to continue, you will strangle the interests of the farmers who are sending their produce to market.

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

Mr. ROGERS of Florida. I yield to the gentleman from Florida.

Mr. MATTHEWS. I would like to say to my distinguished friend and colleague from Florida, with whom I served in the Florida State Legislature in 1935, that I thank him for this very intelligent statement that he has made. Representing another great agricultural district in Florida I want to say that my people are very much interested in this matter, and I certainly hope this bill as reported by the committee passes.

Mr. ROGERS of Florida. I thank the gentleman.

Now, let us go a little further. All of the farm bureaus are for it; not a single one is against it. We had the gentleman

from Pennsylvania [Mr. KING], a Member of this House, who is engaged in producing food and who is engaged in hauling food all over this country, before our committee. He made a splendid statement with reference to it, and one of the things he brought out, when I questioned him, was the fact that unless we pass this bill not only will the interest of the farmers be hurt, but the consumers will be hurt as well. That is what he said about it.

I asked the gentleman from Pennsylvania [Mr. KING] this question:

> You take the position then, that the benefits from this bill would flow to the consumer as well as to the small trucker?
>
> Mr. KING. Certainly, the consumers are greatly benefited by the continuation of the present system of produce hauling in this country, because it is the most economical. It is not a system that is subject to close regulation and direction, because of the shifting nature of it. The trucking business is shifting in nature simply because produce production is shifting in its nature.

Why should there be any objection to granting any farmer or any hauler of farm commodities the right to enter into a lease with a certificated or authorized motor carrier?

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

Mr. ROGERS of Florida. I yield to the gentleman from Florida.

Mr. SIKES. I want to say to my colleague that he is exactly right in the statement he is making. This is an important bill, important to the farmer and important to the consumer. It is fair to all segments of industry. It corrects an unsound situation. The bill should be passed in the same form that the committee has brought it to the House, and I certainly hope it will pass without crippling amendments. I am glad that my distinguished and able colleague from Florida has given the measure such vigorous support. I know in addition that he has long seen a need for this measure and that he has been helpful in bringing it to the floor. It is a highly meritorious measure.

Mr. ROGERS of Florida. I thank the gentleman very much.

If you are against the interests of the farmers and if you are against the interests of the consumers then do not vote for this bill, because if you do not pass this bill you will hurt both of them. You will hurt the farmers of this country and you will hurt the consumers of this country, because otherwise to get these commodities to market the farmers are going to have to pay a higher rate of transportation, and in addition, when the commodities get there, the consumers will have to pay a higher price for their produce.

I do not ask you to do anything that is not in the interest of the economy of this Nation. I do not ask you to do anything that you do not think is right. I say to you that this Congress would be derelict in permitting the Interstate Commerce Commission to void the policy this Congress has set out. If this Congress does not pass this bill, they can issue an order and prescribe a 30-day lease before you can enjoy the benefits of a return trip; you must lease your vehicle for a period of 30 days. I do not believe the Members of this House will stand for such a procedure as that.

Mr. WOLVERTON. Mr. Chairman, I yield such time as he may desire to the gentleman from Michigan [Mr. FORD]

Mr. FORD. Mr. Chairman, H. R. 3203 which is before the committee for consideration today involves and has to do with a rather important amendment to the Interstate Commerce Act. Specifically it will amend section 204 of that act by adding at the end of that section a new subsection (e).

In a large measure the economic development of this country has been possible because of our constantly improving transportation facilities and, more recently, the development of transportation of freight by motor vehicle. Long prior to the Congress taking control of the interstate operation of motor vehicles in the transportation of freight, a practice had developed on the part of the operators of motor vehicles of leasing certain of their equipment from time to time as the growing needs for this type of transportation indicated. The primary reason for the leasing of equipment, rather than to own it, in all instances is to assure maximum use of available transportation facilities and the most economical service to the public by the elimination of empty mileage. That purpose is not only in line with but is required by the declared policy of the Congress as enunciated in the preamble of the Interstate Commerce Act, which in part reads as follows:

> It is hereby declared to be the national transportation policy of the Congress to provide for fair and impartial regulation of all modes of transportation subject to the provisions of this act, so administered as to recognize and preserve the inherent advantages of each.

The flexibility of motor-carrier service and the ability of such service to reach out to points not served by other modes of transportation has been responsible for the development of this type of transportation. The growing tendency of industry to depart from the large centers of trade in the congested city areas and to locate in smaller communities and, in fact, many suburban centers, has come hand in hand with the development of the service afforded by motor carriers.

As early as 1940 the Bureau of Motor Carriers launched an investigation with respect to the operating practices of certificated common carriers by motor vehicle. This investigation culminated in a statistical report by the Bureau of some magnitude in 1943. However, because of the necessity of maximum use of transportation facilities during the war, any further action by the Bureau of Motor Carriers was postponed, the postponement continuing until 1947. In fact, by a general order of the Office of Defense Transportation which was set up at the beginning of the conflict, motor carriers were required to enter into full leasing, interchange, and other similar practices which had theretofore been the subject of the Bureau's investigation. The purpose of this requirement was to accomplish as nearly as possible full usage of motor-vehicle transportation facilities and equipment.

In 1947 the Director of the Bureau of Motor Carriers reinstituted discussions and had suggested regulations drafted respecting the custom and practice of many motor carriers in leasing, in whole or in part, the equipment used in carrying on their business. Hearings were held and witnesses were called upon to testify here in Washington and in other parts of the country, and on May 8, 1951, the Commission's report, known as *Ex parte* No. MC-43, was filed. Accompanying the report and as a part of it was annexed appendix E, the final rules prescribed by the Commission governing the practices of authorized carriers of property by motor vehicle in interstate commerce in, first, augmenting their equipment by temporary leasing, second, interchanging of equipment with other licensed common carriers, and third, renting vehicles or equipment to private carriers or shippers.

Two primary features of the regulations, as promulgated by the Commission, met with immediate and sharp challenge by a large sector of certificated common carriers over the country generally. These two features which have come so sharply into focus can be briefly stated as follows:

First, a provision that a certificated common carrier could not for the purpose of temporarily augmenting its fleet to meet the changing demands of the shipping public, lease such a piece of equipment for a period of less than 30 days, and this regardless of the fact that it might economically be needed for only 1 day or 1 trip. Freight moves in all directions but it is not always a balanced movement and a certificated motor carrier may have, for instance, a heavy movement into a point such as St. Louis or Chicago and a much lesser movement out of such point. Therefore, by employing the entirely practical system of temporary leasing of available equipment, such a motor carrier is enabled to minimize his empty mileage. Again, in certificating common carriers by motor vehicle, the Commission has seen fit in many instances to restrict the points between which a common carrier may offer its services and, more to the point, restrict the commodities which the carrier may haul. The trip leasing of equipment, therefore becomes a substantial necessity if the certificated motor carriers are to perform an adequate service for the shipping public in the most economical and efficient manner which requires the elimination to the greatest extent possible of empty mileage. It is the position of the motor carriers that their equipment can move over the highways as safely, or more safely, under load than they can if required to move many miles empty.

The second objectionable feature of the rules, as promulgated, is an attempt on the part of the Commission to dictate to the certificated motor carrier the manner in which he shall compensate

the owner of the leased vehicle for the use of such vehicle. The question of what compensation should be paid to the owner of leased equipment, and the method of computing such compensation, is and should be a matter within the province of management of the motor carrier industry. The action of the Commission in this regard constitutes a direct invasion of the right of contract, and evidences a tendency on the part of the Commission, under the guise of safety regulations, to usurp the power of private management in the field of contract and substitute therefor its bureaucratic judgment.

It is the contention of a large number of the certificated motor carriers that the Commission's attempt to regulate such carriers with respect to the time during which they may trip lease a vehicle and the manner of paying for the use of the same is directly contrary to the present Motor Carrier Act. Section 208 of the act, as it now stands, in part provides, and I quote:

> That no terms, conditions or limitations shall restrict the right of the carrier to add to his or its equipment and facilities over the routes, between the termini, or within the territory specified in the certificate, as the development of the business and the demands of the public shall require.

Section 203 (b) (6) of the act, as amended, exempts from the provisions of the act motor vehicles used in carrying property consisting of ordinary livestock, fish, or agricultural commodities—not including manufactured products thereof—if such motor vehicles are not used in carrying any other property or passengers for compensation.

The proposed administrative regulation by ICC will cause serious hardship to haulers of farm products. Under the present regulations, unmanufactured farm products have been exempt from regulations. Evidence points to the fact that trucking rates for farm products are lower than most of those products regulated by ICC. This saving according to reliable authorities is the direct result of using the trip-leasing method of operation. The new ruling will mean that haulers of farm products will have to return empty from any point of destination rather than trip lease to haul goods back to the point of origin.

The proposed regulation can only mean a waste of manpower and equipment. In addition the regulation will provide no adequate substitute in transportation equipment. Agricultural haulers, whether they be farmers or commercial truckers, hauling processed farm products, would be prevented from getting the maximum use of their equipment. I am certain Members of the House will agree that such waste and inefficiency can only result in higher prices and increased inflation. The ultimate consumer will again suffer the consequences.

Under the practice as indulged in prior to the promulgation of the new Commission rules, haulers of exempted products, such as oranges, out of the State of Florida, could and did bring their products into the Northern States by a fast expedited service and then, in order to return again to Florida, would trip lease their equipment to a certificated motor carrier for the haulage by that carrier of general freight back to the point of origin. Obviously, this was and is an arrangement of great value to both the haulers of the exempted freight on the one hand, and to the common carrier who has substantial movements of freight into the State of Florida and little freight other than the exempted products out of that State. This same condition exists in many parts of the country, and agriculture and livestock have been largely moved in a most economical and practical manner by the employment of this system. If the new rule becomes effective, this salutary practice will be substantially, if not completely, eliminated. While the Commission has amended its regulations since this bill was introduced, its amendment would permit the trip leasing only by the producer of the exempted commodities. In point of fact, such producers rarely transport their own products to the markets and are not equipped so to do.

The basis for adoption of the regulations by the Commission is to further the public safety on the highways. With our present highway system being inadequate to meet the public needs, safety of operations is an all-important matter and the common carriers are the first to concede this. It may be noted that the regulated common carriers operate only about 10 percent of the trucks using the highways today. While the objective of the Commission is a proper one, it does not appear that the two objectionable features of the Commission's regulations bear any reasonable relation to safety of operations by the regulated common carriers. If the proposed bill is passed, the Commission will be deprived of none of its power concerning safety of operations, but would be prevented from placing an unreasonable burden upon the flexibility of motor carrier operations and from invading the province of management in fixing the compensation for the use of leased equipment.

I, therefore, urge the passage of the proposed bill without amendment.

Mr. WOLVERTON. Mr. Chairman, I yield 5 minutes to the gentleman from Indiana [Mr. BEAMER].

Mr. BEAMER. Mr. Chairman, my colleagues who have preceded me in the well of the House have clearly and very well, I feel, explained to you the purpose of the trip-lease bill, the history behind the entire legislation and the intent of this particular piece of legislation that is before you. I would like to emphasize or stress, if I may, several features. I think you probably realize that the trip-leasing procedure originated primarily during World War II, at which time there was a great demand, as has been explained, for additional transportation facilities. I do not think it is necessary to describe to you the purpose of the work of the itinerant or trip-lease trucker. I am a farmer myself and I know the man down the road has a truck with which he would haul our livestock to market. By permissive legislation, he returned with a load which made it possible for him to operate in an economical fashion, and also probably to make a few pennies of profit for his endeavors.

The reason this particular legislation is before you, and why it is necessary, is due to the fact that the Interstate Commerce Commission had issued, as you have been told, regulation MC-43 which was to become effective on September 1 of this year, and which regulated the leasing practice of these authorized motor carriers. One of the provisions of this MC-43 regulation would have required that these itinerant truckers would be required to have a 30-day lease with whatever certificated carrier they worked for and to whom they were responsible. Concern has been expressed by many groups, and especially of course as you have been told, by agricultural groups, and I am quite sure we want to respect all of the people who are concerned, the railroads as competitors, the farmers as users, and the general public—and I am speaking mostly for the general public.

I would like to quote just a few things to express something that has happened in this country. I am referring to the additional authority that is being assumed by so many of the executive agencies in the Federal Government. They have assumed an authority today which was supposed to have been part of the authority granted in the past to this Congress. One of the witnesses made this statement, and I want to read it:

> My support of this legislation is based upon the belief that the Interstate Commerce Commission should be prevented by law from pursuing the course that they are embarked upon. I believe that course to be evident. I believe it to be one which can and will accomplish nothing except placing restrictions and regimentation around the operations of interstate trucking companies and that its imposition constitutes a wholly unwarranted, unnecessary, and useless invasion of the field of management.

Mr. Chairman, I realize that we need regulatory bodies. That is a part of the Republic of the United States. It is a part of our constitutional form of government, but I am asking you how far dare these organizations extend their authority, and how far dare these different regulatory bodies go in prescribing regulations that have statutory effect and which do the things that you and I are supposed to do here in the Halls of Congress?

One of the other witnesses made this significant statement. He says:

> It may appear a bit strange that the proposed legislation which we are supporting seeks to place a positive ban upon the regulation of certain leasing practices of motor carriers by the Interstate Commerce Commission in view of the fact that nowhere in the existing law may be found any section specifically conferring such authority upon the Commission.

In other words, we are called upon here to pass some additional legislation that says to the Interstate Commerce Commission, "You can go only so far in

making a regulation, and there must be some limitations in your power to make regulations."

It has been a pleasure to work on the Committee on Interstate and Foreign Commerce because so many different agencies of the Federal Government come before our committee. At the same time, it has been something to be deplored, to say the least, to find so many of these agencies today that are going beyond the intent of the Congress in the promulgation and the setting up of regulations, and also even acting as courts of justice. So I suggest to you that the purpose of H. R. 3203 is to preserve the practice of trip leasing, not for the benefit of the truck operators who are engaged in the movement of livestock and agricultural products, fish, and so on, exempt under section 302 (b) (6) of the Motor Carrier Act, but, at the same time, to provide certain safeguards and regulations for the operation of such trucks.

May I repeat, in the opinion of many of us, the important consideration is the extent of the authority that may be assumed by the ICC. I believe that the railroads would appreciate less regulation, and it is a reasonable assumption that all transportation companies would be in a better financial condition with less interference from Federal agencies.

Mr. HARRIS. Mr. Chairman, I yield 10 minutes to the gentleman from New York [Mr. KLEIN].

Mr. KLEIN. Mr. Chairman, I hate to inflict myself upon the House and disturb all the sweetness and light that we have had here. It would appear that there is almost complete unanimity in support of this measure, but nothing could be further from the fact. I felt it was incumbent upon me to advise the membership of the House that the entire committee is not unanimous on this. I think, however, we are unanimous in the idea that something ought to be done about this matter, and I want to compliment our chairman and the members of the committee for the very strenuous effort that has been made to get the different groups together and attempt to get them all to agree, and arrange some compromise which would please everybody and still accomplish what we thought ought to be accomplished.

Unfortunately, as I believe the gentleman from New Jersey [Mr. WOLVERTON] told us—and the gentleman from Arkansas [Mr. HARRIS] mentioned it—we just could not get all these diverse groups together.

I might point out that there will be an amendment offered by the gentleman from California [Mr. HINSHAW], which in my opinion will resolve those differences, which will meet the views of the different groups, and the agricultural groups specifically, and permit them to continue this practice of trip leasing. It would retain the policy of this Congress, which is to exempt agricultural commodities. And, in my opinion, under this amendment it will be.

After the Members of the House hear the amendment, and after you listen to the debate, I hope that you will agree with me that that amendment will accomplish the very purpose we are trying to achieve. But this is not the way to do it.

What are we doing here? We are taking an order of one of the executive agencies, the Interstate Commerce Commission today—I believe the gentleman from New Jersey [Mr. WOLVERTON] said that maybe we ought to do away with them, or words to that effect. Maybe we should. But it is the Interstate Commerce Commission today; it may be the SEC tomorrow; it may be the FCC another day, and other agencies on other days.

I certainly do not want to take anything away from the power of the Congress. I believe that these agencies should be guided by the policy that is set by Congress. But I certainly do not believe—and I hope you gentlemen will agree with me—that it is our job or our province to come in here every time one of these agencies issues a regulation that we do not like, to pass a law setting aside that regulation or setting aside that order. That is what we are being asked to do here.

I might call the attention of the House to the fact that this order was promulgated in 1950 or 1951. It went to the United States Supreme Court and was sustained by that Court. The gentleman from New Jersey [Mr. WOLVERTON] talked about the unseemly haste. All that time intervened and the Interstate Commerce Commission did not put this order into effect. I think it was ill-advised for the Commission, during the course of our hearings, to issue an order stating that this particular order would go into effect on September 1, without waiting to see what action Congress would take.

This is not just an agricultural problem. I think my good friend from Florida said that this bill is good for the consumer. I am, therefore, in the position, the unjustified position, of talking here against the consumers and against the farmers. I do not know whom I am for. I might point out that the railroads are opposed to this bill, and I am not usually a spokesman for the railroads. But the unions are also all opposed to it. The American Federation of Labor is opposed to this bill in its present form, the Teamsters' Union testified before our committee against this bill, so there is a considerable segment of our people who oppose the bill. I would say again that it is not just an agricultural problem. Let me read just one sentence from the minority report.

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

Mr. KLEIN. I yield.

Mr. WOLVERTON. The gentleman has just said that the American Federation of Labor was opposed to this bill. I was not aware of it. I did understand that the Teamsters' Union was against it, and they always have been against the farmers, judging by the treatment that has been accorded to them in my area.

Mr. KLEIN. May I say to my beloved chairman that during debate on the Hinshaw amendment I will read from the letter received from the American Federation of Labor.

Mr. WOLVERTON. There was never any debate on the Hinshaw amendment because it was never presented during the deliberations of the committee and before the present bill had been adopted and reported.

Mr. KLEIN. I mean at the time the Hinshaw amendment is offered and the debate that will take place under the 5-minute rule.

Mr. WOLVERTON. Then you anticipate you will have support in the form of a letter?

Mr. KLEIN. I have the letter; yes.

Mr. WOLVERTON. This is the first time I have been advised of it.

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

Mr. KLEIN. I yield.

Mr. HARRIS. The gentleman I think has pointed out a question here of some importance in saying that the American Federation of Labor is against the bill and at the same time referring to the Hinshaw amendment. Of course, the A. F. of L. did not appear. Is that the gentleman's understanding?

Mr. KLEIN. That is correct.

Mr. HARRIS. And there is nothing in the record now as to their position?

Mr. KLEIN. That is correct.

Mr. HARRIS. Do I understand the gentleman then to imply that the American Federation of Labor has decided that it would be against this bill unless the Hinshaw amendment to which he referred were adopted? Is it the Hinshaw amendment they are for, and are against the bill?

Mr. KLEIN. Let me put it this way, I will read the letter of the American Federation of Labor stating their position. If the Hinshaw amendment is adopted this bill will be satisfactory to the American Federation of Labor—I do not know, frankly, what their position is on the bill without the amendment. I would think, however, that they oppose the bill without the amendment, as I do.

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

Mr. KLEIN. I yield.

Mr. YOUNGER. Just to correct the record, the gentleman mentioned the Hinshaw amendment and he implied that that would reconcile all of the differences, implying that the farm groups would be for the Hinshaw amendment. Does the gentleman want the RECORD to show that?

Mr. KLEIN. No, I do not think I said that; if I did I want to correct it to the extent that it is my information that there is evidence—because in all fairness to the chairman I will say that he made a definite attempt even after he knew about the contents of this amendment to try and resolve the differences and apparently he was not able to, so obviously they are not in favor of it. But I believe, that the adoption of this amendment would result in continuing this practice which the agricultural interests have enjoyed all these years.

Mr. YOUNGER. Does the gentleman know that many farm groups have studied the amendment and they have sent

letters to the Members of Congress in opposition to the amendment? Does the gentleman know that?

Mr. KLEIN. Maybe the farmers do not talk to me; I have not heard from them.

Mr. YOUNGER. Farm groups, I mean.

Mr. KLEIN. Yes.

Mr. YOUNGER. They are in favor of the bill as it is written now.

Mr. KLEIN. The gentleman is a comparatively new Member. For his information I might say that the only farmers in my district are those whose gardens are in boxes on the window sills, and they have not written to me about the bill.

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

Mr. KLEIN. I yield.

Mr. HESELTON. I wonder if the gentleman would comment on the possibility of enforcing the law if the so-called Hinshaw amendment were adopted? In other words, the problem arises in connection with that amendment, as I understand, that every single one of these operators who operates under lease would have to have inspectors inspect his truck on every one of its movements.

Mr. KLEIN. They would as well under the bill as it is presently written. I think that the way this bill is written it is impossible of enforcement, the main reason being that the ICC has so few inspectors who would have to inspect these hundreds of thousands of trucks which would be affected.

I am sorry I do not have very much time at my disposal but there are one or two things I want to refer to, one in particular. I want to read a sentence from our minority report because the impression seems to have gotten around that if you vote against this bill you are voting against the farmers. Certainly it is a larger problem than just one that affects the farmers. Let me read from the report:

> It should not be overlooked that the single-trip leasing practice is by no means confined to return movements following haulage of exempt products to market. Such movements are but a small fraction of what is involved. Trip leasing is a nationwide practice which has given birth to the itinerant owner-truck operator.

They have been called gypsies, by the industry. They are absolutely unregulated.

> And there are several hundred thousand of such individuals—who leases himself and his vehicle for a single trip to a certificated carrier for a division of the revenue and who operates under the shelter of the lessee's certificate without himself qualifying as a common carrier under the requirements of the law—and this practice extends into all fields of motor-carrier operation. Viewed realistically, what is involved is not a lease of a vehicle to supplement the equipment of an authorized carrier, but rather a lease for a single trip to an itinerant truckowner of a certificated carrier's operating authority.

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

Mr. HARRIS. Mr. Chairman, I yield the gentleman 3 additional minutes.

Mr. KLEIN. Mr. Chairman, this is a great problem. It is not a question of the farmer against the consumer. I have said here many times that the economy of this country is interrelated. What is good for the farmer is good for the consumer. You cannot say that you are against the farmer and for the consumer or vice versa, because that is ridiculous.

The ICC has been set up to regulate the operation of these trucks on the highway. Mind you, I believe that the agricultural producer should have this exemption and I believe they will have it under this amendment, but do not, under the guise of trying to help the farmer, take all of these itinerant truck operators from under the act because that is why we passed the ICC Act. That is in the interest of safety, keeping prices down, and there are various other phases.

Mention has been made here of the fact that the Department of Agriculture is for this bill and also the fact the ICC is against it. I may also point out that the Department of Commerce is opposed to it. The minority report contains the report of both the ICC and the Department of Commerce and I would like to read one sentence from the Department of Commerce letter opposing the legislation. They state as follows:

> We therefore oppose the enactment of H. R. 3203, which would deny to the ICC flexible authority in this important area of motor-carrier regulation in its present form.

I might also point out that 17 or 18 States in the United States today have regulations similar to this order of the ICC. They affect this trip-lease practice.

The chairman of our committee [Mr. WOLVERTON], made the statement here that a story had gotten out that there was complete agreement on the amendment. I do not know who he was referring to. I never made that statement. I have said before, and in all fairness to the chairman I will say now, we tried to get some agreement and I realized we could not.

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

Mr. KLEIN. I yield to the gentleman from New Jersey.

Mr. WOLVERTON. I would like to have the record clear. I had no information, nor did I have the thought, that the gentleman from New York who is now addressing us or that the gentleman from California [Mr. HINSHAW] were responsible for the rumors that have gone around this House. They came from agents of the forces that are working insidiously against this bill. It is they who have been making those untrue statements.

Mr. KLEIN. I am glad to hear that. I am one of the forces who is working against it, but not insidiously.

Mr. WOLVERTON. Mr. Chairman, I yield such time as he may desire to the gentleman from Washington [Mr. PELLY].

Mr. PELLY. Mr. Chairman, under leave to extend my remarks in the RECORD, as one who in committee voted against reporting this bill favorably, I associate myself with the gentleman from New York [Mr. KLEIN]. No one who has spoken so far in favor of the bill has denied the evils that exist in the trucking industry which the Interstate Commerce Commission has attempted to regulate, but which this trip-leasing bill would prevent the Commission from regulating. Referring to the record of the hearings, there is full testimony to the effect that the so-called itinerant truck operator has flagrantly broken rules and regulations which are designed for highway safety.

This bill, in my opinion, came into being from committee resentment from the attempt of the Interstate Commerce Commission to thwart the will of the Congress. The will of the Congress was to exempt farmers from regulation. This bill would protect the farmer, but, at the same time would free the approximately 100,000 itinerant truckowners which should come under regulation.

I oppose the bill as it is presently written. However, I understand that an amendment will be offered which would protect farmers and the hauling of agricultural products and, at the same time, bring itinerant truckers under regulation. If this amendment is offered and agreed to by the committee, I will support the bill. Meanwhile, it should be pointed out to the committee that my chairman, the gentleman from New Jersey [Mr. WOLVERTON], demonstrated throughout all the hearings, a great sense of fairness. He has the patience of Job. He did everything in his power to bring about a compromise between the opponents and the proponents of this legislation. It is only with deep sense of regret that I find myself in opposition to my chairman and the majority of the committee.

Mr. WOLVERTON. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. HINSHAW].

Mr. HINSHAW. Mr. Chairman, I think I would be stating pretty much the truth if I said that the language of the bill down to the last line on page 2 is nothing but eyewash. That language which is contained prior to that point is already something which the Interstate Commerce Commission is authorized to do without this legislation.

The real nub of the legislation comes in the proviso which says, "but nothing in this part shall be construed to authorize the Commission to regulate the duration of any such lease, contract, or other arrangement for the use of any motor vehicle, or the amount of compensation to be paid for such use."

Now, that is the effective part of the legislation. The rest of it amounts to nothing. That is the part which effectively repeals the order of the Interstate Commerce Commission requiring that any truck lease must be for a period of 30 days.

I grant you that the Committee on Interstate and Foreign Commerce is upset over the fact that the Commission would issue such an order. I, myself, do not agree with the order. But there

has to be some form of regulation which can control these itinerant or so-called gypsy truckers. There are about 100,000 of them or so on the road. Nobody knows just how many there are. Many of them have no home; they live in their trucks and go from one place to another as the load may afford.

Now, we are not talking about farmers. Farmers are already authorized to carry their loads of farm produce without regulation. They are not subject to regulation. A farmer can carry a load of nonexempt products, such as iron and steel or sewing machines, back from town and still be exempt from regulation under subsection 6, section 203, I think it is, of the Interstate Commerce Act. That may not be the exact number, but it is close to it. They can carry occasional loads of nonexempt products back home.

It has nothing to do then with the farmer as such or the farmer who owns a truck. It has to do with the gypsy operator—that itinerant fellow.

Now, 18 States have already issued laws or regulations which in effect prohibit the activities of so-called trip leasing in intrastate commerce. Of course, that is intrastate and not interstate. But 18 States have issued regulations which in effect prevent trip leasing within those States. Those States are: Arizona, Arkansas, Colorado, Connecticut, Kentucky, Michigan, Minnesota, Mississippi, Montana, Nebraska, New Mexico, North Dakota, Oregon, Pennsylvania, Texas, Virginia, Washington, and West Virginia. You cannot do trip leasing in those States in intrastate commerce. The regulations vary all the way from making it extremely difficult for such a thing to take place to prohibiting the activity.

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

Mr. HINSHAW. I yield to the gentleman from Iowa.

Mr. GROSS. Does that include farmers in those States?

Mr. HINSHAW. Yes; it includes everyone.

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

Mr. HARRIS. Mr. Chairman, I yield 5 minutes to the gentleman from California.

Mr. HINSHAW. I thank the gentleman from Arkansas.

What are we dealing with? Let me read a letter from Mr. Blanning, the Director of the Bureau of Motor Carriers, Interstate Commerce Commission:

> In connection with the consideration of H. R. 3203, a member of your committee staff requested that I advise you how many motor carriers holding authority from this Commission own no motor equipment and the total revenues of such carriers.
>
> The report of the Commission in Ex Parte MC-43, prescribing leasing regulations, contains a statement that in the year 1947 there were 298 carriers which reported that they used owner-operators exclusively.

Mind you, here is a class of certificated carrier who owns no trucks. You might think a man in the trucking business was supposed to own a truck, but these people do not own any, they deal exclusively with these so-called trip leasers.

In addition to that, there are approximately 4,000 certificated carriers who deal more or less with these so-called trip leasers and own a portion of their equipment but not all of it.

The total revenues from that sort of business that are reported to the Interstate Commerce Commission amount to $154 million a year, according to that report. So this is not peanuts that we are talking about, this is big business. You can talk about the little fellow all you want to, but this thing adds up to big business, $154 million, and that is a big chunk out of the trucking business.

Certainly no one wants to do any harm to the agricultural interests of the country in the provision of trucks for hauling and, mind you, this is interstate trucking, this is not intrastate trucking. This is interstate, going from one State to another. Within the State they are subject to the State laws, if any, in respect to trip leasing or any other operation of trucks. This is interstate. This is from one State to another, Florida to New York, New York to Chicago, Chicago to Denver, Denver to Los Angeles, Los Angeles to Dallas, and so forth.

The reason why these people are exercised and the reason why the railroads are exercised and railroad labor is exercised and trucking labor and the American Federation of Labor are exercised is that most of these people who do this kind of itinerant trucking travel hither and yon and everywhere, and most of these people do not obey the safety rules of the Interstate Commerce Commission. Most of them, I suppose, although I have no way of proving it, disobey the rules as far as hours of work and hours of sleep are concerned. They have been proved to be a hazard in many respects upon the highways.

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

Mr. HINSHAW. I yield to the gentleman from Arkansas.

Mr. HARRIS. Is it not a fact that the so-called itinerant or the truck equipment the gentleman mentioned a moment ago can be leased only to an authorized carrier?

Mr. HINSHAW. Yes.

Mr. HARRIS. Consequently, when the truck is leased, it does become subject to regulation during that trip?

Mr. HINSHAW. That is right, but try and catch it on the one trip. That has nothing to do with the rates to the shipper. The certificated carrier charges the shipper those rates which are specified in the rate manual so he does not save a dime on this thing, but that authorized carrier can trip lease a job to one of these itinerant carriers from anywhere to 40 to 80 percent of the tariff and thereby obtain a windfall, if you please, of a large amount of cash for not doing any work except operating a telephone and a desk. Now that is his business.

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

Mr. HARRIS. Mr. Chairman, I yield 2 minutes to the gentleman from California.

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

Mr. HINSHAW. I yield.

Mr. BAILEY. I have been advised that the gentleman from California, now addressing the committee from the well of the House, is contemplating at the proper time to offer an amendment designed to remove the objections of the agricultural people to this legislation. Is that true?

Mr. HINSHAW. No, that is not true. It does not remove the objections of the agricultural organizations to the legislation. As a matter of fact, I might say to the gentleman that the agricultural organizations as such, as far as I know, object to any regulation of trucks—any whatsoever. So anything that you would put in that would regulate trucks, they object to. They cannot agree to any such thing at all.

Mr. Chairman, I hope it will appeal to the farmers because it permits a trip to town, to New York, or to Chicago, or to Denver, or to Los Angeles, or anywhere, carrying agricultural products, and they can carry anything in the world that they want to back to their home place again and be exempt from regulation under this amendment. The itinerant trucker can do the same thing as long as he alternates between carrying agricultural products and nonexempt products, which are the manufactured goods.

Mr. Chairman, I do not want to go any further into this at this time. I hope to obtain time enough to talk about the amendment later. But that is a description that I hope will serve to indicate to you that there is something more to this trucking business than merely running around the country with a certificate. There are those who are in the business under a certification and who own no trucks. There are some 4,000 who are in the business and who own some trucks. Most of the rest of them who are in favor of the amendment I propose to offer are really in the trucking business.

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

Mr. WOLVERTON. Mr. Chairman, I yield 5 minutes to the gentleman from Pennsylvania [Mr. KING], and there is no one better qualified to speak on this subject than the gentleman.

Mr. KING of Pennsylvania. Mr. Chairman, this bill should be passed without amendment. Its passage should be supported by votes representing every section of the country and particularly by votes representing the big consumer centers in the cities. Consumers, as well as producers, have a vital interest in the preservation of an economical and efficient system of transporting produce from the producers to the consuming centers.

As a produce grower, it has been my experience to closely watch, during the last 30 years, the rapid development of the great industry which has made fresh fruits and vegetables available to most

all consumers the year around. No little credit for the general health of our people is given to this constant variety of fresh fruits and vegetables. No other segment of American agriculture has grown percentagewise as fast as the produce industry.

This rapid growth has been concurrent and closely related to the development of the motor truck. Producing areas 30 years ago were largely confined to suburban areas surrounding the big cities which supplied them only on a seasonal basis. But, with the development of the motor truck, we now find all the big cities supplied from producing areas scattered to the most distant limits of our country as well as nearby and intermediate sections.

The pertinence of this bill to the maintenance of this widespread industry lies in the fact that many of these producing sections have developed as the motor truck has developed and are now almost entirely dependent upon motor trucks for fast movement to consumers. Yet, almost none of these producing sections has any shipping period long enough to warrant producer ownership of trucks.

The shifting nature of shipping points can be illustrated by the potato deal which starts in midwinter at Homestead Florida. A month or so later the Hastings, Fla., deal has supplanted the Homestead deal. And it, in turn, is crowded out of the picture by the Charleston deal. Charleston is followed by New Bern, N. C., and Norfolk, then the Eastern Shore, then Jersey and Long Island, until the potato source has shifted all the way up to Pennsylvania, New York, and Maine. Every perishable crop moves from the extreme South to the extreme North and back again to the South, following the seasons of the year.

It has been quite natural, therefore, that motor trucks have fitted well into this scheme, for their mobility and their freedom from restriction of routes has enabled them to move with the crops in this ever-shifting industry.

Many of these trucks are owned by farmers who, nevertheless, in making good use of the equipment, follow deals other than their own. But more of these trucks are owned by individuals who have set themselves up as small-business men in the transportation field, primarily to follow the produce business.

This was plainly seen when the Congress exempted agricultural products from the provisions of the Motor Carrier Act of 1935. Since that time merchandise not specifically excluded has been under the regulation of the Interstate Commerce Commission with rights to haul being on a grant basis, so that in the field of regulated merchandise the rights to haul have become valuable possessions of those carriers who could get them.

Up to this year there has been no stipulation by the ICC that the holder of these rights had to own his own equipment sufficient to carry all his tonnage.

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

Mr. KING of Pennsylvania. I yield to the gentleman from Massachusetts.

Mr. HESELTON. I think the Members of the House realize that the gentleman who is speaking to us has a very large farm operation in Pennsylvania where about a dozen very perishable crops are raised. I understand he operates a substantial fleet of trucks and still finds it absolutely essential to use these additional trucks at the peak season.

Mr. KING of Pennsylvania. My farm operation happens to use more than a hundred motor trucks but we do, in our rush season, have to have still additional trucks, and they are of this type that we are speaking about. They come into our section following the produce deals northward.

It has been quite natural that motor trucks have fitted well into produce transportation, for their mobility and their freedom from restriction of routes has enabled them to move with the crops in this ever-shifting industry.

Many of these trucks are owned by farmers who, nevertheless, in making good use of the equipment, follow deals other than their own. But more of these trucks are owned by individuals who have set themselves up as small businessmen in the transportation field, primarily to follow the produce business.

This was plainly seen when the Congress exempted agricultural products from the provisions of the Motor Carrier Act of 1935. Since that time merchandise not specifically excluded has been under the regulation of the Interstate Commerce Commission with rights to haul being on a grant basis, so that in the field of regulated merchandise the rights to haul have become valuable possessions of those carriers who could get them.

Up to this year there has been no stipulation by the ICC that the holder of these rights had to own his own equipment sufficient to carry all his tonnage. Consequently, it is a perfectly natural development that these holders of rights should trip-lease extra equipment when their tonnage exceeded their own capacity. And, of course, it was perfectly natural in the competitive struggle for efficiency that the nonregulated produce haulers should look to this trip leasing for back hauls so that they might move loaded a large percentage of their time.

While regulated merchandise moves in all directions and the regulated carriers can easily load both ways, produce generally is a one-way movement from country shipping sections into the big cities. Trucks involved in this business, therefore, have been particularly dependent upon the trip-leasing privilege of hauling general merchandise back toward produce producing sections. By the very nature of the business they have become so largely dependent upon this privilege that any cancellation of this privilege now would be ruinous to the truck operators and their demise would leave many produce producing sections stranded for the lack of trucks.

ICC action in prohibiting single-trip leasing would, in my opinion, immediately put 20,000 trucks out of the produce hauling business and increase the rates on a one-way haul by at least 25 percent.

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

Mr. WOLVERTON. Mr. Chairman, I yield 2 additional minutes to the gentleman.

Mr. KING of Pennsylvania. The prohibition of single-trip leasing would, in effect, cancel the agricultural exemption provided in the Motor Carrier Act. Perhaps that is what ICC and other big transportation interests want. No doubt they would welcome the opportunity to regulate rates and routes for all transportation moving over the highways. But that would again give us an example of Government regulation forcing bigness, to the detriment of small business. This has already happened in the transport of general merchandise.

The cancellation of single-trip leasing would increase costs to city consumers because it would destroy the present flexible system of transport which is especially needed by the perishable industry.

And let me say here, I make no apologies for the kind of trucks now involved in the business. Even though they are often referred to as "gypsies," "itinerants," and "tramps," I have seen no records to prove that produce haulers are not as safe and dependable as other trucks generally. Certainly the insurance companies do not consider them as a class more hazardous.

Now, this is a very simple bill which simply says that the Commission shall not regulate the duration of any lease or the compensation to be paid for lease use. It, therefore, preserves an essential right for the many thousands of independent truck operators who have, under this privilege over the years, built an efficient transportation system for an industry which has become an essential part of our national welfare.

This bill is supported, so far as I know, by every farm organization in the country. It would be supported by every consumer organization in the country if they understood the full implications of the pending order prohibiting trip leasing.

And this bill should be supported without amendment because I know the committee has pursued every idea presented to them, looking for a way to correct abuses claimed by the ICC without disaster to agricultural transportation.

This is, as stated by a previous speaker, big business. I am glad that was mentioned, but you should realize that it is a big business which still is largely in the hands of small operators, and the effect of the ICC action under the amendment here would be to destroy those small operators. As regulation is imposed more and more bigness is forced into one of those remaining businesses which is still in the hands of small operators.

Certainly this bill should be passed and the effectiveness of the bill should not be destroyed by amendment.

Mr. WOLVERTON. Mr. Chairman, I yield 5 minutes to the gentleman from Michigan [Mr. CLARDY].

Mr. CLARDY. Finally we have gotten around to a subject on which I at least ought to know something. At the time the act with which we are now dealing was before the Congress I was chairman of the Public Utilities Committee for the State of Michigan and assisted in the draft of the statute. As some of you here, including the chairman of the committee, well know, I have had a considerable practice before the Commission. Perhaps after my remarks today if I am not returned next term I may not have any practice, but seems to me that the question before this House is a simple one.

My good friend from California pointed out some things that I want to discuss briefly. He says, and correctly I think, that the language which he read is the heart of the act and that part which says that nothing in this act shall authorize the Commission to regulate the duration of any such lease or terms under which it shall be made. Let me read you the act against which this amendment is directed, because it is significant and it points up the entire argument. I think there is a question of general policy involved, that is, whether or not the bureaus which we create shall have the right and authority to change the laws as enacted by the Congress. The original act states—and the committee of which I was chairman was in conference with the beloved Joe Eastman—and this is the language that is vitiated by the issuance of the M-43 order. The language of the original act reads:

Provided, That no terms, conditions, or limitations shall restrict the right of the carrier to add to his or its equipment and facilities * * * as the development of the business and the demands of the public shall require.

Notwithstanding that absolute prohibition against interfering with that right to add to equipment they have effectively stopped it by the order in MC-43. And may I correct my friend from California. I drafted the rules and regulations under which motor carriers operate in the State of Michigan a number of years ago. They have been revised and changed and all that, but we made no effort in our State to prevent the addition of equipment by carriers under certificate.

Let me make another point. He says there must be some sort of regulation of these gypsy carriers. Well, the Commission has all the power under the sun. The only power that this Congress gave them was the right and duty to regulate in the public interest from the standpoint of safety and safety alone. That is all that the State of Michigan and most of these other States did and that is all the Interstate Commerce Commission should do.

My primary objection is that in the field of private enterprise this Congress has permitted, to my regret, too many invasions by bureaucratic Government officers and officials into the field of private enterprise. It seems to me that the time has come to call a halt.

When you say to a carrier that no matter how desperate the circumstances requiring the transportation of badly needed commodities may be, for example to an automobile plant—forget the farmers for a moment because this is much broader than that—he shall be deprived of acquiring that transportation by means of a trip lease. You are saying to that carrier he shall not have the right to transport, you are saying to that factory it shall not have the right to operate, and that has happened. That has happened under rules already in effect and put into effect by the Interstate Commerce Commission.

It seems to me, therefore, that this whole idea of the Commission is not only unfair to the Congress, not only unfair to the carrier, but it is also unfair to the public because again, I must differ with my good friend from California. It does increase rates because the moment that you deprive him of using the most economical method of acquiring the things you need to transport, you automatically increase costs. My experience over a period of years commenced back in 1935 and 1936 when this act went on the books, primarily before the Interstate Commerce Commission in representing carriers of all kinds. I happen to own the controlling interest in one that does not lease equipment because it is not necessary to do so. Therefore, I am speaking against the interest of my own company if it had any interest at all.

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

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

Mr. HINSHAW. The statement included by Mr. Knutson says:

The Commission has interpreted this rule to include trip leasing between authorized carriers only, and the Commission does not permit authorized carriers to trip-lease vehicles of unauthorized owner-operators.

That is the State of Michigan.

Mr. CLARDY. The gentleman speaks about the State of Michigan. He is speaking about an interpretation by one of the bureaucrats down here at the other end of Pennsylvania Avenue. I am the man who drafted the original rules and regulations, and I tell the gentleman that you can lease equipment. I have done so for the benefit of clients that I represent. It is true there are regulations.

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

Mr. WOLVERTON. Mr. Chairman, I yield the gentleman 1 additional minute, and may I call to the attention of the committee in connection with what has been said about the State of Michigan that I have had a study made of the so-called 18 States that are alleged to have legislation opposed to trip leasing. There is no justification for any such statement to be made.

Mr. CLARDY. Mr. Chairman, if I may sum up briefly, the important point is this: The will of the Congress has been deliberately overriden in MC-43. I had something to do with the trial of that matter, not as a paid attorney but as an observer, because I was interested in it from the public standpoint.

The Congress spoke. Its word has been reversed by bureaucratic order. In addition to that, unless this proposed bill is adopted without further amendment, unless the bill goes through as is, you better not pass it at all because you would succeed in doing one thing—confirming the Commission in the unlawful act it took when it issued the MC-43 order.

The CHAIRMAN. The time of the gentleman from Michigan has again expired.

Mr. HARRIS. Mr. Chairman, I yield 5 minutes to the gentleman from North Carolina [Mr. CARLYLE].

Mr. CARLYLE. Mr. Chairman, first of all I should like to commend very highly our able and efficient chairman, the gentleman from New Jersey [Mr. WOLVERTON], who afforded the members of our committee every opportunity to become familiar with this subject and to those connected with industry and agricultural activities he gave every opportunity for them to come before the committee and give to us the benefit of their views.

I know of no segment of our industry that is affected by this legislation that did not have a full and complete opportunity to express their thoughts before the committee, and I think I may safely say that the consumers generally, and those interested in producing agricultural products—of course, including fruits, vegetables, and flowers—are interested in this bill which was fully considered and which has been returned to this House as a committee bill.

I am concerned by reason of the fact that the Interstate Commerce Commission undertook by one stroke of the pen to rescind and invalidate a wholesome and useful provision of law that was adopted by the Congress, which expressly provided that unprocessed fish and farm commodities should be exempt while moving in trucks in interstate commerce. That has been the law in this country, as I understand it, for more than 15 years. It has proven beneficial to the consumers, highly beneficial to those who are dependent upon efficient transportation, and for the Commission then to come in with a provision that a trip lease should be of 30 days' duration, I think has the effect of removing to a large extent the wholesome provision that has been afforded agricultural interests and, of course, also as it relates to unprocessed fish.

Now, then, what do we have here at this time? We have a highly important subject for consideration, but it is not difficult for us to understand what we are now considering. The committee bill will put into effect the wholesome provisions of law that Congress passed more than 15 years ago to allow agricultural commodities to move freely in trucks in interstate commerce without so many hampering regulations by the Commission. Of course, our bill provides that the Interstate Commerce Commission may regulate these trucks as to safety although they are carrying exempt commodities. So, then, to a large extent some of the complaints relative to the necessity of Interstate Commerce regulations are resolved, and

the safety regulations, of course, are left with the Interstate Commerce Commission.

Now, let us consider the return trip. Where a farmer produces vegetables, fruits, and other commodities to be shipped to a distant market, of course, he is interested in knowing that the trucker can give him a price for that transportation that will be based upon the knowledge that the trucker will have a backhaul and will not be forced to return with an empty truck. This exemption which has been in force for more than 15 years allows that trucker, after he has delivered his exempt commodity, to obtain a load and return to the area from which he started thus, of course, making these vegetables and these farm commodities considerably less expensive to the consumer than they would have been had the trucker been forced to return with an empty truck. I am interested in this subject because it is wholesome and beneficial legislation. I ask this committee to support the committee bill.

Mr. WOLVERTON. Mr. Chairman, I yield 5 minutes to the gentleman from Kansas [Mr. HOPE].

Mr. HOPE. Mr. Chairman, it has already been said many times in the course of this discussion that this is a matter of vital interest to agriculture, and it is. When this measure was introduced early in this session representatives of the leading farm organizations contacted me and other members of the Committee on Agriculture and asked if we would not have a meeting of our committee so that they might present the interest of agriculture in this particular measure. Of course, what we had was a purely informal meeting of our committee, and at that meeting were representatives of all the four great national farm organizations in this country, the American Farm Bureau Federation, the National Grange, the National Farmers Union, and the National Association of Farmer Cooperatives. The views of all of them were unanimously in favor of the measure. Of course, it is not always that the farm organizations get together on measures. They have differences of opinion, but on this question they were unanimous, and they very forcefully presented the great interest of agriculture in this legislation.

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

Mr. HOPE. I yield to the gentleman from Mississippi.

Mr. WHITTEN. I asked the chairman of the Committee on Agriculture to yield to me to point out here that I think the action of this committee is most wholesome and greatly needed. I know the gentleman from Kansas is familiar with the fact that those of us handling agricultural appropriations for many years have had to recommend and get through Congress an appropriation to the Department of Agriculture to make a fight on behalf of agriculture in the courts of this country to prevent the Interstate Commerce Commission repeatedly by strained interpretations of the law from doing the very thing this committee is trying to prevent here with regard to trucks. We have had a continuing problem, which appeared to us to be brought about by a strained interpretation so as to circumvent the intent of Congress in the first instance, and such a program is carried on now because the Department of Agriculture has had to come into the courts itself in an effort to hold back the Interstate Commerce Commission from doing things, certainly, the Congress was not in sympathy with, just because they did not write the law to start with apparently to suit the Commission.

Mr. HOPE. I am very appreciative of the fact the gentleman has brought that matter to the attention of the committee, because he states what all of us who have been familiar with the subject know, that this has been a continuing fight, and his committee has been very generous and very practical in the appropriations it has made to enable the Department of Agriculture to carry on this fight in behalf of the farmers of this country.

May I point out that one of the important features of the Agricultural Act of 1938, which is the basic Agricultural Act under which we are operating in this country, is a provision which authorizes the Department of Agriculture to set up an agency in the Department to study freight rates and to represent the farmers of this country in securing lower transportation rates.

I do not want to say anything more about the interest of agriculture in this matter, because I think that is taken for granted. In the remaining time I have I do want to point out that the interest of the consumers in this legislation is even greater than the interest of the farmers, because if there is any one thing that has occurred in recent years to improve the standard of diet and of living in this country it has been the fact that the people of our great cities have had fresh fruits and vegetables made available to them in and out of season. All the dieticians and the physicians will tell you that this has resulted in a great contribution to the health of the people of this country. That has been made possible in a very large measure because we have developed efficient and competitive transportation, which has not only reduced the cost of carrying these fresh fruits and vegetables and other agricultural products to our large cities but has made them available to an extent never before known. I think that as representatives of both farmers and consumers we should seek to preserve this advantage which the consumers of this country have today. I commend the great Committee on Interstate and Foreign Commerce for bringing this bill to the House and I urge its passage without amendment.

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

Mr. HARRIS. Mr. Chairman, I yield the balance of the time on this side to our distinguished colleague, the gentleman from Tennessee [Mr. PRIEST].

Mr. PRIEST. Mr. Chairman, I believe the provisions of the pending bill have been adequately explained by others who have preceded me. I simply want to emphasize one or two points: First of all, the consistent effort of the committee, under the leadership of our chairman, to bring parties with great interest in this matter into some sort of an agreement. That was done, as I say, consistently and persistently—without success.

The committee in facing this question brought up by the proposed issuance of order M-43, I think had two points in mind, two objectives to be met by the legislation. One was to protect adequately the shipper of agricultural products and along with that, following what the gentleman from Kansas has said, the consumer of agricultural products. And the other objective was to continue as effectual regulation of what we refer to as the itinerant trucker as is possible. That is, of course, not an easy matter to reach both objectives and have everybody on both sides of the question happy.

I believe the bill reported by the committee is a positive and affirmative approach, and, in effect, brings about a situation in which the itinerant trucker is much more effectually regulated than has been true in the past. The bill, as you know, authorizes the Commission to prescribe certain regulations with reference to the operation by motor carriers or certificated carriers, of trucks which they do not own. And to state it in simplified form, such regulations consist largely of requiring that a copy of the lease or agreement or arrangement between the certificated carrier and the man who owns the truck shall be in writing, signed by both parties to the contract; that a copy of the contract be carried in the cab of the truck; that the terms and conditions be fully set forth in the contract; and that the operator of the truck, the man who is running the truck on the highways and is hauling whatever he might be carrying under the terms of the lease, be in effect an agent of the certificated carrier and subject to all of the regulations of the Interstate Commerce Commission, which would apply if the certificated carrier owned the truck.

The part of the bill, as reported, on the bottom of page 2 and on the top of page 3 deals directly with the trip-lease question. It provides that the Commission shall not issue regulations with reference to the duration of one of these leases nor with reference to the compensation paid under the terms of the lease, as has already been explained by other members of the committee, the tariff paid by the shipper under this bill will be the published tariff.

I will agree with the gentlemen from California that in many respects there is the possibility of a pretty nice windfall to the certificated carrier who leases the truck, charges the shipper the full amount of the tariff, and then makes whatever agreement he can with the trucker. At the same time, insofar as the regulation of the Interstate Commerce Commission of that intinerant trucker is concerned, under the bill re-

ported by the committee, the only reason that the Commission might not be able to regulate effectually, is the matter of personnel. And let us be frank about it. That is a question in the picture.

I think the gentleman from California, and perhaps the gentleman from New York [Mr. KLEIN] brought out that fact in their discussions before the committee. We must recognize, as the gentleman from New York [Mr. KLEIN] stated, that this is not altogether just a simple problem of agricultural shipping. There are other factors involved and we must face up to them and do the best we can.

A majority of the committee believes that the bill reported by the committee represents the best approach under the circumstances toward the objectives the committee had in mind.

Let me say very frankly, that I wish the Hinshaw amendment had been presented to the committee at the time of the hearings. I think it is an approach that has some merit, but I for one cannot be certain as to its full effect.

Mr. WOLVERTON. Mr. Chairman, I yield 2 minutes to the gentleman from Ohio [Mr. SCHENCK].

Mr. SCHENCK. Mr. Chairman, it is a very real privilege to serve on this committee; and while this is my first year, I want to take this opportunity to express my appreciation to the chairman and the other members of the committee who have made these complete hearings possible, to understand the various items in the bill.

There are 2 or 3 things I would like to point out very briefly, and they are these; that in the consideration of this bill there was the question of agency raised, whether or not the certificated carrier had any responsibility for the actions of these trucks that he has leased. There was some doubt as to whether or not it was an independent contract or agency.

I would like to call the attention of the committee to page 2, beginning on line 18, which sets out in very simple language that the company, the certificated carrier, is responsible for all the acts of the trucks that he leases. I would also like to point out that while there has been the item of agricultural products and the item of consumer interest in this, the item of industrial employment has not yet been brought out. That has been brought to my attention by a truckline in my district that stated this; they have a fleet of trucks which they own, which hauls manufactured products in various stages of fabrication from one plant to another. They cannot afford to have a large enough fleet of trucks to meet the peak needs of industrial employment, and so they need the opportunity from time to time and the right to sublease some trucks on a trip basis, in order to move these fabricated items and thus maintain industrial employment and industrial production. So the truck owners in my district have asked me to support this bill.

Mr. WOLVERTON. Mr. Chairman, I yield 3 minutes to the gentleman from Massachusetts [Mr. HESELTON].

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

Mr. HESELTON. I yield to the gentleman from Alabama.

Mr. ROBERTS. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD following the statement of the gentleman from Massachusetts [Mr. HESELTON].

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

There was no objection.

Mr. HESELTON. Mr. Chairman, I regard the committee bill as legislation which is both necessary and essential in the interest of the farmers and fishermen of this country, in the interest of a substantial segment of the trucking industry as it has been established over a long period of time, and in the ultimate interest of consumers who will have to pay the bill, if the so-called Hinshaw amendment should be adopted.

Let me say, in connection with the Hinshaw amendment, that it should be made unanimously clear that all of the farm organizations are definitely and absolutely on record in opposition to that amendment. The chairman of our committee placed in the RECORD during the last 2 or 3 days letters from each of these organizations to that effect. That should be convincing evidence of the unsoundness of the argument that the Hinshaw amendment would be helpful to agriculture.

I want to repeat what the chairman said when he began the discussion of this measure: There is a rumor going around the floor here and off the floor to the effect that our committee has agreed upon the amendment and, consequently, that everybody is in accord. That is not so. The chairman so stated at the outset of this debate. A substantial majority of the members of the committee on both sides stand exactly on the bill as reported by the committee.

I would like to call attention of those on the floor to a parliamentary situation which makes it very important for all of us who are here and who believe in this bill to remain here and vote on this amendment. This is a committee amendment. If this amendment which is to be introduced by our colleague from California [Mr. HINSHAW], should be adopted here in the Committee there is absolutely no way by which we can get a separate vote when we return to the House; in other words, it is vitally important for all of us who are interested in this legislation to remain here. I believe that will be the only point at issue when the bill is read for amendment.

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

Mr. HESELTON. I yield.

Mr. HARRIS. Is it not a fact that the committee reported an amendment to the bill?

Mr. HESELTON. That is right.

Mr. HARRIS. And should the proposed Hinshaw amendment to the committee amendment be adopted and then the House were to vote down the amendment, as a result there we would have the original bill which was introduced?

Mr. HESELTON. That is right. It adds to the compelling reasons for supporting the amendment reported favorably by the committee.

Mr. ROBERTS. Mr. Chairman, in order to understand the purposes of H. R. 3203, the trip-leasing bill, it is necessary to know a little bit about the history of the orders of the Interstate Commerce Commission. Effective September 1, 1953, the Interstate Commerce Commission issued an order—MC-43—which regulated the leasing practice of authorized motor carriers. This order provided that leases of trucks by authorized carriers must be for at least 30 days. In effect, this order terminated a long-established practice of trip leasing. It has been a practice in this country for certain agricultural commodities and fish to be exempted from regulations of the ICC. This was the intent of Congress, as it was clearly expressed in the Motor Carrier Act of 1935.

This practice was arrived at because of the fact that the transportation by authorized carriers, including railroads and trucks, is usually not flexible enough nor equipped to meet the loading problems of areas which produce fruits, vegetables, livestock, and so forth, on a seasonal basis; they cannot fan out nor meet peak periods of seasonal crops. The practice has grown up whereby the farmers do their own hauling or are served by itinerant truckers who pick up a farm commodity either in the orange grove, the apple orchard, peach orchard, or livestock at the farmer's barn or pasture, haul it to some distant point to the market, and then, in order to make the trip profitable, this farmer or itinerant operator contacts an authorized carrier and hauls a general commodity back to the point of origin; or he may make an intermediate trip or several such trips before getting back to his point of origin. This practice has given the farmers of this country an efficient method of marketing. It represented a practice which has been very important to livestock producers, dairy farmers, apple growers, citrus growers, and others. The effect of the order by the ICC, namely, MC-43, requiring a minimum of a 30-day lease would, in the opinion of the farm organizations, destroy the practice of trip-leasing. This, in turn, would penalize the farmers of this Nation, diminish production, and result in higher prices to the consuming public. The Wolverton bill, introduced by the distinguished gentleman from New Jersey, which was amended in the committee and reported out by a vote of 15 to 4, was, I think, a piece of legislation which would have satisfied the farm interests and at the same time would have given the ICC a measure of limited control which would have protected the public but at the same time would not have destroyed what many people believe to be a valuable and worthwhile practice.

I supported this bill in the committee and, in fact, firmly believe that this bill is not only in the interest of the farmers, the producers of fruits and vegetables, but also results in lower prices to the

consumers, particularly in the great metropolitan centers of the country. The farm organizations, and I speak of the following, the American Farm Bureau Federation, the National Grange, and the National Council of Farmer Cooperatives, join in their support of this bill and believe that the Wolverton bill as reported by the committee should be adopted without amendment.

Under date of June 12, 1953, I received a letter from these organizations, as follows:

JUNE 12, 1953.

Re H. R. 3203, trip-leasing bill.

Hon. KENNETH A. ROBERTS,
House Office Building,
Washington, D. C.

DEAR MR. ROBERTS: We respectfully urge you to support the enactment of H. R. 3203, scheduled for House consideration within the next few days.

The Interstate Commerce Commission has issued an order (MC-43) effective September 1, 1953, regulating the leasing practices of authorized motor carriers. One of the provisions of this order is that leases of trucks by authorized carriers must be for at least 30 days, thus terminating the long-established practice of trip leasing.

This prohibition of trip leasing would increase the cost of hauling farm products and reduce the efficiency of agricultural marketing. Many trucks which now return to their destination loaded would have to return empty, thus adding to highway congestion, compelling wasteful use of gasoline, equipment and manpower, and requiring agricultural haulers to increase their rates for hauling farm products. The increased costs would be borne by the producer or the consumer, or both, thus increasing the spread between farm and consumer prices.

The 30-day restriction would put out of business many exempt haulers that provide a flexible and personalized service that cannot in many circumstances be rendered by any other form of transportation. Exempt haulers reach many markets not served by common carriers. They provide a pool of transportation that may be readily shifted to meet seasonal and emergency situations.

The Commission's 30-day leasing restrictions would in effect substantially nullify the agricultural commodities exemption and thus reverse a policy established by Congress in the Motor Carrier Act of 1935.

H. H. 3203 would give the Commission specific statutory authority to require common carrier responsibility with respect to leased equipment, but without regulation of the duration of leases.

Your support of this important measure will be appreciated.

Sincerely yours,

A. B. KLINE,
President, American Farm Bureau Federation.

HERSCHEL D. NEWSOM,
Master, the National Grange.

HOMER L. BRINKLEY,
Executive Vice President, National Council of Farmer Cooperatives.

The CHAIRMAN. All time for general debate has expired. The Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That section 202 of the Interstate Commerce Act is amended by inserting at the end thereof the following:

"(d) Nothing in this part shall be construed to authorize the Commission to regulate the duration of any lease, contract, or other arrangement for the use of any motor vehicle by a motor carrier in providing transportation, or the amount of compensation to be paid for such use."

With the following committee amendment:

Strike out all after the enacting clause and insert the following: "That section 204 of the Interstate Commerce Act, as amended (49 U. S. C., sec. 304), is amended by adding at the end thereof the following subsection:

"'(e) The Commission is authorized to prescribe, with respect to the use by motor carriers (under leases, contracts, or other arrangements) of motor vehicles not owned by them, in the furnishing of transportation of property—

"'(1) regulations requiring that any such lease, contract, or other arrangement shall be in writing and be signed by the parties thereto, shall specify the period during which it is to be in effect, and shall specify the compensation to be paid by the motor carrier, and requiring that during the entire period of any such lease, contract, or other arrangement a copy thereof shall be carried in each motor vehicle covered thereby; and

"'(2) such other regulations as may be reasonably necessary in order to assure that while motor vehicles are being so used the motor carriers will have full direction and control of such vehicles and will be fully responsible for the operation thereof in accordance with applicable law and regulations, including the requirements prescribed by or under the provisions of this part with respect to safety of operation and equipment; but nothing in this part shall be construed to authorize the Commission to regulate the duration of any such lease, contract, or other arrangement for the use of any motor vehicle, or the amount of compensation to be paid for such use.'"

Mr. HINSHAW. Mr. Chairman, I offer an amendment to the committee amendment.

The Clerk read as follows:

Amendment offered by Mr. HINSHAW: On page 3, line 4, strike out the period, insert a comma and the following: "Where the movement immediately preceding was of ordinary livestock, fish (including shellfish), or agricultural (including horticultural) commodities (not including manufactured products thereof) exempt under the provisions of section 203 (b) (6)."

Mr. HINSHAW. Mr. Chairman, the amendment which I am offering to the bill is in effect, after the words "where the movement was immediately preceding," quoted from the agricultural exemption that is presently contained in the act; in other words, the amendment provides that where the movement preceding was of agricultural products, the current movement can be exempt from regulation as to duration and price; in other words, again, it provides for that movement of agricultural products to market and a return trip anywhere in the United States, if you please. It does not have to return to the place of origin, but haul to any place in the United States exempted products such as sewing machines, steel, or any other thing that the truck can carry. That should have satisfied the farm groups; it should have satisfied them. But, no; they are not satisfied with any regulation whatsoever.

We have tried and tried hard to come to an agreement or a compromise, if you please, that would satisfy all parties to this measure, but it was impossible to do so.

This amendment brings the itinerant trucker who chooses to go all over the United States and may never carry farm products—he might have nothing to do with farm products except occasionally—to the position where he must come in under the act and be regulated because he is only unregulated so long as the movement immediately preceding is of agricultural products. That is very simple. I do not know what more can be offered, how much closer the farmers can be appeased, if you please.

With reference to the statement of the gentleman from Michigan, let me say that he made the statement that the Interstate Commerce Commission in adopting this regulation was doing something not authorized by law. But that matter was carried to the Supreme Court of the United States and the Supreme Court decided it was authorized by law, despite the gentleman from Michigan.

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

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

Mr. CLARDY. That Court also had on it at that time a Justice against whom impeachment proceedings have been begun?

Mr. HINSHAW. Yes, but that is a wholly different matter. The gentleman is entirely erroneous in his statement.

Mr. ROBSION of Kentucky. Mr. Chairman, will the gentleman yield?

Mr. HINSHAW. I yield to the gentleman from Kentucky.

Mr. ROBSION of Kentucky. As I understand the proposition, if your farmer hauls a load of farm produce to the market rather than return with an empty truck he may pick up anything whatsoever and take it anywhere for one trip without being under any regulation whatsoever.

Mr. HINSHAW. That is right. Furthermore, and in a general way, let me point out that the trucker does not pick up a load. He offers his services to a certificated carrier. That certificated carrier gets him the load. He makes the deal with the shipper and he charges the shipper the current rate out of the rate book for the shipment. He makes the deal, then he hires that itinerant trucker for maybe 40, 50, or 90 percent of the tariff, depending on the availability of the trucks.

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

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

Mr. LANDRUM. If the operation immediately preceding was one of hauling processed poultry or frozen citrus fruit, he would not be exempt?

Mr. HINSHAW. No. He is not exempt under the act at the present time. Whether or not this bill is passed he comes under the act and is regulated.

Mr. LANDRUM. The gentleman is telling the committee that these products we are talking about, frozen citrus

products and processed poultry, have ceased to be agricultural products?

Mr. HINSHAW. That is right.

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

(On request of Mr. PRIEST, and by unanimous consent, Mr. HINSHAW was given 5 additional minutes.)

Mr. HINSHAW. I will be glad to answer questions now.

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

Mr. HINSHAW. I yield to the gentleman from Arkansas.

Mr. HARRIS. That we may understand the situation, in reply to the question of the gentleman from Georgia, the gentleman says he would not be exempted under the present procedure. Under the present procedure he is not affected at all. He is permitted to transport frozen fruit to the market and then go to an authorized carrier and trip lease his truck for a return movement.

Mr. HINSHAW. If the gentleman will pardon me, I am not sure whether frozen fruit, and so forth, is an exempted product or nonexempted product. I do not know.

Mr. HARRIS. Frozen fruit is not an exempted agricultural product as I understand under the interpretation of the Interstate Commerce Commission.

Mr. HINSHAW. It is not considered an agricultural product. It is processed. That is under the present law as it stands on the books today.

Mr. LANDRUM. The gentleman's amendment would prevent the transportation of frozen food?

Mr. HINSHAW. No.

Mr. HARRIS. The gentleman overlooks the fact that under another exemption in the act this man who transports his own frozen fruit does not come under the regulations. He is exempted from them.

Mr. HINSHAW. Well, not if he transports his own, no.

Mr. HARRIS. That is what I understood the gentleman to ask.

Mr. HINSHAW. This is a somewhat complicated subject. If the gentleman will deal with something besides frozen food, which I do not know too much about, I will be happy to answer.

Mr. HARRIS. Mr. Chairman, if the gentleman will yield further, I would like to remind the gentleman that, as I understand his amendment, it includes the language of 203 (b) 6.

Mr. HINSHAW. Yes.

Mr. HARRIS. I would like to remind the gentleman that there are two other exemption provisions under 203 (b). The gentleman does not reach those provisions of agricultural exemptions, and consequently a cooperative movement by the co-ops would be caught under the gentleman's amendment. Furthermore, the farmer who transports his own processed product to market would likely be caught. Will the gentleman explain why he left those two provisions out?

Mr. HINSHAW. The farmer transporting his own merchandise to market is transporting processed food, if you please, and he comes under another part of the act.

Mr. HARRIS. Let us not misunderstand what the facts are. If you read the exemption provision, a farmer who kills his beef and transports it to market is exempt under the provisions of the act now, but if the gentleman's amendment is adopted, as he has offered it here, he would not be exempt insofar as trip leasing his truck back to his own yard.

Mr. HINSHAW. Well, the gentleman has made a statement and I presume that he understands what he is talking about better than the gentleman from California, and he may be correct.

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

Mr. HINSHAW. I yield to the gentleman from Massachusetts.

Mr. HESELTON. In connection with the gentleman's amendment and his statement, will he tell me whether this would happen? Suppose a load of oranges was trucked from Florida to New York, and then the trucker was able to obtain a load back to Philadelphia but not back to Florida, would he be obliged to return empty, under the amendment, from Philadelphia to his home base in Florida?

Mr. HINSHAW. If he so chose to return to his home base in Florida he would, but he certainly would not pick up a load for Philadelphia if he were going back to Florida; he would pick up a Florida load.

Mr. HESELTON. In other words, the gentleman would restrict him under his amendment to getting a load back to Florida if he wants to utilize his equipment.

Mr. HINSHAW. No; I do not do that. He might take a load of stuff to anywhere in the United States. It is the gypsy trucker at which this amendment is aimed.

Mr. HESELTON. How is he going to get back to Florida?

Mr. HINSHAW. If he wants to go back to Florida he can go back light.

Mr. KING of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. HINSHAW. I yield to the gentleman from Pennsylvania.

Mr. KING of Pennsylvania. Does the gentleman realize that a trucker out of Florida only a small part of the time gets a load all the way back to Florida? It is quite customary that they come back to Florida in two hitches, hauling regulated merchandise, perhaps, first to Atlanta, and then, perhaps, from Atlanta on into Florida. And, there are several other intermediate points where that thing happens quite regularly in the present transportation system. Your bill would prevent that.

Mr. HINSHAW. It would be prohibited under my amendment. I believe that the business of transportation by regulated carriers under a rate system is a correct system, and if people are going to engage in that kind of business they should come under regulations.

Mr. KING of Pennsylvania. Does not the gentleman realize that that would put thousands of truckers out of business?

Mr. HINSHAW. Yes, but there are hundreds of thousands of truckers that will stay in business.

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

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

Mr. Chairman, preceding my original statement today with reference to this bill I took occasion to call to the attention of the House the fact that an insidious, deceptive, and untruthful propaganda was being carried on by representatives of special interests who are opposed to this bill. They are opposed to what this bill would do. They have been opposed from the time the Motor Carrier Act first went into effect. They opposed it at that time and they have opposed it on every occasion since when they could get an opportunity to be heard.

I do not object to these interests presenting to the membership of the House their views with respect to this legislation. That is their privilege and it is their right. But what I do object to is their representatives going around the halls of this Capitol whispering in the ears of the Members of this House that an amendment has been agreed to that removes all possible objection to this bill.

Time and again today I have had Members of this House come to me and tell me that statement was made to them, and asking if it is true. On the floor of this House in the remarks I made in opening debate and in private conversations whenever approached by Members of the House, I have answered to every one that it is absolutely untrue.

Furthermore, have in mind that this proposed amendment is not the amendment that was referred to in the minority report which five members of the committee filed. The Hinshaw amendment is an entirely different one. In my 26 years of experience in this House, I say to you that I have never seen an amendment more adroit, or smarter in its draftsmanship, than this particular amendment. If you read it hastily, or unless you gave it careful thought and inquired into its meaning, you would think that agriculture was being protected. The people who drew this amendment are not interested in agriculture having the privileges that this Congress gave them when they passed the Motor Carrier Act.

The worst part of it is this, that if you withdraw these privileges, so called, which have been utilized so effectually and so beneficially through all of these years and even before the Motor Carrier Act had been adopted, it would only be, then, that you would be doing what some of these people want.

This is not an amendment, this is a repeal measure. The purpose of this amendment is to repeal and set at naught what the bill now before us seeks to accomplish. It is so prepared that it has a little sugar as bait to make it appear that it is helpful to agriculture. But do not be deceived, the hook is there. No

man who gives it study could come to any other conclusion than it destroys the intent of Congress when it passed the Motor Carrier Act. In the form presented it is deceptive and conceived to destroy rather than to help agricultural and other exemptions long established by the Motor Carrier Act. I resent the remarks of our distinguished colleague, a member of our committee, characterizing the bill reported by our committee as simply eyewash. The committee has reported a bill of great merit, arrived at after long hearings and serious consideration. What have we presented? The bill I introduced went right to the point. It took away from the Commission the power which the Commission utilized in making order MC-43, that would have the effect of destroying the rights and privileges now enjoyed by agricultural and others, including cooperatives, common carriers, contract carriers, and private carriers.

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

Mr. HESELTON. Mr. Chairman, I ask unanimous consent that the gentleman from New Jersey [Mr. WOLVERTON] may proceed for 5 additional minutes.

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

There was no objection.

Mr. WOLVERTON. Thank you, Mr. Chairman. During the consideration of this measure, arguments have been made that it was absolutely necessary to have a limitation of 30-day leases in order to provide the safety, and in order to enable the Commission to enforce part 2 of the Interstate Commerce Act. If the members of the committee will read the hearings, you will see it pointed out time and time again. The fact is that the act already gave that power to the Commission. It was the knowledge of this fact that prompted me to say today in connection with this bill that if the Commission cannot control the abuses they allege exist under a law such as we are giving to them, then we better look for some new commissioners who know how to do the job. I did not ask for the abolishment of the Interstate Commerce Commission as someone said here in debate today. I realize they have rendered splendid service in many instances. It is hard for me to understand why they have arrived at the conclusion that they have in this matter, and seem so unnecessarily anxious to destroy the benefits that have resulted from the practice of trip leasing.

What did the committee do? So that there could be no reason on the part of anyone to say that this bill, which we introduced, was for the purpose of taking away any necessary power from the Commission we inserted in the bill language which would carry into effect every single provision of order 43 which the Commission says was made to correct existing abuses. I asked Mr. Knudson, an ICC Commissioner, when he testified before our committee to look at order 43. The order consists of four pages of closely-typed material. It was supposed by the Commission to contain everything necessary to control this situation. I said, "Will you look at that order and tell me what part of it would be destroyed or eliminated by this bill which the committee has before it? What was his reply? After examining it carefully, after examining four pages of typewritten material, he said, "There is only one provision that it would upset and that is the 30-day leasing provision." That, my friends, is all this bill does. Then, so that there could be no misunderstanding that our committee wanted the Commission to have all the authority it needs to provide proper and effectual regulations and particularly to provide for safety and all the other provisions that are in their order, including full responsibility of the lessee, we not only included in our bill the language taken out of the Commission's order, but in addition we included these words at the end of the paragraph granting the Commission power and authority:

> Such other regulations as may be reasonably necessary in order to assure that while motor vehicles are being so used, the motor carriers will have full direction and control of such vehicles and will be fully responsible for the operation thereof in accordance with applicable law and regulations, including the requirements prescribed by or under the provisions of this part of the act—

And so forth. I say again: Could any more power—unlimited power—be given to a commission to administer an act than we have provided in this bill?

I repeat it again for of this I am firmly convinced: If the Commission does not have the ability within its membership to make provision for the effectual administration of this act by using the powers we give to it, then we had better look for some new material that will have a better understanding of the matter than those who are now administering the act would seem to have.

Mr. Chairman, a statement has been made here that 18 States have legislation which prohibits trip leasing. I caused a study of that to be made. As a result I was informed that the statement was not in accord with the facts. There may be 4 or 5 States that have the power to do it, but when you look at the laws or regulations now effective in those States you will find that they have not exercised any such power in the manner of the ICC order MC-43. The gentleman from Michigan [Mr. CLARDY] answered that fully and effectually with respect to his own State of Michigan where he served so long and honorably on its utility commission, having jurisdiction in such cases. And the statement he made with respect to Michigan applies to all the other States.

The opponents of this bill say that labor is exercised over it. Labor has been always exercised—a certain portion of it—over what has been done by farmers in bringing their products to market in their own trucks or by exempt motor carriers.

(By unanimous consent (at the request of Mr. HESELTON), the time of the gentleman from New Jersey was extended 3 minutes.)

Mr. WOLVERTON. I live in the State of New Jersey. That is a garden State which sends its wide variety of agricultural products into the New York market. It also sends them into the Philadelphia market. Time and again it has come to my attention as a Member of Congress from an agricultural district, as well as an industrial district, that these New Jersey farmers, carrying their products into the markets of Philadelphia as well as New York, have at times been beaten, knocked down, and almost killed. Their trucks have been turned over. Milk has been spilled over the highways. By whom? By the union that is exercised over the passage of this bill, a union that is so anxious to organize that it will not let even a farmer drive into the city of New York or into the city of Philadelphia without being beaten up and brought almost to the point of death because he is not a member of the union.

I ask you to look at the letters, telegrams, statements, and messages that I put in the Appendix of the RECORD on Friday last and on Monday of this week, and you will see not only all the farm and other organizations, but motor carriers, contract and common, and private, as well as itinerant and all others affected by this bill are in favor of this legislation and against the pending or any other amendment of a crippling character.

I think you know by this time who are opposed to this bill and why they are opposed to it. We must never let ourselves be brought to the point under our national transportation policy that says that each form of transportation must be given its inherent rights, of saying that this particular form of transportation that has meant so much to our agricultural and to our business sections should not be protected. Trip leasing is an integral and important part of our transportation system. It deserves to be protected and not destroyed as it would be by order MC-43, or the pending amendment.

Today it was reported to me that in the State of Michigan, where they use motor transportation at times for the shipment of automobiles to different parts of the country that they had found it necessary to utilize trip leasing in the peak seasons when peak loads are being handled. Certainly, the same is true with respect to our crops in every section of this country.

This is a bill that is for the benefit of the people of this Nation and not for any particular class. We all benefit by it. If this bill is repealed by the adoption of this amendment, we will go back to a situation where there will be a loud cry go up for relief.

Now, let us see what this proposed amendment by the gentleman from California [Mr. HINSHAW] really would do.

This amendment would exempt a truck from the Commission's 30-day minimum lease regulation only if such truck hauled, on "the movement immediately preceding," commodities exempt under the provisions of section 203 (b) (6) of the Interstate Commerce Act. This amendment, in my opinion, is even

more damaging than any substitute or amendment yet offered.

This proposed amendment would—

First. Restrict the flexibility of the movement of trucks available to shippers of agricultural products.

Second. Would abolish the trip leasing of trucks which did not carry agricultural commodities on "the movement immediately preceding."

Third. If this amendment is adopted, trucks that handle agricultural commodities would refuse to trip lease to areas other than crop-moving areas in order to qualify for the next return movement of regulated commodities.

Fourth. The availability and flexibility of truck transportation, which is so vital to an orderly distribution of farm produce would be seriously restricted.

Fifth. It would raise serious administrative problems for the Interstate Commerce Commission, which would have to determine in each instance whether or not a truck being trip leased by a regulated motor carrier had transported on the immediately preceding movement commodities exempted under section 203 (b) (6) of the act.

Sixth. The enforcement of this proposal would require an army of ICC inspectors and would involve endless red tape.

Seventh. It would, under the guise of protecting agriculture, either completely abolish trip leasing or would encourage wholesale violations of the law.

Eighth. This proposal would also completely abolish the trip leasing of the trucks of farmers exempted under section (b) (4a) of the act.

Ninth. The trucks of cooperative associations exempted under section 203 (b) (5) of the act.

Tenth. The trucks of itinerant owner-operators and private carriers, unless such trucks handled commodities exempted under section 203 (b) (6) of the act on the immediately preceding haul.

Eleventh. The proposal would, moreover, prohibit successive trip leases of movements of regulated commodities when such successive leasing arrangements are made in order to bring the truck to the area where a load of exempted agricultural commodities may be obtained.

Twelfth. Agricultural organizations are unanimous in their opposition to this proposal.

Those who are interested in preserving trip leasing as a helpful and efficient part of our transportation are opposed to the adoption of this amendment. This amendment represents, and would carry out in large measure, the intent and purpose of those opposed to trip leasing. It cannot be adopted without doing great injury to the whole system of transportation as carried on ever since the adoption of the Motor Carrier Act of 1935.

The following communications set forth some of the reasons that justify opposition to the amendment. The first letter that follows is of special significance because it expresses the views of J. Roy Jones who is chairman, Transportation Committee for the National Association of Commissioners, Secretaries, and Directors of Agriculture and also, Commissioner of Agriculture for South Carolina. His letter and telegram read as follows:

STATE OF SOUTH CAROLINA,
DEPARTMENT OF AGRICULTURE,
Columbia, S. C., June 17, 1953.

The Honorable CHARLES A. WOLVERTON,
Chairman, Interstate and Foreign Commerce Committee,
The House of Representatives,
Washington, D. C.

DEAR MR. WOLVERTON: Not being sure that a letter would reach you before House action on H. R. 3203, I sent you a telegram today regarding an amendment which I understand will be offered to the bill.

I feel sure your committee which had an opportunity to study this bill will immediately recognize the amendment as one that will virtually restore all the objectionable restrictions in the original motor-carrier order of the Interstate Commerce Commission. We fear, however, that some of the Congress will be led to believe that there should be added restrictions and this simple amendment will do no harm to agriculture.

The bill as drawn by your committee provides rules and regulations by the ICC for orderly endorsement and now it is merely a matter of carrying out the provisions of law in your bill.

We see in this House amendment restricted flexibility and the curtailment of trucks available to shippers of agricultural products. It is not unreasonable to foresee exempt trucks refusing return loads to other than crop-moving areas so that they can qualify for the next trip lease under the provision "movement immediately proceeding" of exempt products under 203 (b) (6).

In two or more areas with crop movement it is reasonable to believe that the area consuming the larger percentage of manufactured products would be flooded with trip-lease trucks. This system of distribution would result in cut-rate policies in the area with ample carriers and in higher rates in others.

Availability and flexibility of the carrier, vital to orderly distribution of farm produce, would ceftainly be restricted.

It is also possible that it would take an army of inspectors to verify that the exempt truck's "movement immediately preceding" was exempt products of agriculture.

We see nothing in this amendment but penalizing our farmer and the consuming public, and we hope you and your committee that have done a fine job so far will continue to fight these restrictions.

Kind personal regards and best wishes.

Your sincerely,

J. ROY JONES,
Commissioner of Agriculture for South Carolina and Chairman, Transportation Committee for the National Association of Commissioners, Secretaries, and Directors of Agriculture.

COLUMBIA, S. C., *June 17, 1953.*

Hon. CHARLES A. WOLVERTON,
Chairman, Interstate and Foreign Commerce Committee, House of Representatives, Washington, D. C.:

Understand amendment to section 2 of H. R. 3202 will be offered as follows: "Where the movement immediately preceding were of ordinary livestock (including shellfish, or agricultural (including horticultural) commodities (not including manufactured products thereof)) exempt under the provisions of section 203 (B) (GY)." This amendment will restrict both flexibility of carrier and his availability to shippers of agricultural products with resulting rate increases to the farmer and higher prices to consumers. Acting in behalf of all commissioners, secretaries, and directors of agriculture as their chairman of transportation committee and as Commissioner of Agriculture for South Carolina ask that you oppose this amendment.

J. ROY JONES,
Commissioner of Agriculture, South Carolina; Chairman Transportation Committee for National Association of Commissioners of Agriculture.

Now, listen to what the National Fisheries Institute, Inc., through its chairman of the traffic committee, has to say:

I wish to voice objection to the amendment. It appears designed solely for the purpose of limiting if not entirely avoiding exemptions provided in H. R. 3203. Specifically, it would prohibit trucks from obtaining a second load in instances where the first load was consigned to a point intermediate to their ultimate return destination. Furthermore, it would prohibit trucks enroute to producing points for loading of exempt commodities from obtaining outbound loads. The amendment serves no constructive purpose; it is damaging to our interests. Your support is requested toward defeating this amendment.

Now, this message from the president of the Fresh Water Fish Wholesalers Association:

Amendment to H. R. 3203 is of nuisance value only and would unnecessarily hamper exempt trucking of fish—no compromise warranted.

Listen, to the protest of the vegetable growers:

Your opposition to proposed amendment to H. R. 3203 will be appreciated because this amendment would destroy the original intent of Congress concerning the free movement of perishable agricultural commodities. Vegetable growers favor H. R. 3203 as reported by the House Interstate and Foreign Commerce Committee on June 8. Won't you please support H. R. 3203 for the 735,000 commercial vegetable growers and millions of consumers?

The American Farm Bureau adds its protest against the proposed amendment in these words:

The sponsors of the amendment intend to terminate the operations in interstate commerce—to many concerns for any hauling that may be available.

The amendment misses its target and instead hits responsible and legitimate businesses who provide an important transportation service.

The proposed amendment would prevent cooperatives who merchandise a processed and therefore nonexempt commodity and who operate their trucks under the provisions of section 206 (b) (5) of the Interstate Commerce Act from obtaining a back haul. For example, a cooperative producing cheese, which it transports to various markets in its own trucks, would be prohibited from trip leasing its trucks for a return haul and would therefore be required to return empty.

In our opinion, the proposed amendment is harmful to the general interest and should be defeated.

What is the attitude of the Grange toward the amendment? Listen:

NATIONAL GRANGE,
Washington, D. C., June 17, 1953.

We have learned that attempts will be made to amend H. R. 3203 on the floor. One proposal, we understand, would assure the continuance of trip leasing only in those instances where the immediately preceding

load was an exempt agricultural product or fish. Sometimes when an agricultural trucker moves from one part of the country to another he may trip lease between several points to get there. Secondly, during slow periods of the year, as in winter, agricultural truckers need the opportunity to earn money by helping meet the trucking needs of industry through trip leasing. Without this right, some agricultural truckers would have to raise rates on farmers or go out of business. In other words, it would be difficult for agricultural truckers to stay in business if they were restricted to agriculture during all periods of the year.

We of the Grange do not defend H. R. 3203 solely on the basis of preserving the agricultural exemption. Trip leasing is fundamentally sound for the whole Nation and the Grange can never approve any action by the Interstate Commerce Commission which creates economic waste in truck transportation, strengthens the monopoly position of some carriers, and which seeks to drive small owner-operator truckers out of business. These truckers have in many cases been denied certificates and permits by the ICC so they have to trip lease and share their revenue with big trucking companies which have an ICC certificate.

We of the Grange believe in letting small independent truckers inject some competition into the transportation industry, for it spurs progress and efficiency. We do not believe the ICC was set up as an agency to hold down or retard competition, but rather to regulate in lieu of competition because at that time competition was lacking. We believe we should now welcome the competition that small independent truck operators can inject into the entire transportation industry.

Trip leasing not only reduces the number of trucks running empty but common motor carriers would need to have considerable equipment standing idle some of the time in order to meet peak periods or peak days if there were not a fluid and flexible supply of vehicles they could lease.

As a final word, we again urge that H. R. 3203 be passed as reported out of committee, not only to preserve the agricultural exemption but also in the interest of a sound national transportation policy that seeks to promote efficiency in the use of equipment, allows freedom of enterprise, and relies on competition to a greater degree in determining what rates are fair for shippers and haulers alike. All of us must be concerned constantly with the continued and persistent increase in the spread between prices received by farmers and those paid by consumers. The effect of the proposed amendment to H. R. 3203 would speed that increase.

MOTOR CARRIERS LEASING CONFERENCE,
Washington, D. C., June 19, 1953.

We believe that the proposed amendment will unduly restrict the free interchange of equipment; for example, if a trucker arrives in New York from Florida with a load of produce, then leases his equipment to a carrier for a movement to Norfolk, Va., of regulated commodities, he will then be required to deadhead from Norfolk, Va., to Florida. Similar examples could be given covering all parts of the country. Furthermore, as to enforcement of the proposal, we believe that 1 of 2 things could happen: First, the ICC would be required to establish some type of enforcement program which could lead to endless redtape to the extent conceivably where no carrier would be safe in trip-leasing any piece of equipment, thereby, in effect, abolishing the practice completely. Secondly, we fear there might be a temptation presented to disregard or violate the regulations. We sincerely hope that you will do your utmost to oppose the proposed amendment and pass the bill as reported by your committee.

NATIONAL MILK PRODUCERS ASSOCIATION,
Washington, D. C., June 22, 1953.

We believe that the proposed amendment is unduly restrictive and that it would substantially reduce the protection to agricultural transportation which H. R. 3203 is intended to provide. We urge you to oppose the adoption of the amendment.

NATIONAL COUNCIL OF PRIVATE MOTOR TRUCK OWNERS, INC.,
Washington, D. C., June 19, 1953.

The National Council of Private Motor Truck Owners on April 13, 1953, filed a statement with your committee in support of H. R. 3203, as originally introduced, reciting the makeup of the organization as one of private (not for hire) motortruck owners and operators, a classification embracing some 85 percent of the total of all property carrying motor vehicles, and setting out our belief in the inequity of the present law as now interpreted by the Interstate Commerce Commission, and the need for change in the law as proposed by the bill. The amendment upon which we now comment seems to us more damaging than almost any other change which could be made in the bill. Certainly more damaging than other substitute provisions which were considered by your committee during the course of the hearings.

The limitation to an immediately preceding movement is of like detrimental effect. Certainly there is no logic in the requirement for an immediately preceding rather than an immediately succeeding movement of such exempt commodities, and in practical transportation practices each would be of equal importance. This tie-in with immediately preceding transportation also would have the effect of unduly limiting origin and destination areas. For example, an exempt movement from Boston to Chicago, could not be followed by 2 leased movements, one from Chicago to Buffalo and another from Buffalo to Boston, even though the latter might be highly desirable from the standpoint of economical transportation.

The council reiterates its support and urges the passage of the bill as reported by your committee and strongly condemns the proposed amendment.

GROWERS AND SHIPPERS LEAGUE OF FLORIDA,
Orlando, Fla., June 19, 1953.

Understand there may be proposal to amend by adding "or movement preceding was of" commodities "exempt under the provisions of section 203 (b) (6)." Our industry desires that such amendment to H. R. 3203 be not adopted for several reasons, including undesirable limitation possible from interpretation of "movement immediately preceding" which may eliminate presently existing practice whereby citrus trucks enjoy more than one lease on southbound trip. That is, lease for part return then subsequent lease on same southbound trip for remainder or portion of return movement also exemption of section 203 (b) is broader than would be included in restrictive amendment. Urge enactment of bill as reported and without amendment.

PRIVATE CARRIER CONFERENCE OF AMERICAN TRUCKING ASSOCIATIONS, INC.,
Washington, D. C., June 19, 1953.

We refer to proposed amendment to H. R. 3203 which we understand is being advocated by railroads and which would severely restrict trip leasing by agricultural haulers and also unduly restrict trip leasing by agricultural haulers and also unduly restrict trip leasing of all vehicles. We reiterate our support of H. R. 3203 as now written and as approved by your committee and we strongly oppose on behalf of thousands of private carriers, members of this association, any crippling amendments to the bill as now reported to the House.

VEGETABLE GROWERS ASSOCIATION OF AMERICA,
Preston, Md.

Your opposition to proposed amendment to H. R. 3203 will be appreciated because this amendment would destroy the original intent of Congress concerning the free movement of perishable agricultural commodities.

Vegetable growers favor H. R. 3203 as reported by House Interstate and Foreign Commerce Committee on June 8. Won't you please support H. R. 3203 for the 735,000 commercial vegetable growers and millions of consumers? Your reply will be appreciated.

NATIONAL COUNCIL OF FARMER COOPERATIVES,
Washington, D. C., June 17, 1953.

The wording of the proposed amendment might make it appear at first reading that it is intended to preserve to agriculture the full use of trip leasing and other short-term leasing of motor vehicles as presently practiced. A careful examination of the wording, however, and consideration of how this amendment would apply to some of the practical operating situations involved in marketing the food and fiber of the Nation, will readily show that this amendment will narrow the effective value of the "agricultural commodities exemption" in the Motor Carrier Act, and on further analysis might prove even more injurious to agriculture and our total economy than some of the other restrictive amendments which have been proposed, considered by your committee, and rejected.

There are literally thousands of trucks owned by farmers or associations of farmers, which derive their exemption from Federal regulation under section 203 (b), (4a) and (5) of the Interstate Commerce Act rather than section 203 (b) (6) as referred to in the proposed amendment. It is certain that this amendment could and probably would be interpreted so that such trucks could not be leased for a return trip from market even when the forward movement to the market consisted of agricultural commodities.

Under the proposed amendment, trucks could not be utilized for a return movement under lease even though the movement immediately preceding involved items such as fertilizer, insecticides, feed, farm machinery, and other similar items so essential for production of agricultural commodities and so closely tied in with farming operations.

The proposed amendment would prohibit successive trip-leases no matter how essential in order to facilitate a movement of agricultural commodities. To illustrate, a truck owned by Trucker A hauls a load of tobacco from a point in Tennessee to Richmond, Va. At Richmond he leases his truck to an authorized carrier for a load of general freight to Asheville, N. C. At Asheville, N. C., rather than return empty to Tennessee, his home base, Trucker A has an opportunity to lease his truck to an authorized carrier for a load to his area of origin in Tennessee. Under the proposed amendment, the truck could not be leased just for the trip from Asheville, N. C., to the Tennessee point because "the movement immediately preceding" was not of exempt cargo as described in the amendment. Therefore the truck must return empty from

Asheville, N. C., to Tennessee. The practice of engaging in more than one trip-lease operation in returning to the area of origin is very common and essential in implementation of the "agricultural commodities exemption."

Under the proposed amendment, trucks which normally operate under the exemption in section 203 (b) (6) of the Interstate Commerce Act could not be leased for a single trip or other short periods by authorized carriers for hauling manufactured products during those offseason periods when such trucks were not needed for the hauling of agricultural commodities.

The above objections deal only with points wherein the proposed amendment is basically unsatisfactory from the point of view of agriculture. There are, we believe, objections to the proposed amendment of even more far-reaching importance from the standpoint of sound public policy. I shall refer to only two of these matters.

We do not believe that the amendment can be justified on the basis of principle, equity, or the interests of the public generally, including all groups.

Finally, the amendment would provide a wide area for administrative abuse by those demonstrated to be unsympathetic to the policy established by Congress in the agricultural commodities exemption; would result in a new line of cases before the Commission and in the courts costly to shippers, carriers, and the Government; and would practically invite wholesale violations since obviously neither the Commission nor any agency of the Federal Government could be provided with the personnel to make any pretense at determining whether the movement immediately preceding the movement of trucks under lease, was a movement of any of the types of commodities specified in the amendment.

We believe the above reasons provide sufficient justification to request that the proposed amendment be rejected and the bill as reported by your committee be adopted.

NATIONAL APPLE ASSOCIATION,
Washington, D. C., June 19, 1953.

With the limiting of trip leasing to trucks operating under the section 203 (b) (6) exemption, what of trucks of farmers exempt under sections 203 (b) (4a) and trucks of cooperative associations under section 203 (b) (5)?

You may say, "But the agricultural hauler will be exempt under the amendment," and that is quite true. Nevertheless, should he pick up two nonexempt loads consecutively on a return trip, he would automatically come under the 30-day leasing provision of ICC regulations.

There are periods when agricultural commodities are not available for movement and when the itinerant trucker must turn to other fields to earn his livelihood. To tie him up for a period as long as 30 days may remove him from the agricultural hauling field when he is desperately needed.

The practice of trip leasing is an economically sound one since it utilizes transportation facilities to the fullest extent. During the war, ICC encouraged, even demanded, the fullest use of every mile a truck moved on grounds that an empty truck was an economic waste. While tires and gasoline are no longer in short supply, there is still no reason to bring about economic waste through Government regulations.

We again urge passage of H. R. 3203 as reported out from your committee and without amendment.

In conclusion, I ask you to defeat this amendment, because it is so unfair, so unjust, and so unreasonable—and adopt the committee bill as reported without crippling amendments.

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

Mr. CROSSER. Mr. Chairman, I ask unanimous consent that the gentleman from New York [Mr. KLEIN] may proceed for an additional 5 minutes.

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

There was no objection.

Mr. KLEIN. Mr. Chairman, I had some little to do with the drafting of the minority report which some of you may have before you. It is true, as the chairman of the committee, the gentleman from New Jersey [Mr. WOLVERTON], stated, that no reference was made there to the Hinshaw amendment or to an amendment in that form. I stated in the report that we intended to present at this time an amendment which we felt might go some way toward obviating the outcry by the agricultural groups that the order of the ICC which would prohibit this trip leasing would have the effect of increasing their expenses and thus, of course, increasing the cost of farm products to the ultimate consumer. So I thought that possibly we could get around it by offering an amendment which would permit the farmer or the trucker who carries the farm products to the city markets to return to the farm from which he came with any type of load. They have said that if they had to return empty then, of course, the expense would go up and that would add to the cost to the consumer.

Mr. O'HARA of Minnesota. Mr. Chairman, will the gentleman yield?

Mr. KLEIN. I am indeed happy to yield to the gentleman from Minnesota. I am glad to see his health is improved, and I hope he stays around here with us for a long time.

Mr. O'HARA of Minnesota. As the gentleman knows, I have been in the hospital.

Mr. KLEIN. I realize that; that is what I had in mind.

Mr. O'HARA of Minnesota. Of course, the gentleman has had agricultural experience. Would he define the term "ordinary livestock?" What is the difference between ordinary livestock and livestock?

Mr. KLEIN. May I ask what the gentleman is reading from?

Mr. O'HARA of Minnesota. I am reading the amendment which the gentleman is supporting.

Mr. KLEIN. May I say, somewhat facetiously, I think all livestock is ordinary. The gentleman knows that I have some farmers in my district, as I said before, but all they know about farming is what they raise in flowerpots on their window sills, but those farmers do not raise any livestock.

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

Mr. KLEIN. I yield.

Mr. PELLY. I think the gentleman could perhaps tell us something about the conditions, the evils that exist among itinerant drivers and trucks; I do not think that has been sufficiently brought out in this discussion.

Mr. KLEIN. I believe they have.

Mr. PELLY. Drivers who drive up to 76 hours at a stretch. The record is full of instances of lack of maintenance and other evils that exist which no one yet has emphasized in this discussion.

Mr. KLEIN. I think they were mentioned; and I might point out, of course, that those very evils would continue and would in fact grow if all these itinerant truckers were taken out from control of the ICC. Obviously that was the purpose of the law; we wanted that phase of the transportation industry controlled; we intended it that way. This bill would remove not only the farm groups which I have said I believe are protected by this Hinshaw amendment, but they would also remove every type of trucker; hundreds of thousands of trucks would be taken out from regulation. Do we want that?

Mention has been made here of the fact that labor organizations, the labor unions, are opposed to this. The labor unions, of course, do not speak for all labor; neither do the farm organizations speak for all the farmers. I can be kidded and I can take it about the fact that I represent farmers—of course, I do not—but I believe, as I said here before, that our economy is an integrated one. Whether we are for the consumer or for the farmer, if things are bad for the farmer they must be bad for the consumer; and, conversely, if they are bad for the consumer then they must be bad for the farmer as well.

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

Mr. KLEIN. I am indeed glad to yield to the gentleman; he is an authority on farming.

Mr. COOLEY. The gentleman said that thousands and thousands of trucks would be taken out from under the regulation of the ICC. The gentleman means only with regard to tariffs. Certainly they would be under the safety rules and regulations of the ICC; but the itinerant trucker would under this law as proposed be out from under the tariff regulation.

Mr. KLEIN. That is one of the main things.

Mr. COOLEY. The only danger about which the gentleman is apprehensive is the effect this might have on the tariff structure which governs the tariff on the common carrier; is not that actually it?

Mr. KLEIN. Well, that is part of it. I do not think that is it entirely. I think that takes him out from under all the other regulations as well.

Mr. COOLEY. What other regulations?

Mr. KLEIN. I yielded to the gentleman because I thought he would help me out on who is a farmer and who is not. As I said before, I am not a spokesman for the farmers, I am not a spokesman for the railroads, but I think I am a spokesman for the labor unions and laboring people. That is why I wanted to mention specifically as I did in general debate, first, that the Teamsters Union opposes this bill as drawn and as reported to the House. I believe that organization would go along with the bill if the Hinshaw amendment were

adopted. Second, the railroad brotherhoods oppose this. It is rather rare indeed that the railroad brotherhoods and the railroads agree, but they agree in this case. They are both opposed to this bill. I cannot say what the railroads would do, but I know that the railroad brotherhoods would be content with this bill if it had the Hinshaw amendment in it. Third, last, but not least, the A. F. of L. is for this amendment. Let me read a letter I received from the American Federation of Labor on this subject:

AMERICAN FEDERATION OF LABOR,
Washington, D. C., June 19, 1953.

HON. ARTHUR G. KLEIN,
House Office Building,
Washington, D. C.

DEAR REPRESENTATIVE KLEIN: I shall appreciate your supporting the attached amendment proposed to be offered on the floor to the pending bill H. R. 3203 which will come up early next week.

As reported, as perhaps you know, this bill is unacceptable, but will be more palatable with the amendment which I also understand will detract in no way from what the American Farm Bureau Association desires to accomplish. I am sure the hearings will give you a clear presentation of where our unions stand on the "gypsy" features of the legislation.

Thanking you for your consideration in this matter and with best wishes, I am,

Sincerely,

GEORGE D. RILEY,
Member, National Legislative Committee, American Federation of Labor.

Mr. Chairman, the purpose of the bill as reported is to preserve the practice of trip leasing for the benefit of truck operators engaged in the movement of livestock, agricultural products and fish, which is exempt under section 203 (b) (6) of the Motor Carrier Act. But the bill goes far beyond its purpose and would prevent any limitation upon the duration of any truck lease whatever, whether or not the truck be engaged in the movement of exempt products.

The Hinshaw amendment retains all the provisions of the reported bill and fully preserves the trip lease for truckers engaged in the movement of exempt products. Under the proposed amendment a trucker hauling exempt products will be free to trip lease, without limitation upon the commodity to be hauled or its destination. He would not be confined to a return movement.

The only effect of the amendment would be to confine the provisions of the bill to truckers engaged in the movement of agricultural or other exempt products. It would thus accomplish the purpose of the bill without removing from regulation the practice of trip leasing at large, where no movement of exempt products is involved.

The trouble with the bill as reported is that it would entirely eliminate any authority in the Interstate Commerce Commission to regulate the duration of truck leases. The Commission is of the opinion that without some measure of control over the duration of these leases it cannot effectively administer part II of the Interstate Commerce Act.

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

(By unanimous consent, Mr. KLEIN was allowed to proceed for 3 additional minutes.)

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. KLEIN. I yield to the gentleman from Minnesota.

Mr. AUGUST H. ANDRESEN. I would like to ask the gentleman if this is a statement from the Interstate Commerce Commission?

Mr. KLEIN. It is not.

Mr. AUGUST H. ANDRESEN. The gentleman claims he is not the author of it.

Mr. KLEIN. I did not claim that at all.

Mr. AUGUST H. ANDRESEN. I beg the gentleman's pardon.

Mr. KLEIN. This is the first mention I made of this statement.

Mr. AUGUST H. ANDRESEN. It is not the ICC.

Mr. KLEIN. No.

Mr. MILLER of Kansas. Mr. Chairman, will the gentleman yield?

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

Mr. MILLER of Kansas. This discussion seems to turn upon the question of the farmer and the laboring man. I am wondering why there should be any difference between the interest of the farmer and the interest of the laboring man. I would like to ask the gentleman this question: Does union labor consume any farm products?

Mr. KLEIN. Of course it does; I made that point. There is no distinction. The interests of the farm groups and the interest of the labor organizations are identical, and that is why the labor unions are opposed to this legislation, but would favor the Hinshaw amendment.

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

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

Mr. CROSSER. As a matter of fact, this would extend more protection to the farmer and laborer than without it.

Mr. KLEIN. There is no doubt about that, that the passage of the Hinshaw amendment would help the farmer.

Mr. CROSSER. As the bill originally stood, would not the Commission be practically without personnel to enforce the safety regulation?

Mr. KLEIN. Yes. I think there are but 18 inspectors employed by the ICC at the present time.

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

Mr. KLEIN. I yield to the gentleman from North Carolina.

Mr. CARLYLE. I wish the gentleman would tell us how the Hinshaw amendment would aid the farmer in any respect.

Mr. KLEIN. It would aid him in this respect: The cry has been that the ICC has been opposed to the exemption of agricultural groups. If he wants to make a trip lease, this would permit him to do it, provided he has been engaged in the hauling of agricultural products.

Mr. CARLYLE. Does not the gentleman know that it would hinder him in obtaining a truck and obtaining a back haul all of the distance back home?

Mr. KLEIN. Not at all. He can go any place he wants to. There is no limitation on where he can go under the Hinshaw amendment.

Mr. CARLYLE. Suppose a truckload of oranges is sent from Florida to Boston. That is an exempt commodity.

Mr. KLEIN. Right.

Mr. CARLYLE. In Boston the trucker is unable to obtain a load of exempt commodities, so he obtains a truckload of, we will say, automobile tires, but he is unable to get a shipment all the way to Florida. So he accepts that trip load of automobile tires to Baltimore. Now, what is he going to do from Baltimore down to Florida except return with an empty truck?

Mr. KLEIN. He will do exactly the same thing he would do if this bill were passed.

Mr. CARLYLE. Oh, no. This bill says that the trip immediately preceding must contain exempt commodities, according to the amendment.

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

(Mr. KLEIN asked and was given permission to proceed for 2 additional minutes.)

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

Mr. KLEIN. I yield to the gentleman from North Carolina.

Mr. COOLEY. In the situation that the gentleman from North Carolina has mentioned, after the man had discharged his cargo of industrial commodities that he picked up in Boston, then he naturally would look around for an agricultural cargo because he would then be able to trip lease on that trip and thereafter.

Mr. KLEIN. Of course, he would, under the Hinshaw amendment.

Mr. COOLEY. To that extent it might encourage these truckers to haul more agricultural products, even at a less price. That is the argument that the gentleman is making in behalf of the Hinshaw amendment.

Mr. KING of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. KLEIN. I yield to the gentleman from Pennsylviana.

Mr. KING of Pennsylvania. It surely should be obvious to anyone who knows the movement of produce that during that time, when Florida oranges are moving to Boston, that he would not be able to pick up a load of produce at Baltimore for movement on down to Florida. The direction of the flow at that time of the year is in the opposite direction.

While I am on my feet I would like to ask the gentleman if in his committee the committee received any proof that the itinerant truckers were a greater road hazard than the regulated truckers, other than just general statements? Were there any actual figures or proof in the way of insurance rates, and so forth, that would substantiate the conclusion that itinerant truckers are not more hazardous on the highways than the regulated truckers?

Mr. KLEIN. I do not believe we have had any testimony to that effect.

Mr. KING of Pennsylvania. I do not think there is any, either.

Mr. KLEIN. I might say to the gentleman that he is a farmer, and he certainly knows more about farming than I do. The fact that I have been talking here for 15 minutes does not make me a farmer or an expert on farming. I do not pretend to be that, but I do say that it is my desire to see that all elements of our economy are treated alike, and I honestly believe that the adoption of the Hinshaw amendment would give the farm group as great a benefit as they could get under the passage of this bill.

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

Mr. KLEIN. I yield to the gentleman from Massachusetts.

Mr. NICHOLSON. May I ask the gentleman if this is not just a safety measure; that the farmers and fishermen do not enter into it at all; it is just a safety measure?

Mr. KLEIN. The gentleman refers to the Hinshaw amendment?

Mr. NICHOLSON. Yes; the bill.

Mr. KLEIN. It is a safety measure, because we feel that if these trucks remained under the supervision of the Interstate Commerce Commission they would be better regulated and better inspected than they would be if they did not have those regulations.

Mr. NICHOLSON. So far as safety is concerned?

Mr. KLEIN. Safety as well as every other way. I want to make the point to the gentleman, which I may have failed to make, that the Hinshaw amendment would do as much for the farmers of this country as would the passage of this bill without the amendment.

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

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

Mr. HARRIS. I yield to the gentleman from Mississippi.

Mr. WHITTEN. May I point out, having served on the Agriculture Appropriations Committee, that the Government for a number of years has had to spend a considerable amount of money each year in its efforts to keep the Interstate Commerce Commission by its interpretation from practically eliminating exemptions written into the law by Congress. They have done it even by holding that spinach when it was washed became a manufactured product. They held that when you took the insides out of fish so they would not spoil they then became a processed product. They have held many ridiculous things. We are having to spend money now trying to prevent that encroachment by a Government agency on an exemption written by Congress. This amendment would do just what has been pointed out, but in addition, judging by the record of the Interstate Commerce Commission in the past and its interpretations, they would stretch this amendment twice as far as it reads in an effort absolutely to stop it.

I am glad the gentleman has given me a chance to say that because it is a matter of record.

Mr. HARRIS. I thank the gentleman. The gentleman is certainly informed, based on the experience he has had as a member of the Appropriations Committee.

Let us not misunderstand just what this problem is and what the effect of the amendment would be. Let no one be deluded by the statement that this is an amendment to benefit the farmer in transporting his product to the market.

In the first place, our committee made every effort to get the various groups together before we reported out a bill, as has been said here. The proponents of the amendment we have here before us were opposed to the bill. The gentleman who proposes the amendment now was opposed to the bill. He was opposed to any action whatever to start the bill. Those proposing at that time that the Interstate Commerce Commission be sustained in their rule had the same views as have been expressed by the parties and by the author of this amendment. If I am wrong, I yield to the gentleman from California now to correct me.

Mr. HINSHAW. The gentleman is not altogether correct. He can make any statement about my position that he chooses. I made no statement in the committee one way or the other.

Mr. HARRIS. Was the gentleman opposed to the bill as originally introduced?

Mr. HINSHAW. No; I have not been opposed to the bill. I was opposed to the idea of trip leasing an itinerant trucker. I thought he ought to come under regulation for safety purposes certainly, and probably for economic regulation.

Mr. HARRIS. I accept the correction.

In an effort to try to get this matter resolved, we had an amendment proposed. I was informed that the author of this amendment, or those who were responsible for it, was the author of an amendment which was proposed for our committee's consideration before the committee took any action. But those responsible for it were around saying, "Do not be mistaken. We are against it, and if what we are presenting here is to be interpreted as having our support, it is a mistake for we are not." Consequently, nothing was done, and our committee wrote this bill. We amended the original proposal. We amended it to reach the objectives that have been complained of as to the itinerant or so-called gypsy operations. It was after we had taken this action, and after we had reported it to the House, before anyone ever heard of the amendment offered here today. I do not know the ultimate effect of this proposal, and I doubt seriously that the gentleman from California knows or the gentleman from New York. In fact, I feel quite sure that they do not know. Why? Let me refer you to some very interesting items. The amendment proposed refers to the exemption under the provision of 203 (b) 6. In the same paragraph, 203 (b) 6, is another exemption, which is 4A with reference to motor vehicles controlled and operated by any farmer when used in the transportation of his agricultural commodities and products thereof. But this amendment does not reach that phase of the exemption. So, consequently, what is proposed is to exempt the commercial truckers of agricultural commodities. The farmer who produces is caught in the squeeze—he cannot carry his cheese or his butter. He cannot carry his beef, after he kills it, in his own truck and then lease it to help pay for some of the cost of that transportation by return movement. That is an exemption provision under the Interstate Commerce Act itself.

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

Mr. HARRIS. I yield.

Mr. HINSHAW. The gentleman knows perfectly well that a farmer can always carry his own produce.

Mr. HARRIS. Not after it is in the processed state—no, and then he is permitted to lease for return haul.

Mr. HINSHAW. He can always carry his own produce in his own truck ad lib—without limit, in other words.

Mr. HARRIS. Under this exemption to be sure—that is what I am talking about. And the gentleman's amendment does not reach it.

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

Mr. HINSHAW. Mr. Chairman, I ask unanimous consent that the gentleman may have 5 additional minutes.

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

There was no objection.

Mr. HINSHAW. Of course, anybody can carry his own products in his own truck and not be under any regulation whatever, is that not true?

Mr. HARRIS. That is true, but we are talking about trip leasing back home now.

Mr. HINSHAW. He can carry manufactured products, if he manufactures them.

Mr. HARRIS. No, he cannot.

Mr. HINSHAW. Yes, he can.

Mr. HARRIS. The act says, "occasionally." Who knows what occasionally is?

Mr. HINSHAW. The gentleman is talking about trip leases.

Mr. HARRIS. No; I am talking about transporting the commercial or manufactured product after he has carried his produce to market.

Mr. HINSHAW. He can carry manufactured goods. What do you suppose the machine shop does but carry its own stuff in its own truck? What do you suppose anybody does that owns his own truck?

Mr. HARRIS. That is if he takes it back for his own use.

Mr. HINSHAW. He can carry anything he wants to for his own use.

Mr. HARRIS. That is for his own use.

Mr. HINSHAW. Certainly.

Mr. HARRIS. But he cannot carry regulated products back except for his own use.

Mr. HINSHAW. He cannot carry somebody else's products.

Mr. HARRIS. He cannot carry regulated products back unless he uses it

himself and it is for the use of the farmer himself. So the farmer, himself, gets caught in the squeeze here too.

Now here is another thing. No. 5: Motor vehicles controlled and operated by cooperative associations as defined in the Agricultural Marketing Act approved June 15, 1929.

You do not reach that exemption. So you have the problem met halfway insofar as this is concerned, and consequently when you talk about helping the farmer—it does not help the farmer. Let us go a little further with this.

I hold in my hand an interpretation of the Interstate Commerce Commission which was issued back in 1951. This is just one of many hundreds and hundreds of such orders giving an interpretation of what is an agricultural commodity and what is not. They take up fresh, cut-up vegetables; fruits and vegetables; peanuts, if they are shelled; poultry, killed, if it is picked; leaf tobacco, if it is redried, and so forth. You take peanuts and you transport them in the shell, that is all right; that is exempt. But you shell those peanuts and you have a different commodity.

There are hundreds of these examples. Here is one for the book, it is a pretty important one, just to show you how the Interstate Commerce Commission makes these interpretations.

Mr. WHITTEN. Mr. Chairman, I ask unanimous consent that the gentleman may proceed for an additional 5 minutes.

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

There was no objection.

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

Mr. HARRIS. After I conclude this, I will yield.

The crux of this is in the interpretation by the Interstate Commerce Commission as to just what is regulated or unregulated produce. I mentioned some of these things. Take spinach; that is referred to. Also certain types of feathers; and if they are on the chicken, that is a different proposition. But if you take them off the goose, that becomes something else. I have the record to which I want to refer.

The Commission went into this matter, had hearings on it and the examiner made a recommendation from which the Commission acted on pelts and skins, green and salted, hides, wool, and mohair, including that scoured; manure—all unmanufactured agricultural commodities.

They finally get down here and say that the rail carriers contend that manure from pens and feed lots, which is dried and dehydrated, pulverized and packaged, is not an agricultural commodity, since it is not produced on the farm.

We do not agree with that reasoning.

That is what the Commission says. This is their interpretation.

Manure, in its natural state, unquestionably comes within the partial exemption, but the evidence is not sufficiently comprehensive to enable us to make a determination of the point at which the commodity becomes a manufactured product.

Well, that is what the farmers have got to put up with. You take an apple in a basket, you can haul it on your truck. That is perfectly all right. But you cut it up into slices, and then it is a different product. It comes under a different category. You do not have one; you have thousands of those kinds of examples. I think we had better watch ourselves before we go off on one of these amendments that you say is in the interest of the farmers.

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

Mr. HARRIS. I yield to the gentleman from Mississippi.

Mr. WHITTEN. I hate to interrupt the gentleman when he is making such a fine presentation, but I would like to point out the other side of this matter, and that concerns the consumer. The consumer is going to pay the farmer's cost of production, plus the cost of handling. If the farmer charges up to his commodity only the trip from Florida to New York, it means cheaper commodities. But, if that farmer has got to charge up the cost of going to New York and then back to Florida, you have increased the cost to the consumer.

Mr. HARRIS. That is right.

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

Mr. HARRIS. I yield to the gentleman from Massachusetts.

Mr. HESELTON. In addition to the farmer, I think in all fairness we should bring in the fisherman, because the Commission is engaged in deciding that a beheaded shrimp is not in fact a shrimp.

Mr. HARRIS. I understand the interpretation is if you cut the head off the shrimp then it becomes something else.

Mr. ROGERS of Florida. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield to the gentleman.

Mr. ROGERS of Florida. This is a restrictive amendment, as the gentleman has argued.

Mr. HARRIS. That is true.

Mr. ROGERS of Florida. Let me give you an example and see if this is not the true intent of the amendment. Suppose, for instance, a truck is carrying a load of oranges from Orlando, Fla., up to New York City. Suppose he were able to get a nonexempt cargo back to Washington but not to Florida. After he has delivered that load to Washington, he cannot get another load to carry to Florida; therefore, he has got to go as an empty truck from Washington to his point of origin; is that not true?

Mr. HARRIS. That is true.

Mr. ROGERS of Florida. That is an unfair limitation.

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

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

Mr. HARRIS. In all seriousness, Mr. Chairman, our committee has gone into this technical problem very very carefully. We have had several propositions before us on which we have tried to resolve this and think we have done a pretty good job in requiring the copy of contracts to be with the truck movement. He then becomes subject to regulation because he has his equipment leased to an authorized carrier; he has got to abide by the safety regulations; he must operate under the carrier and the carrier must be responsible for his actions, for everything that he does.

So far as the agricultural movement is concerned you have got to have flexibility of transport or they cannot get their produce to the market. There was a time in the peach orchards in my State when the trains moved the peaches, but we do not have the trains there any more. There are no regulated trucks that come in there. If we do not have the flexibility of transport to go into places like that, into these vegetable-producing areas where you do not have any other kind of transport, how are they going to get it to the market? It cannot be done, and the gentleman's amendment will have one very definite effect and that is running a great part of that kind of operation completely off the road, and there will be available no kind of transport regardless of what it is.

I say we had better be very careful before we grab hold of an amendment here on the basis that it is going to do something for the farmers when it is going to do just the opposite.

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

Mr. HARRIS. I yield.

Mr. GAVIN. The gentleman read a regulation a few moments ago. When was that regulation issued? Was it under a Democratic administration?

Mr. HARRIS. Nineteen hundred and fifty-one, I will say to the gentleman, this particular one.

Mr. GAVIN. I think they will do better under a Republican administration.

Mr. WOLVERTON. Mr. Chairman, in an effort to try to bring this debate to a conclusion, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 15 minutes.

Mr. COOLEY. Mr. Chairman, reserving the right to object, I was on my feet seeking recognition. I wonder if the gentleman would not make it 20 minutes and let me have my 5 minutes.

Mr. WOLVERTON. I will make it 20 and I would request that the last 5 minutes be reserved to the Committee.

Mr. BARDEN. Mr. Chairman, reserving to right to object, when did the gentleman say he wanted the debate to close?

Mr. WOLVERTON. In 20 minutes.

Mr. BARDEN. I would like some time, not 5 minutes, but at least 2 or 3.

Mr. WOLVERTON. I will yield the gentleman some of my time.

The CHAIRMAN. Fifteen Members have risen. The gentleman from New Jersey asks unanimous consent that all debate on this amendment and all amendments thereto close in 20 minutes, 5 minutes to be reserved to the gentle-

man from North Carolina and 5 minutes to the Committee.

Is there objection?

There was no objection.

Mr. COOLEY. Mr. Chairman, as a member of the Committee on Agriculture of the House, I have given this matter serious consideration for some months. Probably 12 months ago it was first called to the attention of the members of our committee and off and on from that time until this day members of our committee have given consideration to it because it is a very important matter affecting the welfare of agriculture.

As I view the situation at the moment there is merit on both sides of the question. The only apprehension that I have about the trip-leasing provision or the right to trip lease is it might be abused to the extent that it could ultimately impair the integrity of the rate structure which governs the operation of the common carriers. Of course, all of us appreciate the necessity of having well regulated transportation facilities available at all times and to all people. The Interstate Commerce Commission is the agency charged with this grave responsibility.

A moment ago a question was asked whether these silly regulations and interpretations were made during a Republican administration or Democratic administration. I do not think that question is very important here since the Republican Party will hereafter take over the Interstate Commerce Commission under the reorganization plan which gives them the right to name a majority of the members of that important Commission.

Mr. Chairman, if this proposition is adopted, this amendment is approved, the common carriers will gain exactly half of what they want to gain. That is, they do not want these trip leases and they have prevailed upon the Interstate Commerce Commission to issue this 30-day rule which prohibits trip leasing within that period of time. But if the Hinshaw amendment is adopted it means that to trip lease an itinerant carrier will have to have a cargo of agricultural commodities on every other trip. It does mean after he has hauled initially a carload of agricultural commodities followed immediately by a cargo of industrial commodities, he must then look around for another cargo of agricultural commodities or he will not thereafter be permitted to trip lease. To that extent the sponsors of the amendment contend it will encourage itinerant truckers to look around for agricultural commodities to haul; to that extent it will increase the availability of trucks and to that extent it will decrease the cost to the farmer.

After considering all phases of the matter I have concluded I shall support the bill reported by the committee because I do not want to impair the effect or prevent the proper enforcement of the agricultural provisions now in effect.

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

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

Mr. SHEPPARD. Who is going to be charged with the responsibility of policing the inequations of these hauls?

Mr. COOLEY. That, of course, presents a great problem. I am sure we will have to employ numerous people, perhaps hundreds of people, to police the enforcement of the law if we are going to make it effective, but that is a matter of slight importance when it is compared with the overall aspects of the problem with which we are dealing.

Mr. SHEPPARD. In accordance with the comments of one of the gentlemen a few moments ago about the Republican administration and the Democratic administration, if we are going to have a reduction in the operation of Government, it seems incompatible that we will have this kind of an exaggerated police operation.

Mr. COOLEY. It is a little incompatible.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from Minnesota.

Mr. AUGUST H. ANDRESEN. Many sins have been committed in the name of agriculture and the farmer. But is this not just as vital to the consumers of the country as it is to agriculture?

Mr. COOLEY. It is. That is one of the troubles with our distribution system, it is too expensive. It is by far the greatest, the most expeditious and the best distribution system on earth, but it is also the most expensive. If we can keep down the cost of food, of course, it is beneficial to the consumers of the Nation.

Now, in conclusion, I can see, I think, the viewpoint of both those who oppose this amendment and those who propose the amendment, and I intend to vote against the amendment and to vote for the bill as reported by the committee.

Our common carriers of both freight and passengers have rendered and are rendering a great service to the people of our Nation. They are strictly regulated by law. In their operations they are required by law to meet certain minimum standards and to meet certain requirements, to pay certain wages and to work employees only certain hours. The rates charged by common carriers are fixed by law. Only by law may these rates be lowered or lifted, and certainly none of us would want to do anything that might be calculated to destroy the rate structure which has been established according to law. I have concluded that the agricultural exemptions allowed will not do violence to this rate structure which governs the operations of our common carriers, but will mean much to both the producers and the consumers of our Nation. I, therefore, urge the defeat of the pending amendment and the passage of the bill as reported by the committee.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. CLARDY].

Mr. CLARDY. Mr. Chairman, just a few, brief words. There has been considerable discussion that would imply that unless this amendment is adopted the trucks would be out from under regulation. That is an incorrect statement. I have been living with this thing for 17 years and I know that that is not true. People seem to think that unless this amendment offered by the gentleman from California is adopted, they will be without regulation. That is absolutely untrue, because every piece of leased equipment is subject to the same rules and conditions as a carrier-owned piece of equipment, and the carrier who owns a certificate is exactly as much responsible for the safety of that equipment as if he owned it himself. There was some suggestion that the safety provisions with respect to these trucks would not be carried out. There is absolutely nothing to that. I can testify to that from my own personal knowledge.

Mr. HERLONG asked and was given permission to yield the time allotted to him to Mr. CARLYLE.)

The CHAIRMAN. The Chair recognizes the gentleman from North Carolina [Mr. CARLYLE].

Mr. CARLYLE. Mr. Chairman, there is no reason for us to be deceived or misled as to the purpose of the Hinshaw amendment. Its sole purpose is to cut the heart out of the bill that has been well considered and brought to you by this committee. We know that it is necessary to have not only transportation, but to have it when it is needed, when fruit is ripe, and when vegetables are ready to be transported to market. Then is the time, and, of course, at all other times when the transportation is needed.

We know that in some of the rural areas of this country there is less rail transportation than we had perhaps 10, 20, 30, or 40 years ago, and think of the rural areas that have these fresh fruits and vegetables and farm commodities to transport. How can they be expected to move to market unless the trucks are available and are available at the time that they are needed? I say that this bill that the committee has studied for perhaps 2 weeks represents the kind of a bill that is needed. It does not provide one thing that we have not experienced in this country under the regulations and exemptions under which we have been working and living for 15 long years. The amendment should be defeated. The committee bill should be passed.

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania [Mr. KING].

(Mr. AUGUST H. ANDRESEN asked and was given permission to yield the time allotted to him to Mr. KING of Pennsylvania.)

Mr. KING of Pennsylvania. Mr. Chairman, if this amendment is made effective 20,000 trucks will be put out of the agricultural hauling business, either by causing them to go broke or to transfer to the higher-rated, regulated industry. This would leave many produce

areas stranded for the lack of transportation.

It has been said that the farm organizations are not only against this amendment but against all regulation. I would say that is perhaps true if you mean restrictive regulation which interferes with the free movement of this industry which has developed in the produce industry on a strictly free competitive basis and is now serving the country well, and, of course, serving the consumers as well as the producers.

These are really a good bunch of trucks, not to be slighted by just calling them gypsies. They are well manned with owner-drivers, largely. The farm organizations would all be against any interference with that enterprise because it would destroy that segment of our transportation system that is still in the hands of individual, free, and independent operators.

Mr. Chairman, I hope the amendment will be defeated because its restrictions on the free movement of itinerant trucks are almost as bad as those provided in the original ICC order.

The amendment is impractical in its restriction of trip leasing and impractical from an administrative standpoint.

The CHAIRMAN. The Chair recognizes the gentleman from North Carolina [Mr. BARDEN].

(Mr. HESELTON, Mr. SCHENCK, and Mr. WOLVERTON asked and were given permission to yield time allotted to them to Mr. BARDEN.)

Mr. BARDEN. Mr. Chairman, I wish to thank these gentlemen for the additional time. I hope I will be able to use it well. The chairman of the Interstate and Foreign Commerce Committee has been wrestling with this problem for quite a long time. I think his action was perfectly proper in bringing it to the attention of the House. His committee has been studying it for a long time, and his action came about as the result of a real existing need.

If there is anybody in this House that has had trouble over truck transportation, I think I can qualify. We sometimes make the mistake of legislating according to the way the picture looks on Front Street. Perishable commodities, agricultural commodities, truck crops, seafood, and fruits, are not grown either on or near Front Streets. They are not grown up and down Highway 301. They are grown back in the back country.

I happen to live in an area where there is not a fast train in many, many miles. They go around us. Therefore, the farmers have to depend upon truck transportation. There are no large centers where trucks gather and are available for these crops. Therefore, it is quite a problem; and a very expensive problem. It reflects itself in the markets where these products are placed on the market. You can always count on this, that the transportation cost, be it large or small, will be present on the price tag when the product is placed on the market.

I heard someone mention the Interstate Commerce Commission's ruling on the fish and oyster proposition. It so happens that the present Comptroller General, Lindsay Warren, when he was a Member of this House, and our good friend Judge Bland, of Virginia, and I and several others were interested in putting that exception in the law. We had no more gotten it into the law before some pressure from somewhere caused the Interstate Commerce Commission to place a perfectly silly interpretation upon it—that an oyster hauled in the shell qualified, but if you removed the oyster from the oyster shell, then it did not qualify. That would be funny if they had not sent their inspectors and agents down into my State and into my district and arrested men. Then, it was not so funny. Do you wonder that those of us who have had those experiences want to be careful about giving this power of interpretation to the Interstate Commerce Commission? Why, certainly not.

I do not know just what this amendment does. I do not know, and I am not quite satisfied as to how it will affect the exemptions already in the law. I have not the slightest idea in the world what interpretation the Interstate Commerce Commission will put upon the term "immediately preceding." This I do know, that it is not in the interest of the folks that normally this House is concerned with, and that is the average American who is handling his produce and trying to support the type of economy we generally like to support.

If we are going to put this limitation in the bill, you are simply cutting down at least 50 percent, if not more of the benefits anticipated. He has listened to all this amendment talk. The committee listened to it. When the man came to me and brought me this amendment—the first time I ever saw it the other day, well then I began to wonder if it would ever build up much force on the floor. I do not think it has.

Mr. Chairman, I hope this amendment is defeated. It would take 30 minutes to go into the details and ramifications as to just what effect it would have upon the outlying areas where the trucks have to go out of the normally main-traveled lines sometimes 50, 75, or 100 miles away to load. There is no question about the fact that under this amendment, with a liberal interpretation, they would stop them dead in their tracks and if they went to New York or Philadelphia and brought back a load of paint to Richmond, and then a load of farm machinery back to the argricultural area from which they started they would be in violation. You know that they are going to be stopped. That is what the amendment is intended to do—to stop them.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. BARDEN. I yield.

Mr. AUGUST H. ANDRESEN. If the Interstate Commerce Commission had interpreted the law according to the intent of Congress, when we passed the original act, there would have been no need for this legislation.

Mr. BARDEN. The gentleman is absolutely correct. I want to say to the gentleman that as a result of my many years of dealing with them, I do not think they give a rap about the intent of Congress. They have demonstrated it. Their own record will prove it beyond any shadow of a doubt. You do not have to do anything but read or hear such silly interpretations as have been pointed out to you today. There can be no question about that.

Mr. AUGUST H. ANDRESEN. That has been a common practice for many years.

Mr. BARDEN. Of course it has, and I regret to state that in my opinion they have done great injury to the confidence the Congress once had in the Commission. I hope this amendment will be defeated. I think that is the safest course to pursue.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. YOUNGER].

(By unanimous consent, the time allotted to Mr. GUBSER was given to Mr. YOUNGER.)

Mr. YOUNGER. Mr. Chairman, there has been quite a bit of discussion here today as to whether or not the Interstate Commerce Commission has a right under the present act to supervise and regulate the itinerant trucker. We had that case up, and they brought up a very serious accident case in New Jersey. They brought up the violations. On page 468 of the committee hearings, Mr. Knudson pointed out the violations of the regulations. I asked him this question:

> Here is a case where you have pointed out a lot of violations of existing rules and regulations. Now, if you cannot enforce those, and if you do not take direct steps immediately to see that this incident is not repeated again, and that this particular lessee does not make another trip under the same circumstances, and that this lessee does not repeat his evils, how can you enforce M-43?

Mr. Knudson's answer is very enlightening. He said:

> I think your point is very well taken. I think to preserve our integrity we will have to take some of these cases and investigate and do something about them.

They have at the present time the right, law, and regulation that they want, if they want it to regulate the trip leaser. That is not their point. Their point is one thing, and that is to take away from agriculture their exemption granted by Congress. If they wanted to do the other, they have all of the rights under the present law, and they admit it right here in the hearings.

Mr. WOLVERTON. Mr. Chairman, I yield such time as he may desire to the gentleman from New York [Mr. WAINWRIGHT].

Mr. WAINWRIGHT. Mr. Chairman, I must impose myself upon this committee to inform them that the people of my district on Long Island need freedom to select a cheap, safe method of getting their crops to market. The ICC

has tended, from time to time, to hamstring our people. We have been discriminated against more than once.

This bill would correct some of the inequity and I hope it passes.

Mr. WOLVERTON. Mr. Chairman, I yield such time as she may desire to the gentlewoman from New York [Mrs. ST. GEORGE].

Mrs. ST. GEORGE. Mr. Chairman, it seems evident that those favoring the amendment do protest their love for the farmer with a little too much vehemency.

The truck farmers and fruit growers of my district are all in favor of this bill and it is evident that if it is not passed it will cause them great expense and may even put some out of business.

The idea that these trucks are not strictly regulated is sheer poppycock. They not only are regulated, they have many harassments in the city of New York imposed through union regulations.

As the Representative of a great agricultural district in the State of New York, I hope this amendment is defeated and the bill passed as written.

Mr. HARRIS. Mr. Chairman, I ask unanimous consent that all Members who have spoken on this bill may have the right to revise and extend their remarks.

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

There was no objection.

Mr. JAVITS. Mr. Chairman, what the House is trying to effect in this bill is to give enough latitude so that small truckers can compete with the large concerns in an effective way, and it is my position to proceed in support of the bill in pursuance of this principle. We have here an opportunity to aid small business in the vast trucking industry.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. HINSHAW] to the committee amendment.

The question was taken; and on a division (demanded by Mr. HINSHAW) there were—ayes 38, noes 136.

So the amendment to the committee amendment was rejected.

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. JUDD, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 3203) to amend the Interstate Commerce Act in order to prohibit the Interstate Commerce Commission from regulating the duration of certain leases for the use of equipment by motor carriers, and the amount of compensation to be paid for such use, pursuant to House Resolution 272, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER. Under the rule the previous question is ordered.

The question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

Mr. KLEIN. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. KLEIN. I am.

The SPEAKER. The gentleman qualifies. The Clerk will report the motion.

The Clerk read as follows:

Mr. KLEIN moves to recommit the bill to the Committee on Interstate and Foreign Commerce.

Mr. WOLVERTON. Mr. Speaker, I move the previous question on the motion to recommit.

The previous question was ordered.

The SPEAKER. The question is on the motion to recommit.

The motion was rejected.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

The title was amended so as to read: "A bill to amend the Interstate Commerce Act, with respect to the authority of the Interstate Commerce Commission to regulate the use by motor carriers (under leases, contracts, or other arrangements) of motor vehicles not owned by them, in the furnishing of transportation of property."

A motion to reconsider was laid on the table.

MESSAGE FROM THE SENATE

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

H. R. 2313. An act to continue the effectiveness of the act of March 27, 1942, as extended, relating to the inspection and audit of plants, books, and records of defense contractors, for the duration of the national emergency proclaimed December 16, 1950, and 6 months thereafter; and

H. R. 2557. An act to amend the act of January 12, 1951, as amended, to continue in effect the provisions of title II of the First War Powers Act, 1941.

The message also announced that the Senate agrees to the amendment of the House to a bill of the Senate of the following title:

S. 2112. An act to provide for the transfer of price-support wheat to Pakistan.

HOUR OF MEETING TOMORROW

Mr. HALLECK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 11 o'clock tomorrow.

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

There was no objection.

PROGRAM FOR JUNE 25

Mr. HALLECK. Mr. Speaker, I wish to announce that the bill dealing with the disposal of the rubber-producing facilities will be called first tomorrow. We hope that can be disposed of quickly. Then we will proceed to the consideration of a bill from the Committee on Agriculture having to do with marketing quotas on wheat.

COMMITTEE ON GOVERNMENT OPERATIONS

Mrs. ST. GEORGE. Mr. Speaker, I ask unanimous consent that the Committee on Government Operations may have until midnight tonight to file a report on House Joint Resolution 295.

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

There was no objection.

PERMISSION TO SIT DURING SESSION OF HOUSE

Mr. COLE of Missouri. Mr. Speaker, I ask unanimous consent that the subcommittee of the Committee on Post Office and Civil Service, which has under consideration the bill (H. R. 573) prohibiting lithographing or engraving on envelopes sold by the Post Office Department, be permitted to sit until noon tomorrow notwithstanding the session of the House. We have 15 witnesses who have come from a long distance to be heard.

The SPEAKER. Has the gentleman discussed it with the majority leader?

Mr. COLE of Missouri. Until just a moment ago I did not know that the House was to meet at 11 o'clock tomorrow.

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

There was no objection.

REORGANIZATION PLAN NO. 6

Mr. HOFFMAN of Michigan. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

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

There was no objection.

Mr. HOFFMAN of Michigan. Mr. Speaker, in view of the announcement made by the majority leader as to the program for tomorrow, my understanding was that the legislation proposed by him will be finished tomorrow night so that on Friday the resolution on Reorganization Plan No. 6 may be considered. Is that right?

Mr. HALLECK. We have other measures here. I have been here all afternoon. The gentleman I think had some discussion with the Speaker about when Reorganization Plan No. 6 might be considered, but as far as I am concerned I had had no word as to when those who have charge of that resolution wanted to call it up.

Mr. HOFFMAN of Michigan. I asked the Speaker and I assumed it was all right. If I cannot be assured that we are going to be allowed to take it up on Friday I am going to ask to have it called up tomorrow.

Mr. HALLECK. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. HALLECK. Are the rules of the House such that the gentleman from Michigan may call up the resolution at any time he wants to?

The SPEAKER. They are, because it is a highly privileged motion.

Mr. HOFFMAN of Michigan. I have tried to go along with the leadership. If it cannot be considered on Friday as I understood it would be I am ready to act. I thought it was coming up Friday.

The SPEAKER. The gentleman is agreeable to having it come up Friday?

Mr. HOFFMAN of Michigan. Yes.

COMMITTEE ON BANKING AND CURRENCY

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that the Committee on Banking and Currency may have until midnight tonight to file a report on the bill H. R. 5667.

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

There was no objection.

WILBUR AND ORVILLE WRIGHT

Mr. WOLVERTON. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk House Concurrent Resolution 92 and its immediate consideration.

The Clerk read the House concurrent resolution, as follows:

Whereas the year 1953 is the 50th anniversary year of the first successful controlled powered flight by Wilbur and Orville Wright in a heavier-than-air craft at Kitty Hawk, N. C., on December 17, 1903; and

Whereas in the 50 years which have passed since that great event, the women of America have made substantial contribution to the development of aviation; and

Whereas the women of America now are assuming an increasingly important role in the field of aviation; and

Whereas the many opportunities which exist for women in the field of aviation are constantly increasing; and

Whereas the organization of women pilots generally known as the "Ninety-Nines, Inc.," symbolizes the participation of women in the development of aviation; and

Whereas in tribute to the accomplishment of Wilbur and Orville Wright and to the swift progress which has been made in the field of aviation in the past 50 years, such organization has sponsored a transcontinental air race on July 3, 1953, from Lawrence, Mass., to Long Beach, Calif., in which more than 50 women pilots will participate; and

Whereas such transcontinental air race is the first east-west flight competition by resourceful and courageous women who are following the great tradition of Amelia Earhart; and

Whereas such transcontinental air race in the year of the 50th anniversary of the first successful controlled powered flight symbolizes the important role of women in the field of aviation: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That, in this 50th anniversary year of the first successful controlled powered flight in heavier-than-air craft by Wilbur and Orville Wright, at Kitty Hawk, N. C., on December 17, 1903, the Congress hereby—

(1) expresses its high esteem of and great regard for the important part played by women in the development of aviation in the past 50 years;

(2) expresses the hope that women will continue to take an increasingly important part in the field of aviation in the future; and

(3) extends its best wishes for the success of the first east-west transcontinental air race on July 3, 1953, from Lawrence, Mass., to Long Beach, Calif., under the sponsorship of the organization of women pilots generally known as the "Ninety-Nines, Inc.," in commemoration of the 50th anniversary of the first successful controlled powered flight in heavier-than-air craft.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey [Mr. WOLVERTON]?

There was no objection.

The concurrent resolution was agreed to, and a motion to reconsider was laid on the table.

IMPORTATION OF CERTAIN CRUDE OIL

The SPEAKER. Under special order heretofore entered, the gentleman from West Virginia [Mr. BAILEY] is recognized for 15 minutes.

Mr. BAILEY. Mr. Speaker, as the author of Joint Resolution 281, the intent of which is to declare null and void existing rates in the Venezuelan reciprocal-trade agreement, I promised my colleagues in the House that the basic facts in connection with this situation and the reasons for stating that these rates are improper and illegal, that former President Truman exceeded his authority in applying the rates he did, I desire at this time to read into the RECORD during the next 15 minutes some of the basic reasons in support of Concurrent Resolution 281.

I. THE ISSUE

During the hearings before the United States Tariff Commission on October 2, 3, and 4, 1951, certain witnesses, including representatives of importing companies, recommended that the import tax applicable to crude petroleum, topped crude petroleum, and fuel oil be reduced to 5¼ cents per barrel.

I believe that the recommendation to reduce the import tax to 5¼ cents per barrel stems from an erroneous interpretation of the legal limits within which the President of the United States may increase or decrease the import tax on crude petroleum, topped crude petroleum, and fuel oil; and that the recommendation is bottomed upon the fallacious assumption that the Mexico agreement, now canceled and ineffective, is determinative of the President's authority. It is my position that the base rate which controls the limits of the President's authority is set by the Venezuela agreement, not by the Mexico agreement.

In 1932 Congress established an import tax on crude petroleum, topped crude petroleum, and fuel oil of 21 cents per barrel. In 1939 the Venezuela agreement established a tariff quota—5 percent of the crude processed in refineries in continental United States during the preceding calendar year. The tariff quota established on these products was 10½ cents per barrel. All imports of these products above the quota continued to be subject to the full base rate of 21 cents.

This was the situation until the Mexico agreement of 1943, which removed the tariff quota and provided a flat rate of 10½ cents per barrel on all imports of these products. The 10½-cent rate continued to be the effective rate until the Mexico agreement was terminated, December 31, 1950.

The IPAA's position is that under the law, as applied to the trade agreements involved, the cancellation of the Mexico agreement had the effect of abrogating the base rate of the nullified agreement and of restoring the base rate set by the Venezuela agreement.

It is submitted that the precise effect of the cancellation of the Mexico agreement is to be found in the Trade Agreements Act and in the intent of Congress expressed in the legislative history of that law.

II. THE LAW AND CONGRESSIONAL INTENT

In support of this position, the following analysis of the Trade Agreements Act and legislative history of the law is submitted.

The original Trade Agreements Act—Public Law 316, 73d Congress, 2d session—became effective June 12, 1934.

To carry out the purposes of the act the Congress authorized the President of the United States—

(1) To enter into foreign trade agreements with foreign governments or instrumentalities thereof; and (2) to proclaim such modifications of existing duties and other import restrictions, or such additional import restrictions, or such continuance, and for such minimum periods, of existing customs or excise treatment of any article covered by foreign trade agreements, as are required or appropriate to carry out any foreign trade ageement that the President has entered into hereunder.

The President's authority, limited to 3 years, to proclaim changes in duties was circumscribed by the further limitation that—

No proclamation shall be made increasing or decreasing by more than 50 percent any existing rate of duty.

The Trade Agreements Act was renewed by Congress in 1937, 1940, and 1943. No substantive changes, pertinent to the issue here, were made in these three extensions of the original law.

When the act was renewed by Congress in 1945 it was amended in important respects. The amendments adopted have a bearing upon the issues presented here and, it is submitted, embody the legal basis for the position herein presented.

The 50 percent limitation on the President's authority to increase or decrease duties was modified by the 1945 amend-

ments which provided that the 50 percent limitation on increases or decreases was to be applied against the rate of duty existing on January 1, 1945. But, despite the literal language of the limiting provision in fixing January 1, 1945, as the control date, the Congress made specific exceptions to the rate in effect on January 1, 1945, as being controlling. The exceptions prescribed by Congress are specified in paragraphs (1) and (2) of subsection (d) of section 1 of the Trade Agreements Act. These exceptions are:

(1) When a rate for the duration of the emergency, although actually in effect on January 1, 1945, is terminated, the revived rate shall control.

(2) When in a foreign trade agreement the United States has the optional right to terminate or modify a rate, after the war or emergency, the rate to be considered in effect on January 1, 1945 is not the actual rate in effect on that date, but is the rate that was effective prior to said agreement.

In addition to these two exceptions the Congress, in paragraph (3) of subsection (d) of section 1, spelled out its intent that the base rate of a terminated agreement does not survive; that an agreement which has been terminated is not to be controlling. Here the Congress dealt with the situation involving the cancellation of an agreement. The mandate of Congress is clear. As to a terminated agreement the base rate therein is not to be used as the basis for further reductions. It is not to be assumed that the base rate in a canceled agreement is to continue alive and effective just as if the agreement were not canceled. It follows, therefore, that it is the intent of Congress that the base rate in effect prior to the consummation of the terminated agreement is to be revived and restored and is to be controlling.

In this act, as in all laws, the Congress dealt with conditions then existing and events which had taken place as of the time of enactment of the law. It did not attempt, as it could not, to anticipate all eventualities of the future. It did not anticipate that the Mexico agreement would be canceled, and did not prescribe the specific base rate applicable to crude petroleum, topped crude, and fuel oil in the event it was canceled.

It is submitted, however, that the intent of Congress is so clear that the results flowing from the cancellation of the Mexico agreement compel to the conclusions that—

First. The base rate of the Mexico agreement did not survive the termination of the agreement.

Second. The base rate of the Venezuela agreement was revived and restored upon termination of the Mexico agreement and is now controlling.

The congressional intent reflected in the action of Congress in spelling out these expressed exceptions and the manner of special treatment of canceled agreements in determining the control rate to be considered in effect on January 1, 1945, embodies the crux of the contention that the base rate now determinative of the limitations on the President's authority is not in every case the actual rate in effect on January 1, 1945. In some situations, Congress has said, the determinative rate is the constructive rate, not the actual rate. The language used by Congress is not to be accepted precisely and literally in each and every situation and in disregard of the clear congressional intent to the contrary. The base rate which sets the limits on the President's authority must be constructed or ascertained by applying the law in a manner that gives effect to congressional intent and in the light of eventualities, such as cancellation of the Mexico agreement.

The 1945 amendments are so important in resolving the issue that they are set forth below, in context with the full language of the sections of the act involved. The language of the act deleted by the 1945 amendments is enclosed within double parentheses and the new language added is in italics.

TARIFF ACT OF 1930

PART III—PROMOTION OF FOREIGN TRADE

SEC. 350. (a) For the purpose of expanding foreign markets for the products of the United States (as a means of assisting in the present emergency in restoring the American standard of living, in overcoming domestic unemployment and the present economic depression, in increasing the purchasing power of the American public, and in establishing and maintaining a better relationship among various branches of American agriculture, industry, mining, and commerce) by regulating the admission of foreign goods into the United States in accordance with the characteristics and needs of various branches of American production so that foreign markets will be made available to those branches of American production which require and are capable of developing such outlets by affording corresponding market opportunities for foreign products in the United States, the President, whenever he finds as a fact that any existing duties or other import restrictions of the United States, or any foreign country are unduly burdening and restricting the foreign trade of the United States and that the purpose above declared will be promoted by the means hereinafter specified, is authorized from time to time—

(1) To enter into foreign trade agreements with foreign governments or instrumentalities thereof; and

(2) To proclaim such modifications of existing duties and other import restrictions, or such additional import restrictions, or such continuance, and for such minimum periods, of existing customs or excise treatment of any article covered by foreign trade agreements, as are required or appropriate to carry out any foreign trade agreement that the President has entered into hereunder. No proclamation shall be made increasing or decreasing by more than 50 per centum any ((existing rate of duty)) *rate of duty, however, established, existing on January 1, 1945 (even though temporarily suspended by Act of Congress)*, or transferring any article between the dutiable and free lists. The proclaimed duties and other import restrictions shall apply to articles the growth, produce, or manufacture of all foreign countries, whether imported directly, or indirectly: *Provided*, That the President may suspend the application to articles the growth, produce, or manufacture of any country because of its discriminatory treatment of American commerce or because of other acts (including the operations of international cartels) or policies which in his opinion tend to defeat the purposes set forth in this section; and the proclaimed duties and other import restrictions shall be in effect from and after such time as is specified in the proclamation. The President may at any time terminate any such proclamation in whole or in part.

(b) Nothing in this section shall be construed to prevent the application, with respect to rates of duty established under this section pursuant to agreements with countries other than Cuba, of the provisions of the treaty of commercial reciprocity concluded between the United States and the Republic of Cuba on December 11, 1902, or to preclude giving effect to an exclusive agreement with Cuba concluded under this section, modifying the existing preferential customs treatment of any article the growth, produce, or manufacture of Cuba: *Provided*, ((That the duties payable on such an article shall in no case be increased or decreased by more than 50 percent of the duties now payable thereon)) *That the duties on such article shall in no case be increased or decreased by more than 50 percent of the duties, however established, existing on January 1, 1945 (even though temporarily suspended by Act of Congress)*.

(c) as used in this section, the term "duties and other import restrictions" includes (1) rate and form of import duties and classification of articles, and (2) limitations, prohibitions, charges, and exactions other than duties, imposed on importations or imposed for the regulation of imports.

(d) (1) When any rate of duty has been increased or decreased for the duration of war or an emergency, by agreement or otherwise, any further increase or decrease shall be computed upon the basis of the postwar or postemergency rate carried in such agreement or otherwise.

(2) Where under a foreign trade agreement the United States has reserved the unqualified right to withdraw or modify, after the termination of war or an emergency, a rate on a specific commodity, the rate on such commodity to be considered as "existing on January 1, 1945" for the purpose of this section shall be the rate which would have existed if the agreement had not been entered into.

(3) No proclamation shall be made pursuant to this section for the purpose of carrying out any foreign trade agreement the proclamation with respect to which has been terminated in whole by the President prior to the date this subsection is enacted.

Although the law states that "no proclamation shall be made increasing or decreasing by more than 50 percent any rate of duty, however established, existing on January 1, 1945," it is clear from other provisions of the law and from the legislative history that this language is not to be accepted literally and is not to be controlling in every situation.

First, the specific exceptions provided in paragraphs (1) and (2) of subsection (d), discussed hereinabove, must be recognized as conveying a congressional intent that the base rate in effect on January 1, 1945 does not always control.

Second, the specific manner of treatment of cancelled agreements prescribed by Congress in paragraph (3) of subsection (d) must be accepted as a clear expression of intent of Congress as to the effect to be accorded the base rate of a canceled agreement. This provides a specific expression of intent of Congress as to a situation involving the termination of an agreement.

In subsection (d) of the 1945 amendments the Congress dealt with specific situations. It is proper and reasonable to use these expressions of Congress as a guide in ascertaining the intent of Congress.

IV. THE LIMITS OF PRESIDENTIAL AUTHORITY UNDER THE VENEZUELA AGREEMENT

The Venezuela agreement established a tariff quota on crude petroleum, topped crude petroleum, and fuel oil, of 10½ cents per barrel on imports up to 5 percent of crude runs to refineries in continental United States during the preceding calendar year. All imports in excess of the 5-percent tariff quota continued to be subject to the base rate of 21 cents. The Venezuela agreement did not change the base rate. The base rate continued as 21 cents. This conclusion is supported by the fact that in the Mexico agreement, which was consummated later, the import tax was reduced only to a flat 10½-cent rate on all imports. The tariff quota rate of 10½ cents was not reduced to 5¼ cents. This indicates that 21 cents was considered to be the overall base rate. Under the act there is no limit on the President's authority to impose quotas or other restrictions except the 50-percent limitation on the authority to increase or decrease the duty. A tariff quota, therefore, is not limited by the law except that the rate of duty that may be applied to the tariff quota must be within the 50-percent limit on the authority to adjust the base rate. In the Venezuela agreement the establishment of the tariff quota did not have the effect of altering the base rate of 21 cents. That base rate of 21 cents continued to be the effective base rate after the Venezuela agreement. It reasonably and logically follows that a tariff quota does not have the effect of establishing two base rates, as for example in the Venezuela agreement one at 10½ cents and another at 21 cents, since the maximum limit of the lower base would be 15¾ cents which would be in conflict with the 21-cent base.

It is submitted therefore, that even though a tariff quota was established in the Venezuela agreement, the base rate continued at 21 cents and the lower limit of the President's authority continued at 10½ cents, the upper limit continuing at 31½ cents.

V. THE LIMITS OF PRESIDENTIAL AUTHORITY UNDER THE MEXICO AGREEMENT

The Mexico agreement removed the tariff quota of the Venezuela agreement on crude petroleum, topped crude petroleum and fuel oil and established a flat rate of 10½ cents on these products.

It follows, therefore, that during the life of the Mexico agreement the base rate on crude petroleum, topped crude petroleum and fuel oil, was 10½ cents per barrel. There would be no argument had this proceeding occurred prior to cancellation of the Mexico agreement under which agreement the lower limit of adjustment of the rate would have been 5¼ cents. It must be borne in mind, however, that under the Mexico agreement the upper limit of adjustment of the rate was 15¾ cents.

It is basically unsound to argue, as do those who recommend a reduction to 5¼ cents, that the lower limit is 5¼ cents while a rate of 21 cents is being applied, as is the case today. This argument obviously contains inconsistencies which reveal its fallacy.

VI. PRESIDENTIAL INTERPRETATION AND ACTION SUPPORTS POSITION OF IPAA

The President, in proclamation 2901, published in Federal Register, volume 15, No. 175, Saturday, September 9, 1950, proclaimed that crude petroleum, topped crude petroleum, and fuel oil in excess of an aggregate quantity of such products equal to 5 percent of the total quantity of crude petroleum processed in refineries in continental United States during the preceding calendar year "shall be subject to import tax at the rate of one-half cent per gallon."

Through this action the President thereby adjusted the base rate on crude petroleum, topped crude petroleum, and fuel oil from 10½ cents, which had been in effect under the Mexico agreement, to 21 cents per barrel. This action was taken, of course, in full recognition and understanding of the legal limits imposed upon the President by the Trade Agreements Act which, under the 1945 amendments, provides that "no proclamation shall be made increasing or decreasing by more than 50 percent any rate of duty, however established, existing on January 1, 1945." This action by the President in restoring the rate to 21 cents was taken, although as a matter of fact, on January 1, 1945, under the Mexico agreement, the applicable rate was 10½ cents per barrel, which would have limited the President's authority, under a literal interpretation of the language of the law, to an increased tax of 15¾ cents per barrel. It is obvious that the President did not consider the 10½-cent rate of the Mexico agreement to be the base rate with an upper limit of 15¾ cents.

The President's authority is limited under the law to a 50-percent increase or decrease. It follows, therefore, that the President could not have imposed a 21-cent rate if the base rate in effect at the time was 10½ cents.

A literal interpretation of the language of the law, which is the essence of the argument of the advocates of the 5¼-cent rate, would have limited the President's authority for increasing the import tax on crude petroleum, topped crude, and fuel oil to 15¾ cents per barrel. The President, however, did not accept this literal interpretation but obviously gave effect and respect to the intent of Congress expressed and reflected in the 1945 amendments wherein the Congress made clear that the rate in effect on January 1, 1945, was not to be accepted and controlling in every situation, and particularly, that the base rate of a terminated agreement was not to survive.

The President, in issuing proclamation 2901, reasonably interpreted the congressional intent as applied to the situation resulting from the concellation of the Mexico agreement. His action can be justified only on the conclusion that the Mexico agreement no longer provides the base rate limiting the authority of the President to increase or decrease the import tax.

VII. BASE RATE OF IMPORT TAX REVERTS TO VENEZUELA AGREEMENT

It is my position that the termination of the Mexico agreement had the effect of reviving or restoring the Venezuela agreement as determinative of the base rates applicable to imports of crude petroleum, topped crude petroleum, and fuel oil.

For the reasons hereinabove presented, Congress made clear in the 1945 amendments to the Trade Agreements Act that the base rates in a canceled agreement are not to be used as the base for future reductions. It is submitted, therefore, that the canceled Mexico agreement does not set the base for reduction to be made at this time. The base rate now controlling the President's authority to make adjustments is the rate provided in the Venezuela agreement.

VIII. CONCLUSION

It is submitted, therefore, that under the Trade Agreements Act, as applied to the trade agreements involving petroleum and the Presidential proclamation nullifying the Mexico agreement, that the base rate now in effect and controlling upon the authority of the President of the United States to increase or decrease the import tax on crude petroleum, topped crude petroleum, and fuel oil is established in the Venezuela agreement; that with respect to crude petroleum, topped crude petroleum, and fuel oil this base rate is 21 cents per barrel. The lower limit, therefore, of the President's authority is 10½ cents and the upper limit is 31½ cents.

(Mr. BAILEY asked and was given permission to revise and extend his remarks and include certain data.)

SPECIAL ORDER GRANTED

Mr. PATMAN asked and was given permission to address the House for 20 minutes on Friday next, following the legislative business of the day and the conclusion of special orders heretofore entered, and also to revise and extend his remarks and include certain extraneous matters therein.

SURVIVORS' BENEFITS FOR MEMBERS OF THE ARMED SERVICES

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Virginia [Mr. HARDY] is recognized for 30 minutes.

Mr. HARDY. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include certain explanatory tables at this point in the RECORD.

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

There was no objection.

Mr. HARDY. Mr. Speaker, during the 82nd Congress the Subcommittee on Government Operations, of which I was

then chairman, conducted a thorough study into the operations and fiscal cost of the national service life insurance program as administered by the Veterans' Administration. The study resulted in issuance of House Report No. 2761, which set forth our findings and recommendations.

The responsibility for the staff work in connection with the national service life insurance study was assigned to Mr. Stephen D. Carnes, whose graduate studies at the University of Virginia in the field of insurance and investments equipped him well to perform an unusually fine service in gathering and analyzing the data which formed the background for the subcommittee's report.

Subsequent to the conclusion of the subcommittee's work on national service life insurance, Mr. Carnes established an investment banking business in Suffolk, but kept himself available to the subcommittee for staff work on matters of insurance and related subjects. During the latter part of last year the subcommittee contemplated a study of benefits payable to survivors of the personnel of our armed services who die while on active duty. Certain preliminary studies of this subject were made for the subcommittee by Mr. Carnes, but following the election last November, since no comprehensive study could be completed, it was decided to discontinue the subcommittee's work in that field.

My personal interest in the matter has continued, so in January, notwithstanding the fact that I was no longer on the Government Operations Committee, I requested Mr. Carnes to assist me in the further assembling of data concerning various benefits available to the survivors of military personnel. This inquiry which we have made is not a comprehensive and diligent study, or searching inquiry into the broad general area of survivors benefits with its many significant social, economic, and political aspects, but rather a general presentation of existing applicable statutes fiscally interpreted.

This limited study points up a number of different sources of benefits from which payments may be made to survivors. It points up also the confused legislative situation and shows that authorizing legislation is handled by at least five different congressional committees. If the survivors of our Armed Forces personnel are to be provided for in a manner which will give these men a sense of security and peace of mind, and at the same time the appropriate committees of the Congress, as well as the Congress as a whole, are to judiciously legislate in this field, then it becomes apparent that a knowledge of existing legislation, including a fiscal interpretation thereof, be compiled and continually available on a current basis. At the present time no such compilation is immediately available. In part this presentation will attempt to fill that void.

As I proceed with this discussion it will become obvious to you that there are many inequities in the existing program. I feel certain that many families of deceased servicemen are unaware of the benefits available to them, and I feel equally certain that many Members of the Congress who serve on committees having legislative jurisdiction are unaware of the extent to which legislation reported from their committees, and approved by the Congress, affects legislation handled by some other committee. At best the existing system is a hodgepodge, with survivors receiving payments, or eligible to receive payments, from a number of different funds, thus the duplication of administrative burden becomes obvious and it must be confusing to the beneficiaries themselves.

EXISTING SURVIVORS' BENEFITS

At the present time there are five major sources of survivor-benefit payments. They are:

First. Six-month death gratuity: A 6-months' gratuity, the amount of which is the equivalent of the deceased's base pay, including special pays—that is, flight and submariners—is paid to the widow or dependent children or certain designated beneficiaries. This gratuity is paid by the respective services within the Department of Defense. Except in the case of widows and minor children, dependency is a prerequisite for this payment.

Second. Veterans' Administration compensation and pensions: Death compensation—the term applicable to the payment for a service-connected death—is payable under laws administered by the Veterans' Administration to the surviving widow, child or children, and dependent parents of deceased ex-servicemen. The monthly rates for wartime service-connected death and death resulting from service on or after June 27, 1950—Korean conflict—are as follows: widow, with no child, $75 per month; widow with 1 child, $121, with $29 for each additional child; no widow, 1 child, $67; no widow, 2 children, $94, equally divided; no widow, three children, $122 equally divided, $23 for each additional child, total amount equally divided; 1 parent, $60; 2 parents, $35 each. Peacetime rates are 80 percent of the specified wartime rates. Wartime rates are payable in peacetime cases where the death results from injury or disease received in line of duty as a direct result of armed conflict or while engaged in extrahazardous service, including such service under conditions simulating war. The dependency of parents is generally held to exist when monthly income from sources proper to consider does not exceed $80 for mother or father—not living together—or $135 for mother and father—living together—plus $35 for each additional dependent member of family.

Death pension—the term applicable to the payment for a non-service-connected death—is payable under laws administered by the Veterans' Administration only to surviving widows and children of veterans with wartime service or service on or after June 27, 1950—Korean conflict. The amounts payable monthly to survivors of veterans of World War I, World War II, and the Korean conflict for non-service-connected death are as follows: widow, no child, $48; widow, 1 child, $60, each additional child, $7.20; no widow, 1 child, $26; no widow, 3 children, $52 equally divided, each additional child, $7.20, total amount equally divided. The amounts of pension payable to widows and children of veterans of the Indian Wars, Civil War, and Spanish-American War, for non-service-connected death are in certain cases less, and in others greater, than the above amounts.

Payment of death pension may not be made in World War I, World War II, or Korean cases, however, to any widow without child, or a child, whose annual income exceeds $2,600. Further, death pensions payable to the widows and children of World War II veterans and of persons who serve on or after June 27, 1950—Korean conflict—only if at the time of the non-service-connected death the veteran was receiving or entilted to receive compensation or retirement pay for disability incurred in service in line of duty or had a disability due to service for which compensation would be payable if 10 percent or more in degree. There is no income limitation governing the payment of pension to widows and children of veterans of the Indian Wars, Civil War, War with Spain, Philippine Insurrection, and Boxer Rebellion. However, in certain cases it must be shown that the widow is dependent.

Remarriage terminates the right of a widow to compensation or pension and generally such right may not be revived, except under certain circumstances in the case of widows of veterans of the Indian Wars, Civil War, and Spanish-American War group. Payment of compensation and pension to children of deceased veterans ceases upon marriage or generally at age 18. However, payments are continued after age 18 where the child is pursuing a course of instruction in an approved educational institution and until completion of education and training but not after age 21. Payments may be continued for life where the child prior to reaching age 18 becomes permanently incapable of self-support by reason of mental or physical defect.

The determination of eligibility for survivorship benefits is made and this program administered by the Veterans' Administration.

Third. Federal Employees Compensation Act benefit payments: Eligible applicants are survivors of all Reserve personnel on active or training duty. The amount of survivor payments is determined by the number of dependents and the amount of compensation of the deceased.

Eligible beneficiaries receive survivorship payments based on compensation of the deceased at time of death including base pay and all allowances, including special pays. A widow with no children would receive 45 percent of the total compensation of the deceased. A widow with minor children would receive for herself 40 percent of the total compensation of the deceased and additional 15 percent for each child up to

aggregate payments of 75 percent of deceased total compensation, not to exceed $525 per month. Dependent parents or other dependents are entitled to benefits of varying amounts under this program, total payments not to exceed 75 percent of deceased total compensation.

If the deceased has obtained a rate above the three lowest enlisted grades, then survivors, especially widows with minor children, are eligible to receive considerably higher survivorship payments under this program than are provided by the Veterans' Administration.

It should be emphasized that only Reserves are covered under the Federal Employees Compensation Act. Regulars, National Guardsmen, and inductees, are not eligible for FECA benefits and therefore their beneficiaries do not have the election between FECA and VA benefits afforded Reserves. This creates an inequity which, I suspect, few members of the Congress realize.

At no time are FECA and VA compensation simultaneously paid. However, FECA and OASI benefits are simultaneously paid along with the VA gratuitous indemnity of $10,000, and the 6-month death gratuity. But for an eligible survivor to get these benefits they must file papers and negotiate with four different Government agencies.

Determination as to eligibility for FECA payments is made and this program administered by the Bureau of Employees Compensation, Department of Labor.

Fourth. Ten thousand dollars gratuitous indemnity: Permitted classes of beneficiaries receiving gratuitous indemnity payments in the maximum amount of $92.90 per month for a period of 10 years, or 120 monthly payments; however, the principal sum of the indemnity is reduced by the amount of any Government insurance in force at the time of death. Benefits are payable over a 10-year period in equal monthly installments and beneficiaries may not elect payments under this program in any other manner. The indemnity was instituted in lieu of Government insurance for Armed Forces personnel. This payment is made to a rather liberal classification of beneficiaries. Dependency is no prerequisite for participation in this program.

Determination as to eligibility is made and this program is administered by the Veterans' Administration.

Fifth. Social security: Under the Social Security Act amendments of 1950 and 1952—Public Law 734, 81st Congress and Public Law 590, 82d Congress—wage credits based on assumed earnings of $160 a month are provided under the OASI system for each month of military service between September 16, 1940, and December 31, 1953. Such wage credits may not be used if the Military Service is used under any other Federal Government or survivorship benefit system other than the VA.

Under the old-age and survivors insurance system, persons with 6 or more quarters of coverage out of the last 13, whether from military service or OASI-covered employment, have OASI currently insured status entitling their widows with children to benefits. In addition, for those with fully insured OASI status, dependent parents, and widows without children are eligible at age 65 for benefits.

OASI-insured status continues for a certain period even though the individual is no longer in employment covered by OASI or is not obtaining military service wage credits. Pursuant to the 1950 amendments, the duration of insured status for persons no longer in OASI-covered employment is determined by the length of time elapsing after 1950, or the date an individual reached age 21, whichever is later. Fully insured status is retained by all those who have 6 quarters in OASI-covered employment, and at least 1 quarter of coverage for each 2 quarters elapsing after 1950 or after the quarter in which the individual reached 21, if later. Currently insured status for survivorship benefits requires only 6 quarters of coverage out of the last 13. In computing insured status, covered employment or military-service credits acquired before as well as after January 1, 1951, are counted.

Thus, generally speaking military personnel with at least 1½ years of service between September 16, 1940, and December 31, 1953, are eligible for OASI-survivorship benefits after January 1, 1951, for up to twice as long as their period of military service. For example, a serviceman separated on December 31, 1953, after 6 quarters of military service will have insured OASI status until the third quarter of 1955 if he was over 21 in 1950 and beyond this if he was under 21. A serviceman with 5 years of military service will have benefit rights until 1961, or longer, depending on his age. Furthermore, under the law those individuals with 40 quarters of coverage under the system are fully insured for life and will be eligible also for retirement benefits at age 65. However, the amount of benefits payable gradually declines, subject to the statutory minimum, the longer the period after 1950 the individual is not in employment covered by the OASI system.

These OASI wage credits were provided without charge to military service personnel, and no provision was, or has been, made for meeting the additional costs arising from these wage credits out of the general Treasury, so that as a result this additional cost is borne by the trust fund.

To provide these military wage credits under OASI, Mr. Robert J. Myers, Chief Actuary for the Social Security Administration, informs me that the estimated cost in the foreseeable future will perhaps exceed three-quarters of a billion dollars.

Already more than $85 million has been disbursed to survivors, as a result of rights accruing because of military wage credits granted servicemen under the OASI system. And let me restate, gentlemen, that no provision has been made for reimbursing the OASI trust fund for these expenditures.

Determination as to eligibility is made and the payment of social-security benefits is administered by the Social Security Administration of the Department of Health, Education, and Welfare.

Wage credits similar to those of social security are granted for specified periods to railroad workers for military service and their beneficiaries are eligible for survivor benefits on account of such credits. However, survivors of workers who had less than 10 years of railroad service are eligible for survivor benefits under the social-security system, while survivors of workers who had completed 10 or more years of railroad service are eligible for survivor benefits under the railroad-retirement system. A provision of the Railroad Retirement Act guarantees that the total of monthly benefits payable under the Railroad Retirement Act, together with the benefits—if any—payable under the Social Security Act may in no case be less than the benefits that would be payable under the Social Security Act if railroad employment were credited as social-security employment. This illustrates the complex problems existing in this area of survivors benefits. In the financing of the railroad retirement military service wage credits, the Government has appropriated $166,852,000 for such military credits granted railroad and former railroad workers. Subsequent to these appropriations the payment of benefits to survivors of railroad workers with less that 10 years' service was shifted to the OASI system by Public Law 234, 82d Congress. This legislation also provides for the transfer of funds from the railroad-retirement system to the OASI trust fund in order to reimburse the trust fund for payment of benefits by the social-security system resulting from the provisions of Public Law 234.

The Department of Health, Education, and Welfare determines eligibility and administers OASI benefits as well as benefits for railroad workers with less than 10 years of railroad employment. The Railroad Retirement Board administers benefits for railroad workers with more than 10 years of covered railroad service, and provides information to the Federal Security Agency regarding those with less than 10 years of service.

SCOPE OF SURVIVOR BENEFIT PROGRAMS

It is estimated that there are now approximately 65 million persons in the United States who could conceivably benefit from existing legislation providing survivorship benefits for military service. However, I have not been able to secure any accurate figures on the actual number who are receiving such benefits. To the veteran, his family and dependents, the wage credits granted under social security, the VA compensation, pension, and indemnity benefits, and FECA benefits under certain conditions, could mean the difference between economic security and insecurity, and I am confident that it is

the will of this body that these survivors should be adequately cared for.

Estimates supplied by the various Federal agencies indicate the cost of providing survivorship benefits for members and former members of our Armed Forces for fiscal 1952 were approximately $634 million—or, more than two-thirds of a billion dollars. In addition to this actual cash expenditure the Government in fiscal 1952 by virtue of deaths and existing survivorship statutes assumed an obligation to make subsequent survivorship payments over a protracted period which will approximate an additional $510 million.

To make clear my point, let me restate that in fiscal 1952 to provide survivorship benefits the actual cost to the Federal Government was more than two-thirds of a billion dollars. At the same time, by virtue of deaths occurring in fiscal 1952, anticipated survivorship claims which must be paid will aggregate $510 million. It seems unlikely that these costs will diminish in the foreseeable future. Considering the present large number of men in the Armed Forces serving under conditions simulating war, and considering the numbers entering and leaving active duty, the number of new survivorship claims added annually may exceed the number of cases where benefits are terminated for various reasons such as time expirations, remarriage, or death of the recipient.

A more realistic appraisal can be made of our present survivorship programs when Armed Forces deaths are analyzed. In 1952 there were an estimated 12,835 deaths within the armed services. It is reasonable to assume that in excess of 95 percent of the beneficiaries of these deceased servicemen received the 6 months' death gratuity in a lump sum, such payments averaging more than $1,200 per death. In addition, most of these beneficiaries received the $10,000 gratuitous indemnity. Further, many of these beneficiaries also receive survivorship payments from either the VA, FECA, or social security.

An expert on this subject has estimated that beneficiaries of Armed Forces personnel, on an average, receive gratuitous benefits which, if computed on a present cash value basis, are worth in excess of $26,000.

COMPARATIVE STATISTICS

Based upon a sampling of 100 cases, where some degree of dependency existed, it was found that among survivors of enlisted personnel, many beneficiaries—perhaps in excess of 70 percent—were eligible to receive more compensation during the first 10-year period as a survivor than was the total base pay and allowance of the deceased.

In cases where a survivor—widow—has minor children, the amount of eligible beneficiary payments in the aggregate will frequently exceed 100 percent, and in some instances approximate 150 percent, of the base pay and allowances of the deceased. It should be remembered, however, that this would be reduced after 10 years when the death gratuity expires, and further reduced when the children reach age 18.

Let me comment briefly on the background of these various programs.

With the exception of VA compensation and pension and the $10,000 gratuitous indemnity, there is a paucity of legislative history on the various other programs of survivor benefits provided servicemen and veterans.

Six months' death gratuity: The 6 months' death gratuity became law in 1908. A perusal of the records indicates that from time to time various committees of the Congress have made the observation, when survivor benefit payments were being increased and/or new programs added, that perhaps there was no longer any real need or justification for continuing the 6 months' death gratuity. The continuation of this particular survivor benefit has been based on the premise that this payment provides the beneficiary with a small lump-sum payment soon after the deceased's death and serves as a financial buffer until such time as other monthly survivor benefits begin to accrue.

The observation should be made that when the 6 months' death gratuity first became law servicemen's pay was less than one-half what it is today. No Government insurance program was provided, and with the exception of veterans' compensation payments, none of the current survivor benefit programs were in existence.

FECA benefit payments: Benefits of the Federal Employees Compensation Act were first extended Reserve components of the Armed Forces by section 14 of the Naval Reserve Act of February 28, 1925. On July 15, 1939, the Federal Employees Compensation Act was extended so as to provide certain compensation and survivor benefits to Army Reserves ordered to active or training duty. The act of July 18, 1940 (5 U. S. C. 798), gave retrospective coverage to Army Reserves for permanent disability and for death resulting from injury sustained between February 28, 1925, and July 15, 1939. Accordingly permanent disability and death coverage was provided for all reservists from February 28, 1925.

Reserves on active or training duty in peacetime are not entitled to certain benefit payments afforded regulars, thus the need for FECA coverage. However, once a state of war exists, then Reserves and Regulars are on a par insofar as pay, allowance, and other compensations are concerned. When the Federal Employees Compensation Act was first extended so as to include Reserve personnel there is no evidence that this proposed expansion of the act was seriously considered. At the time there were comparatively few Reserves on active duty and therefore the extent of the coverage and the resultant cost was small. This is not true today, however, as many servicemen engaged in the Korean conflict are members of the Reserves.

An act of August 7, 1946, declared that a state of war no longer existed in the United States. This declaration reinstated Federal employees' compensation coverage for reservists serving on active duty effective September 8, 1945.

At this point, I would like to state that the status of various reserve components of the Armed Forces has been frequently confused and often in conflict with regard to interpretation of FECA benefits. It was not until April 1952 that FECA coverage was extended to Navy and Marine Corps Reserves. Moreover, Navy and Marine Corps Reserves even now are covered only for death resulting from injury as contrasted to Army and Air Force Reserves who are covered for deaths resulting from either injury or disease.

The reinstatement of FECA coverage for Reserves on active duty held no special significance at the time inasmuch as beneficiaries of Reserves could elect between FECA or VA compensation payments. In 1946 there were only minor differences in the amounts of survivorship payments provided under VA or FECA legislation. In a large percentage of the cases VA benefits were slightly more liberal, and thus elected.

On June 20, 1949, Congress enacted Public Law 108. This act had the purpose of equalizing disability and death benefits for Reserves and Regulars. This act continued to permit an election between VA and FECA benefits which were generally lower than VA benefits, but on October 4, 1949, FECA benefits were substantially increased. Because of these increased FECA benefits it soon became apparent that if the deceased were in the higher 4 enlisted pay grades, or an officer, and the survivor had 1 or more minor children, survivorship payments under the FECA were considerably more liberal than benefits paid survivors by the Veterans' Administration.

Since October 4, 1949, new attention has been focused by the military on FECA benefits, as survivors of Regulars in the Armed Forces are eligible to receive only VA survivorship payments while survivors of Reserves can choose between FECA and VA benefits, and obviously will choose the more remunerative benefit.

Although this disparity, or inequity, has existed since 1949, no action has been taken by the Congress to correct this condition.

Social security: During World War II more than 16 million persons served in the Armed Forces, the average tour of duty per individual being over 2 years. It is estimated that nine to ten million of those who served, prior to their induction were under the social-security program.

Inasmuch as survivorship payments under social security are in part predicated upon the period of coverage and the dollar amount of contribution, it was the sentiment of some that men serving in the Armed Forces should be given social security wage credits for that period of time served on active duty with any branch of the Armed Forces.

As a legislative expression of this sentiment, Congress, on August 10, 1946,

enacted Public Law 719, which provided that any World War II servicemen who died during the period of 3 years after separation from active service were to have fully insured status under the OASI system, with an assumed average wage of $160 a month. For this purpose military service between September 16, 1940, and July 25, 1947, was recognized as in World War II. The Government was required to reimburse the OASI trust fund for the cost of military service benefits under Public Law 719.

Subsequently, Public Law 734, August 28, 1950, broadened the military-service credits under the OASI system for World War II service. In addition to retaining the 3-year-insured status provisions of Public Law 719, it provided OASI wage credits on a month-to-month basis for World War II service. As a consequence, OASI benefits were extended to both veterans and military personnel on active service. Public Law 734 also removed the requirement that the Government reimburse the OASI trust fund for the cost of the 3-year military service benefits and it did not provide for reimbursements for the additional month-for-month wage credits.

In the 2d session of the 82d Congress similar legislation granting social-security wage credits at the rate of $160 per month was enacted for all men serving in the Armed Forces of the United States between July 25, 1947, and December 31, 1953. It is anticipated that the Congress will be requested to extend this coverage beyond its present expiration date.

GENERAL OBSERVATIONS

At the beginning of this discussion I stated that this survey is not the product of a diligent study or searching inquiry into the broad general area of survivor benefits with its many significant social, economic, and political aspects. But even a cursory inquiry into this broad general area leads to certain inescapable observations. Here are a few which appear significant:

First. At the present time five major survivor benefit programs exist. Four of these programs are administered by different Government agencies. They are:

1. Six months death gratuity: Administered by the Department of Defense.

2. VA compensation and pension: Administered by the Veterans' Administration.

3. Federal employees compensation: Administered by the Bureau of Employees Compensation, Department of Labor.

4. Gratuitous indemnity: Administered by Veterans' Administration.

5. Social security: Administered by the Social Security Administration, Department of Health, Education, and Welfare.

Second. In order for survivors to receive payments to which they are legally entitled, such survivors must negotiate with several Government agencies. A general observation frequently made is that a considerable number of beneficiaries entitled to survivorship payments are not receiving, and will never receive, such payments because of their lack of knowledge of the existence of such benefits or their inability to overcome the administrative maze to which one is subjected. It is quite likely that those who need the financial assistance most, because of their lack of education and administrative ability, are not receiving the assistance to which they are entitled.

Third. Survivors of a large number of our military personnel are eligible to receive more income as survivors than was provided when the deceased was on active duty drawing base pay and allowances.

Fourth. In many cases beneficiaries of Reserve personnel through the Federal Employees Compensation Act are entitled to greater survivorship payments than are Regulars, National Guard men, and inductees whose beneficiaries qualify only for Veterans' Administration survivorship payments. This creates a situation which offends the sense of equity.

Fifth. It is acknowledged that to provide survivorship protection for Armed Forces personnel and veterans is, and will continue to be, a costly program. However, under the existing House rules jurisdiction is spread over a number of committees, each treating phases of it but without authority to consider other phases. If any thorough study is to be accomplished a special committee will be required. Only in this manner can an adequate and equitable program of survivor benefits for men of our Armed Forces be worked out and proper administration be provided for.

Sixth. In providing existing survivor benefits it is obvious that much of the legislation currently in force has been handled in a piecemeal manner where inadequate consideration was given to existing legislation in the same general area. This is understandable, in view of the fact that 5 or 6 different legislative committees are involved in this field.

To illustrate some of the points that I have made, there is printed herewith a few tables of specimen cases setting forth the survivorship benefits available under varying circumstances. In reviewing the dollar equivalent values set forth in these tables, full cognizance of the footnotes should be taken so as to avoid any misrepresentation of the facts. Further, I might observe that all of the benefits set forth in these tables come to the recipient tax exempt.

It should be borne in mind that the scope of this discussion and the tables herewith submitted cover only benefits available to survivors of military personnel who are killed or die while on active duty.

As you study the tables I call particular attention to the fact that there are two lines of totals. For practical purposes, it may be stated that members of Reserve components have the option of selecting benefits from either of the two totals, whereas, under existing conditions, members of the Regulars are not eligible for FECA benefits and, consequently, do not have that option.

Mr. Speaker, when I first became interested in this subject of survivorship benefits I was almost overcome by its complexity. From the oversimplified presentation which I have made, I believe that every Member of the House must be convinced of the need for a thorough analysis of the entire subject. Such analysis should point the way toward correcting existing inequities, providing reasonably adequate protection to the survivors of military personnel and better administration with reduced costs. Additionally, it should be helpful to eligible beneficiaries in securing the benefits to which they are entitled by law.

To these ends I will offer a resolution to establish a special committee to deal with this subject. A special committee is needed because no existing committee has the authority to bring together all of the different aspects of this subject. I hope that my resolution will receive early and favorable action.

Enlisted man—Rating E3 (2 years' service)

WIFE ONLY DEPENDENT

	Monthly income paid to serviceman while alive	1-time payments	Monthly income paid to survivors of serviceman			
			1st 6 months	From 7 through 120 months	From 121 months through age 65	After 65 and for life
A. Alive:						
1. Basic pay (Public Law 346)	$107.02					
2. Quarters allowance (Public Law 346)	51.30					
3. Subsistence	36.00					
Total	194.32					

Enlisted man—Rating E3 (2 years' service)—Continued

WIFE ONLY DEPENDENT

	Monthly income paid to serviceman while alive	1-time payments	Monthly income paid to survivors of serviceman			
			1st 6 months	From 7 through 120 months	From 121 months through age 65	After 65 and for life
B. Deceased (paid to survivors):						
1. 6 months' death gratuity		$642.12				
2. Servicemen's indemnity (Public Law 23)			$92.90	$92.90		
3. VA compensation, widow [1]			75.00	75.00	$75.00	$75.00
4. VA burial and funeral allowance [2]		150.00				
Total veteran benefits		792.12	167.90	167.90	75.00	75.00
5. OASI benefits: [3]						
Lump-sum death payment		192.00				
Widow						48.00
Total if FECA benefits not elected		984.12	167.90	167.90	75.00	123.00
6. Federal Employees: Compensation Act Benefits: Widow [4]				87.44	87.44	87.44
Total if FECA benefits elected		984.12	92.90	180.34	87.44	135.44

DRAWING FLIGHT PAY—WIFE ONLY DEPENDENT

A. Alive:						
1. Basic pay (Public Law 346)	$107.02					
2. Flight pay	45.00					
3. Quarters allowance (Public Law 346)	51.30					
4. Subsistence	36.00					
Total	239.32					
B. Deceased (paid to survivors):						
1. 6 months' death gratuity		$912.12				
2. Servicemen's indemnity (Public Law 23)			$92.90	$92.90		
3. VA compensation, widow [1]			75.00	75.00	$75.00	$75.00
4. VA burial and funeral allowance [2]		150.00				
Total, veteran benefits		1,062.12	167.90	167.90	75.00	75.00
5. OASI benefits: [3]						
Lump-sum death payment		192.00				
Widow						48.00
Total if FECA benefits not elected		1,254.12	167.90	167.90	75.00	123.00
6. Federal Employees' Compensation Act benefits: Widow [4]				107.69	107.69	107.69
Total if FECA benefits elected		1,254.12	92.90	200.59	107.69	155.69

Enlisted man—Rating E4 (4 years' service)

WIFE AND 1 CHILD, AGE 5

	Monthly income paid to serviceman while alive	1-time payments	Monthly income paid to survivors of serviceman				
			1st 6 months	From 7 through 120 months	From 121 through 156 months	From 157 months to age 65	After 65 and for life
A. Alive:							
1. Basic pay (Public Law 346)	$137.59						
2. Quarters allowance (Public Law 346)	77.10						
3. Subsistence	36.00						
Total	250.69						
B. Deceased (paid to survivors):							
1. 6 months' death gratuity		$825.54					
2. Servicemen's indemnity (Public Law 23)			$92.90	$92.90			
3. VA compensation: [1]							
Widow			75.00	75.00	$75.00	$75.00	$75.00
Child			46.00	46.00	46.00		
4. VA burial and funeral allowance [2]		150.00					
Total veterans' benefits		975.54	213.90	213.90	121.00	75.00	75.00
5. OASI benefits: [3]							
Lump-sum death payment		192.00					
Widow			48.00	48.00	48.00		48.00
Child			48.00	48.00	48.00		
Total if FECA benefits not elected		1,167.54	309.90	309.90	217.00	75.00	123.00
6. Federal Employees' Compensation Act benefits: [4]							
Widow				100.28	100.28	112.81	112.81
Child				37.60	37.60		
Total if FECA benefits elected		1,167.54	188.90	326.78	233.88	112.81	160.81

See Footnotes at end of tables.

Enlisted man—Rating E5 (2 years' service)

WIFE AND 2 CHILDREN, AGES 5 AND 8

	Monthly income paid to serviceman while alive	1-time payments	Monthly income paid to survivors of serviceman				
			1st 6 months	From 7 through 120 months	From 121 through 156 months	From 157 months to age 65	After 65 and for life
A. Alive:							
1. Basic pay (Public Law 346)	$152.88						
2. Quarters allowance (Public Law 346)	96.90						
3. Subsistence	36.00						
Total	285.78						
B. Deceased (paid to survivors):							
1. 6 months' death gratuity		$917.28					
2. Servicemen's indemnity (Public Law 23)			$92.90	$92.90			
3. VA compensation: [1]							
Widow			75.00	75.00	$75.00	$75.00	$75.00
Child, 8 years of age			46.00	46.00			
Child, 5 years of age			29.00	29.00	46.00		
4. VA burial and funeral allowance [2]		150.00					
Total veteran benefits		1,067.28	242.90	242.90	121.00	75.00	75.00
5. OASI benefits: [3]							
Lump-sum death payment		192.00					
Widow			48.00	48.00	48.00		48.00
Child, 8 years of age			40.00	40.00			
Child, 5 years of age			40.00	40.00	48.00		
Total if FECA benefits not elected		1,259.28	370.90	370.90	217.00	75.00	123.00
6. Federal Employees' Compensation Act benefits: [4]							
Widow				114.31	114.31	128.60	128.60
Child, 8 years of age				42.87			
Child, 5 years of age				42.87	42.87		
Total if FECA benefits elected		1,259.28	220.90	420.95	253.18	128.60	176.60

Enlisted man—Rating E3 (2 years' service)

NO DEPENDENTS—SURVIVING BROTHER

	Monthly income paid to serviceman while alive	1-time payments	Monthly income paid to survivors of serviceman	
			For 120 months	
A. Alive:				
1. Basic pay (Public Law 346)	$107.02			(In this illustration the 6 months' death gratuity, VA compensation payments, and social-security and FECA survivor benefits are not payable inasmuch as dependency is a requirement.)
2. Subsistence	36.00			
Total	143.02			
B. Deceased (paid to survivors):				
1. Servicemen's indemnity (Public Law 23)			$92.90	
2. VA burial and funeral allowance		$150.00		
Total veteran benefits		150.00	92.90	
3. OASI benefits: Lump-sum death payment		192.00		
Total		342.00	92.90	

Officer—Rank of O-2 (8 years' service)

WIFE AND 1 CHILD, AGE 5

	Monthly income paid to serviceman while alive	1-time payments	Monthly income paid to survivors of serviceman				
			1st 6 months	From 7 through 120 months	From 121 through 156 months	From 157 months to age 65	After 65 and for life
A. Alive:							
1. Basic pay (Public Law 346)	$318.64						
2. Quarters allowance (Public Law 346)	94.20						
3. Subsistence allowance (Public Law 346)	47.88						
Total	460.72						
B. Deceased (paid to survivors):							
1. 6 months' death gratuity		$1,911.84					
2. Servicemen's indemnity (Public Law 23)			$92.90	$92.90			
3. VA compensation: [1]							
Widow			75.00	75.00	$75.00	$75.00	$75.00
Child			46.00	46.00	46.00		
4. VA burial and funeral allowance [2]		150.00					
Total, veteran benefits		2,061.84	213.90	213.90	121.00	75.00	75.00
5. OASI benefits: [3]							
Lump-sum death payment		192.00					
Widow			48.00	48.00	48.00		48.00
Child			48.00	48.00	48.00		
Total, if FECA benefits not elected		2,253.84	309.90	309.90	217.00	75.00	123.00
6. Federal Employees' Compensation Act benefits: [4]							
Widow				184.29	184.29	207.32	207.32
Child				69.11	69.11		
Total, if FECA benefits elected		2,253.84	188.90	442.30	349.40	207.32	255.32

See Footnotes at end of tables.

Officer—Rank of O–3 (8 years' service)

WIFE AND 2 CHILDREN, AGES 5 AND 8

	Monthly income paid to serviceman while alive	1-time payments	Monthly income paid to survivors of serviceman				
			1st 6 months	From 7 through 120 months	From 121 through 156 months	From 157 months to age 65	After 65 and for life
A. Alive:							
1. Basic pay (Public Law 346)	$370.50						
2. Quarters allowance (Public Law 346)	102.60						
3. Subsistence allowance (Public Law 346)	47.88						
Total	520.98						
B. Deceased (paid to survivors):							
1. 6 months' death gratuity		$2,223.00					
2. Servicemen's indemnity (Public Law 23)			$92.90	$92.90			
3. VA Compensation: [1]							
Widow			75.00	75.00	$75.00	$75.00	$75.00
Child, 8 years of age			46.00	46.00			
Child, 5 years of age			29.00	29.00	46.00		
4. VA burial and funeral allowance [2]		150.00					
Total, veteran benefits		2,373.00	242.90	242.90	121.00	75.00	75.00
5. OASI benefits: [3]							
Lump-sum death payment		192.00					
Widow			48.00	48.00	48.00		48.00
Child, 8 years of age			40.00	40.00			
Child, 5 years of age			40.00	40.00	48.00		
Total, if FECA benefits not elected		2,565.00	370.90	370.90	217.00	75.00	123.00
6. Federal Employees' Compensation Act benefits: [4]							
Widow				208.39	208.39	234.44	234.44
Child, 8 years of age				78.15			
Child, 5 years of age				78.15	78.15		
Total, if FECA benefits elected		2,565.00	220.90	585.59	382.54	234.44	282.44

DRAWING FLIGHT PAY—WIFE AND 2 CHILDREN, AGES 5 AND 8

	Monthly income paid to serviceman while alive	1-time payments	Monthly income paid to survivors of serviceman				
			1st 6 months	From 7 through 120 months	From 121 through 156 months	From 157 months to age 65	After 65 and for life
Alive:							
1. Basic pay (Public Law 346)	$370.50						
2. Flight pay	120.00						
3. Quarters allowance (Public Law 346)	102.60						
4. Subsistence allowance (Public Law 346)	47.88						
Total	640.98						
eceased (paid to survivors):							
1. 6 months' death gratuity		$2,943.00					
2. Servicemen's indemnity (Public Law 23)			$92.90	$92.90			
3. VA compensation: [1]							
Widow			75.00	75.00	$75.00	$75.00	$75.00
Child, 8 years of age			46.00	46.00			
Child, 5 years of age			29.00	29.00	46.00		
4. VA burial and funeral allowance [2]		150.00					
Total veteran benefits		3,093.00	242.90	242.90	121.00	75.00	75.00
5. OASI benefits: [3]							
Lump-sum death payment		192.00					
Widow			48.00	48.00	48.00		48.00
Child, 8 years of age			40.00	40.00			
Child, 5 years of age			40.00	40.00	48.00		
Total if FECA benefits not elected		3,285.00	370.90	370.90	217.00	75.00	123.00
6. Federal Employees' Compensation Act benefits: [4]							
Widow				256.39	256.39	288.44	288.44
Child, 8 years of age				96.14			
Child, 5 years of age				96.14	96.14		
Total if FECA benefits elected		3,285.00	220.90	669.57	448.53	288.44	336.44

THE FOLLOWING FOOTNOTES APPLY TO EACH OF THE PRECEDING CHARTS

[1] This amount accrues to the survivor as a result of wartime or peacetime combat death, while 80 percent of such amount accrues in the case of a peacetime death (Public Law 2, 73d Cong., Mar. 20, 1933, and the Veterans Regulations promulgated pursuant thereto, as amended (38 U. S. C. ch. 12 note).)

[2] Payable only toward actual expenses of funeral and burial incurred by survivors.

[3] Under the Social Security Act Amendments of 1950 and 1952 (Public Law 734, 81st Cong., and Public Law 590, 82d Cong.) wage credits based on assumed earnings of $160 a month are provided under the OASI system for each month of military service between Sept. 16, 1940, and Dec. 31, 1953. A minimum of 6 quarters of coverage is required to obtain insured status under the OASI system. Pursuant to the new-start provision of the 1950 amendments persons with a minimum of 6 quarters of recent military service or OASI-covered employment now have OASI-insured status entitling them to survivor benefits. The OASI credits are provided without charge to military personnel and the Government to date has made no appropriation to the OASI trust fund for this purpose.

[4] Pursuant to present laws and regulations, the Federal Employees Compensation Act covers Reserve military personnel on active or training duty. The monthly FECA benefits are in lieu of VA compensation benefits and cannot be paid until the 6 months' death gratuity provided by the Department of Defense terminates. Lump-sum FECA benefits are payable for actual expenses of burial up to $400 with an offset for any VA burial benefits. No offset is made for the VA death indemnity or the OASI benefits received simultaneously. The widow will receive higher FECA benefits than indicated if the serviceman was receiving combat or other special pays.

MERITORIOUS SUPPORT BY INDIA OF THE UNITED NATIONS IN KOREA

The SPEAKER pro tempore (Mr. SHEEHAN). Under previous order of the House, the gentleman from New York [Mr. POWELL] is recognized for 10 minutes.

Mr. POWELL. Mr. Speaker, I take this opportunity to clear up a few misstatements that have been made during the course of the debate last week in connection with the Mutual Security Act and the debate of this week in connection with grain for Pakistan.

It has been said on the floor of the House that the country of India is not supporting and has not supported the United Nations conflict in Korea. That is a misstatement, a complete inaccuracy, and I stand here today to give the truth, the facts. That statement was used by some of my colleagues in an effort to strike out 50 percent of the appropriation for India under the Mutual Security Act. If my colleague had followed his formula to its logical conclusion he would have struck out aid to 37 other nations of the United Nations who are our allies but who do not have a single man in Korea in any capacity whatsoever. If his formula had been followed it would have meant that only 1 nation in all of South America out of the 21 nations would have helped, for 20 nations in South America are not actively cooperating directly or indirectly in the Korean conflict. I do not, in listing the names of these nations, list them to make any charges against them, because I am sure they have ample reason internally for not sending troops to support the United Nations armies in Korea. But I am going to list them so that you will see that India is doing more than her share compared with 37 nations that we are assisting through the Mutual Security Act.

The following nations received funds from our Government under the Mutual Security Act and have not and are not supporting the Korean conflict:

Afghanistan, Argentina, Bolivia, Brazil, Burma, Chile, China, Costa Rica, Denmark, the Dominican Republic, Ecuador, Egypt, El Salvador, Haiti, Honduras, Iceland Indonesia, Iran, Iraq, Israel, Lebanon, Mexico, Liberia, Nicaragua, Norway, Pakistan, Panama, Paraguay, Peru, Saudi Arabia, Sweden, Syria, Uruguay, Venezuela, Yemen, and Yugoslavia.

What is the truth concerning India? It has been said that India is not and has not been supporting the Korean conflict. In fact, it was stated that not a single Indian is in Korea. That is a complete inaccuracy, and the facts are now before me.

Drawn from the plains and hills of India, men of the 60th Indian Field Ambulance Unit are serving with distinction at the side of other United Nations units on the Korean front. The 60th Indian Field Ambulance was one of the very few detachments, from any country, to undergo a second rigorous Korean winter but plans are now being made to institute a rotation system.

The unit is truly an all-India group. In its ranks are plainsmen from Mysore and Uttar Pradesh, hillmen from Garhwal and Madhya Bharat, Sikhs from the Punjab; and men from the Assam jungles, from the coastal areas of Bombay and Madras and from Bengal, Bihar, and Travancore. There have been casualties. One was killed in an accident, another lost both legs when his ambulance hit a mine.

All officers and men have had 5 days' leave in Japan, the only time they have been out of Korea since their arrival 1½ years ago. Morale is excellent.

The Indian Field Ambulance Unit, consisting of 17 officers, 10 junior commissioned officers, and 298 other ranks took everything by way of equipment and supplies with it from India, by ship—everything, including ambulances, operating tables, medicines, and tents. It is self-sufficient in food except in fresh meat and vegetables.

India came to Korea with 800,000 rupees in medicines, which under the current value of 21 cents per rupee means $165,000 worth. India is supporting this unit at an expense of 42,000 rupees per month, which means so far it has cost India $250,000. What have the 37 others done?

I would like finally to read the citation given the Indian detachment by General Van Fleet, coming from the Headquarters of the Eighth United States Army in Korea:

HEADQUARTERS, EIGHTH UNITED STATES ARMY, KOREA (EUSAK), OFFICE OF THE COMMANDING GENERAL, APO 301,
July 25, 1951.

General orders No. 586.

MERITORIOUS UNIT COMMENDATION

By direction of the Secretary of the Army, under the provisions of AR 260–15, the Meritorious Unit Commendation is awarded to the following unit for exceptionally meritorious conduct in the performance of outstanding service during the period indicated. The citation reads as follows:

The 60th Indian Field Ambulance is cited for exceptionally meritorious conduct in the performance of outstanding services in Korea in support of combat operations during the period from November 1950 to May 1951. During this period the 60th Indian Field Ambulance has rendered medical support to the American, British, Canadian, and other elements of the United Nations forces in a superior manner. The sick and wounded were speedily and efficiently cared for and treated with superior professional care, which saved many a life and aided materially the war effort. When an airborne regimental combat team was ordered to land at Munson behind enemy lines, this unit volunteered its service as medical support. Although the services of the entire unit were not needed, a surgical team was selected and rendered exceptional service. In spite of the many difficulties of transportation, weather, supply, and numerous movements of this organization caused by the tactical situation, the medical mission was always expeditiously and skillfully accomplished. The spirit of cooperation, devotion to duty, and the unfailing excellence of the work of all members of this unit as well as their determined policy of remaining as far forward as possible and remaining forward far longer than is normally expected of a unit of this type have contributed essentially to the immediate combat effectiveness and to the general morale of the units it supported. The 60th Indian Field Ambulance displayed such outstanding devotion and superior performance of exceptionally difficult tasks as to set it apart and above other units with similar missions. The individual and collective professional standards and conscientious achievements of members of this organization reflect the highest credit on themselves, their homeland, and the military service of the United Nations.

By command of Lieutenant General Van Fleet.

LEVEN C. ALLEN,
Major General, United States Army,
Chief of Staff.

Official:
R. L. BUTT, Jr.,
Lieutenant Colonel, AGD, Assistant AG.

When we had United Nations Day in Washington, D. C., last year, members of this unit were flown from Korea to march down the streets of Washington. They were one of the delegations of the 17 nations out of 54 that are supporting the U. N. in Korea.

So I hope this will clear up the misstatements and the inaccuracies that were mentioned on this floor during the debate of the past few days.

India is our bastion of democracy in the Far East. We are proud to have her on our side.

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

Mr. POWELL. I yield.

Mr. BAILEY. During the presentation of your brief, you listed in the several countries that were not contributing to the war effort in Korea the Republic of Venezuela. Does the gentleman from New York think that in view of this situation, the Venezuelan Government and the Venezuelan people were entitled to special consideration in the form of a reduction of our import duties on oil imported from their country?

Mr. POWELL. No, I do not feel that way, may I say to my esteemed colleague and friend from West Virginia. In fact, I do not want to get involved in any particular discussion about these various nations. I just wanted to list those who were doing less than nothing; that is all.

Mr. BAILEY. Will the gentleman agree with me that the new reciprocal trade agreement was drawn up and approved not in the interest of the Venezuelan people as such, but in the interest of several of our large oil importing companies?

Mr. POWELL. Most definitely the gentleman and I are in agreement on that. That is an extension of the tidelands oil grab beyond the tides and into the mountains of Venezuela.

Mr. BAILEY. They certainly got into the mountains of West Virginia and got mixed up with our coal.

Mr. POWELL. I know just how the gentleman feels about that.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the Appendix of the RECORD, or to revise and extend remarks was granted to:

Mr. DAGUE and to include a newspaper article.

Mr. JACKSON and to include an editorial.

Mr. LANE in four instances, in each to include extraneous matter.

Mr. ENGLE in two instances and to include extraneous matter.

Mr. MILLER of Nebraska and to include an editorial.

Mr. O'BRIEN of Michigan and to include a newspaper article.

Mr. CARNAHAN and to include extraneous matter.

Mr. CLARDY and to include extraneous matter.

Mr. JONES of Missouri and to include a newspaper article.

Mr. JUDD in four instances and to include extraneous matter.

Mr. WOLVERTON and to include extraneous material.

Mr. DONOHUE and to include a resolution.

Mr. KELLEY of Pennsylvania in two instances and to include extraneous matter.

Mr. ADDONIZIO and to include a letter.

Mr. FISHER in two instances and to include extraneous matter.

Mr. WOLVERTON to revise and extend the remarks he made in the Committee of the Whole today and to include extraneous matter.

Mr. SMITH of Wisconsin in two instances, in each to include extraneous matter.

Mrs. ROGERS of Massachusetts and to insert certain articles from the Boston Post for 5 successive days.

Mr. PERKINS and to include a story from the Louisville Courier-Journal entitled "As to the Charge That TVA Represents Creeping Socialism."

Mr. MULTER (at the request of Mr. POWELL) and to include extraneous matter.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 1839. An act to amend section 32 of the Fire and Casualty Act, so as to provide that an agent or solicitor may secure a license to solicit accident and death insurance in the District of Columbia under that act without taking the prescribed examination, if he is licensed under the Life Insurance Act;

S. 2032. An act to modernize the charter of the Washington Gas Light Co., and for other purposes; and

S. 2112. An act to provide for the transfer of price-support wheat to Pakistan.

ADJOURNMENT

Mr. KERSTEN of Wisconsin. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 34 minutes p. m.), under its previous order, the House adjourned until tomorrow, Thursday, June 25, 1953, at 11 a. m.

EXECUTIVE COMMUNICATIONS, ETC.

799. Under clause 2 of rule XXIV, a letter from the Postmaster General, transmitting a draft of proposed legislation entitled, "A bill to readjust postal rates, and for other purposes"; to the Committee on Post Office and Civil Service.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BISHOP: Joint Committee on the Disposition of Executive Papers. House Report No. 649. Report on the disposition of certain papers of sundry executive departments. Ordered to be printed.

Mr. ALLEN of Illinois: Committee on Rules. House Resolution 302. Resolution providing for the consideration of H. R. 3884, a bill to extend the authority of the Administrator of Veterans' Affairs to establish and continue offices in the Republic of the Philippines; without amendment (Rept. No. 650). Referred to the House Calendar.

Mr. ALLEN of Illinois: Committee on Rules. House Resolution 303. Resolution providing for the consideration of H. R. 5456, a bill to extend to June 30, 1954, the direct home and farmhouse loan authority of the Administrator of Veterans' Affairs under title III of the Servicemen's Readjustment Act of 1944, as amended, to make additional funds available therefor, and for other purposes; without amendment (Rept. No. 651). Referred to the House Calendar.

Mr. HOFFMAN of Michigan: Committee on Government Operations. House Resolution 295. Resolution declaring that the House of Representatives does not favor the Reorganization Plan No. 6 transmitted to Congress by the President on April 30, 1953; without amendment (Rept. No. 652). Referred to the Committee of the Whole House on the State of the Union.

Mr. WOLCOTT: Committee on Banking and Currency. H. R. 5667. A bill to amend the National Housing Act and other laws relating to housing; with amendment (Rept. No. 653). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. CHELF:

H. R. 5910. A bill to amend sections 1651 (b) and 2101 (f) of title 28, United States Code; to the Committee on the Judiciary.

By Mr. CLARDY:

H. R. 5911. A bill to authorize the issuance of a special series of stamps commemorative of the 100th anniversary of the founding of Michigan State College; to the Committee on Post Office and Civil Service.

By Mr. GRANAHAN:

H. R. 5912. A bill to provide assistance in acquiring housing for disabled veterans who periodically require the use of braces, crutches, canes, or a wheelchair for locomotion; to the Committee on Veterans' Affairs.

By Mr. HAGEN of Minnesota:

H. R. 5913. A bill to simplify the handling of postage on newspapers and periodicals; to the Committee on Post Office and Civil Service.

By Mr. MACK of Illinois:

H. R. 5914. A bill to amend the Air Commerce Act of 1926, as amended, to authorize navigation of foreign, nontransport, civil aircraft in the United States through reciprocity and under regulations of the Civil Aeronautics Board; to the Committee on Interstate and Foreign Commerce.

By Mr. SCRIVNER:

H. R. 5915. A bill to exempt States and political subdivisions thereof from the tax on conveyances, and for other purposes; to the Committee on Ways and Means.

By Mr. FINE:

H. R. 5916. A bill to amend the Internal Revenue Code to provide a deduction for certain expenses paid by a taxpayer for the education of his children; to the Committee on Ways and Means.

By Mr. RADWAN:

H. R. 5917. A bill to amend the Social Security Act to provide disability insurance benefits for totally disabled individuals, and for other purposes; to the Committee on Ways and Means.

H. R. 5918. A bill to amend the Social Security Act to provide that in the case of women the term "retirement age" shall mean age 60; to the Committee on Ways and Means.

By Mr. ROGERS of Texas:

H. R. 5919. A bill to amend section 2 (a) of the act of April 6, 1949, so as to authorize the Secretary of Agriculture to make loans to farmers or stockmen to assist in orderly marketing, and for other purposes; to the Committee on Agriculture.

By Mr. UTT:

H. R. 5920. A bill to authorize the construction of shore protective works in the vicinity of Anaheim Bay Harbor, Calif.; to the Committee on Public Works.

By Mr. MULTER:

H. R. 5921. A bill to authorize the coinage of 50-cent pieces to commemorate the tercentennial of the foundation of the city of New York; to the Committee on Banking and Currency.

By Mr. SHELLEY:

H. R. 5922. A bill to amend section 901 of the Merchant Marine Act, 1936, as amended; to the Committee on Merchant Marine and Fisheries.

By Mr. CLARDY:

H. J. Res. 283. Joint resolution authorizing the recognition of the 100th anniversary of the founding of Michigan State College, the first agricultural college in the United States, and providing for the representation of the Government and people of the United States in the observance of such anniversary; to the Committee on the Judiciary.

By Mr. FRIEDEL:

H. J. Res. 284. Joint resolution to restore and preserve the frigate *Constellation* at a berth in Baltimore Harbor, and for other purposes; to the Committee on Armed Services.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BYRD:

H. R. 5923. A bill for the relief of Giuseppe Laddomoda, Antonietta Laddomada, and children, Concetta and Paolo Laddomada; to the Committee on the Judiciary.

By Mr. COUDERT:

H. R. 5924. A bill to confer jurisdiction on the Court of Claims of the United States to hear, determine, and render judgment upon

the claims of Trent Trust Co., Ltd., Honolulu, T. H.; to the Committee on the Judiciary.

By Mr. FULTON:

H. R. 5925. A bill for the relief of Allesandro or Alexander Bastianini; to the Committee on the Judiciary.

By Mr. HELLER (by request):

H. R. 5926. A bill for the relief of Abraham Gluck; to the Committee on the Judiciary.

H. R. 5927. A bill for the relief of Mrs. Atamant Chantikian and her child, Kosrof Chantikian; to the Committee on the Judiciary.

By Mr. JACKSON:

H. R. 5928. A bill for the relief of Yvette Sassoon Safdeye; to the Committee on the Judiciary.

By Mr. KERSTEN of Wisconsin:

H. R. 5929. A bill for the relief of George John Bounos; to the Committee on the Judiciary.

By Mr. MORANO:

H. R. 5930. A bill for the relief of Daoud Salem Shamoun; to the Committee on the Judiciary.

H. R. 5931. A bill for the relief of Heskel Saleh Michael; to the Committee on the Judiciary.

H. R. 5932. A bill for the relief of Jack Khedour Soffer; to the Committee on the Judiciary.

By Mr. PILCHER:

H. R. 5933. A bill for the relief of Herschel D. Reagan; to the Committee on the Judiciary.

By Mr. SHELLEY:

H. R. 5934. A bill for the relief of William C. Jayne, Sr.; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

360. By Mr. CANFIELD: Resolution adopted by the Passaic County Medical Society, Paterson, N. J., endorsing H. R. 10, which provides for the establishment of a restricted retirement fund trusteed by a bank, or purchase of a restricted retirement annuity, the amounts contributed in a taxable year to be deductible for income-tax purposes from gross income up to 10 percent of earned net income or $7,500 whichever is the lesser; to the Committee on Ways and Means.

361. By Mr. LANE: Petition of the city council of the city of Worcester resolving that congressional delegation from Massachusetts be requested to make a united effort to bring to Worcester and the surrounding devastated area financial aid; to the Committee on Appropriations.

362. By the SPEAKER: Petition of Mrs. Arthur Pond and others, St. Petersburg, Fla., requesting passage of H. R. 2446 and H. R. 2447, social-security legislation known as the Townsend plan; to the Committee on Ways and Means.

363. Also, petition of K. Masuda and 150 others, Kumamoto Junior College, Kumamoto, Japan, requesting release of the Japanese people who are serving prison terms as war criminals; to the Committee on Foreign Affairs.