and equally esteemed in Oklahoma, where he lived for many years. His interests were not bounded by regional or even hemispheric lines. His warm human sympathies found an outlet in many splendid enterprises. He and Mrs. Braniff had established a family foundation for benevolences in which they had a special interest, and his generous support of the charitable and religious institutions of this country was widely recognized.

He was a devoted and effective leader in his church, and had received national recognition for his outstanding service in behalf of the Red Cross, Boy Scouts, USO, and the National Conference of Christians and Jews. He was national Catholic cochairman of the last-named organization at the time of his death.

Tom Braniff's influence will live after him. His great talents were expended always in a constructive direction, and the impress of his inspiring leadership will remain.

Statement by Hon. William T. Granahan, of Pennsylvania, on Private Immigration Bill for Former Marine

EXTENSION OF REMARKS
OF
HON. WILLIAM T. GRANAHAN
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, January 14, 1954

Mr. GRANAHAN. Mr. Speaker, I have introduced, on January 14, 1954, a private bill, H. R. 7221, for the relief of Anders Taranger, a young man who has just completed 2 years of service in the United States Marine Corps, including action in the Korean theater, to give him eligibility for American citizenship—an honor and privilege to which he is entitled by virtue of his service to our country in time of war.

Anders Taranger, a Norwegian seaman, was stranded in the United States several years ago when the Panamanian ship on which he was a radio operator was sold in the United States. He registered under the draft as an alien in the United States, was inducted into the Marine Corps and was honorably discharged on January 6, 1954. He immediately attempted to file citizenship papers, but was rejected because he had lived in the United States only 10 months, instead of the required 12 months, prior to joining the Marine Corps.

Taranger's home address is 5000 Pacific Avenue, Wildwood, N. J. I am interesting myself in his case at the request of veterans organizations in the Philadelphia area, who believe that his case is a meritorious one. I was pleased to read on January 12 an editorial in the Philadelphia Inquirer endorsing my plans to seek special legislation for Taranger so that he may qualify for citizenship papers, despite the technicality involved in his lacking a mere 2 months of additional residence in this country prior to enlistment.

It would be a shame if such a technicality were to deprive this young man of the opportunity of citizenship.

I have asked Chairman CHAUNCEY REED, of the House Judiciary Committee, to schedule an early hearing on my bill.

Expenses for College Education Should Be Tax Deductible

EXTENSION OF REMARKS
OF
HON. ABRAHAM J. MULTER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, January 14, 1954

Mr. MULTER. Mr. Speaker, permit me to urge the enactment of H. R. 1274, introduced by me on January 7, 1953.

My bill is directed primarily to give relief to those parents who are paying more than $600 personal exemption per child for the education of their children. I have had the experience, and I will get no personal benefit from this bill because I have put both my boys through college without any such exemption, and many of by colleagues have done the same thing.

We know if you are sending them to a college away from home you are lucky if you can do it for as little as $2,500 per year per child. You get all of $600 a year exemption.

So I am not talking for myself about this. I am talking for all of the parents of this country, and I think we have now gotten to the point in this country where we believe that just as a primary education is necessary and a secondary or high school education is necessary, we should, if possible, give every child in this country an opportunity to get a college education.

This bill will go a long way toward bringing that about by making it possible for these parents, who if they can get this tax relief, will get at least some help in sending their children through the colleges and universities of our country.

The colleges and universities of our country need help, too, because if they cannot continue to get students to pay the tuition, they are going to be in a bad way. As a matter of fact, many of them are already suffering from lack of students.

The GI bill having practically run out, and our parents of the country in large part not being able to send their children to college, those institutions are beginning to feel the loss of student population.

I might say that the bill introduced by me has received widespread approval throughout the country.

The House Ways and Means Committee has conducted hearings on the bill and on the general principle therein. During the course of the executive sessions of the committee for the purpose of revising the tax laws, the committee has tentatively decided to recommend that a $600 exemption for children should be continued beyond the age of 18 years, if the child is a student attending school or college.

This is a step in the right direction and a recognition of the principle set forth in my bill.

It does not, however, go far enough and we should continue to press for the enactment of the language contained in H. R. 1274, which would allow for the full reasonable expenses for a college education.

At this time, I would like to pay tribute to the many college organizations and publications that are supporting my bill and particularly to the National Student Association which is doing so much to direct the attention of the taxpayers of the country to the fact that expenses for college education should be tax deductible.

SENATE

FRIDAY, JANUARY 15, 1954

(Legislative day of Thursday, January 7, 1954)

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:

Our gracious Father, as this Chamber is hushed to silence, may we find Thee moving upon our minds, higher than our highest thought, yet nearer to us than hands or feet. Before the toil of a new day opens before us, we would lay before Thee the meditations of our hearts. May they be acceptable in Thy sight. Bring all our desires and powers, we beseech Thee, into conformity to Thy will. As we pray for Thy kingdom's coming to our own hearts and to the whole wide world, awake in us a holy awe of this law-abiding universe which is our home and which so inexorably moves from cause to consequence. Bend our pride to Thy control. Prepare us for the role committed to our fallible hands in this appalling day, with its vast issues that concern not only our own dear land but all the continents and the islands of the sea. May our loins be girt and our lamps burning as those who watch for their Lord's coming. In the Redeemer's name we ask it. Amen.

THE JOURNAL

On request of Mr. KNOWLAND, and by unanimous consent, the reading of the Journal of the proceedings of Thursday, January 14, 1954, was dispensed with.

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 for the introduction of bills and joint resolutions, and the insertion of matters in the RECORD, under the usual 2-minute limitation on speeches.

The PRESIDENT pro tempore. Without objection, it is so ordered.

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

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

The Chief Clerk proceeded to call the roll.

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

The PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE COMMUNICATIONS, ETC.

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

INCREASE OF BORROWING POWER OF COMMODITY CREDIT CORPORATION

A letter from the Secretary of Agriculture, transmitting a draft of proposed legislation to increase the borrowing power of Commodity Credit Corporation (with accompanying papers); to the Committee on Agriculture and Forestry.

REPORT ON OFFICERS OF AIR FORCE ASSIGNED TO PERMANENT DUTY AT SEAT OF GOVERNMENT

A letter from the Director, Legislative Liaison, Department of the Air Force, reporting, pursuant to law, that at the end of the second quarter of fiscal year 1954, there were 2,476 officers of the Air Force assigned or detailed to permanent duty at the seat of Government; to the Committee on Armed Services.

AMENDMENT OF FEDERAL CIVIL DEFENSE ACT OF 1950

A letter from the Administrator, Federal Civil Defense Administration, Washington, D. C., transmitting a draft of proposed legislation to repeal section 307 of title III of the Federal Civil Defense Act of 1950, as amended (with an accompanying paper); to the Committee on Armed Services.

REPORT OF UNITED STATES ADVISORY COMMISSION ON EDUCATIONAL EXCHANGE

A letter from the Chairman, United States Advisory Commission on Educational Exchange, transmitting, pursuant to law, a report of that commission for the period January 1 to June 30, 1953 (with an accompanying report); to the Committee on Foreign Relations.

AMENDMENT OF SECTION 3528 OF REVISED STATUTES RELATING TO PURCHASE OF METAL FOR MINOR COINS

A letter from the Acting Secretary of the Treasury, transmitting a draft of proposed legislation to amend section 3528 of the Revised Statutes, as amended, relating to the purchase of metal for minor coins of the United States (with accompanying papers); to the Committee on Banking and Currency.

AUDIT REPORT ON SOUTHWESTERN POWER ADMINISTRATION

A letter from the Comptroller General, transmitting, pursuant to law, an audit report on the Southwestern Power Administration, Department of the Interior, for the fiscal year ended June 30, 1953 (with an accompanying report); to the Committee on Government Operations.

TERMINATION OF FEDERAL SUPERVISION OVER PROPERTY OF CERTAIN INDIANS IN CALIFORNIA

A letter from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation to provide for the termination of Federal supervision over the property of Indian tribes, bands, and groups in California and the individual members thereof, and for other purposes (with accompanying papers); to the Committee on Interior and Insular Affairs.

AMENDMENT OF SECTION 4153 OF REVISED STATUTES

A letter from the Acting Secretary of the Treasury, transmitting a draft of proposed legislation to amend section 4153 of the Revised Statutes, as amended, and for other purposes (with accompanying papers); to the Committee on Interstate and Foreign Commerce.

AMENDMENT OF SECTION 1721, TITLE 18, UNITED STATES CODE, RELATING TO SALE OR PLEDGE OF POSTAGE STAMPS

A letter from the Acting Postmaster General, transmitting a draft of proposed legislation to amend section 1721, title 18, United States Code, relating to the sale or pledge of postage stamps (with an accompanying paper); to the Committee on the Judiciary.

STANLEY RYDZON AND ALEXANDER F. ANDERSON

A letter from the Acting Postmaster General, transmitting a draft of proposed legislation for the relief of Stanley Rydzon and Alexander F. Anderson (with an accompanying paper); to the Committee on the Judiciary.

REPORT OF SUBVERSIVE ACTIVITIES CONTROL BOARD

A letter from the Chairman, Subversive Activities Control Board, Washington, D. C., transmitting, pursuant to law, a report of that Board, for the period July 1, 1952, through June 30, 1953 (with an accompanying report); to the Committee on the Judiciary.

REPORT OF FUTURE FARMERS OF AMERICA

A letter from the chairman, board of directors, Future Farmers of America, Department of Health, Education, and Welfare, transmitting, pursuant to law, a report of the Future Farmers of America, for the period July 1, 1952, to June 30, 1953 (with an accompanying report); to the Committee on the Judiciary.

DISPOSAL OF PAID POSTAL SAVINGS CERTIFICATES

A letter from the Acting Postmaster General, transmitting a draft of proposed legislation to provide for the disposal of paid postal savings certificates (with an accompanying paper); to the Committee on Post Office and Civil Service.

REMOVAL OF LIMITATION ON ESTABLISHMENT OF HIGHWAY POST OFFICE SERVICE

A letter from the Acting Postmaster General, transmitting a draft of proposed legislation to amend the act entitled "An act to provide for the transportation and distribution of mails on motor-vehicle routes," approved July 11, 1940 (54 Stat. 756) (with an accompanying paper); to the Committee on Post Office and Civil Service.

REPEAL OF REQUIREMENT THAT POSTMASTERS REPORT TO POSTMASTER GENERAL FAILURE TO CANCEL POSTAGE STAMPS

A letter from the Acting Postmaster General, transmitting a draft of proposed legislation to repeal the requirement of section 3921 of the Revised Statutes that postmasters report to the Postmaster General failure to cancel postage stamps (with an accompanying paper); to the Committee on Post Office and Civil Service.

REPORT ON PROGRESS MADE IN IMPROVEMENT AND CLASSIFICATION OF FEDERAL-AID HIGHWAYS

A letter from the Secretary of Commerce, transmitting, pursuant to law, a report on progress made in the improvement of Federal-aid highways and classification of highways (with accompanying papers); to the Committee on Pubic Works.

BILLS AND JOINT RESOLUTION INTRODUCED

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

By Mr. AIKEN (by request):

S. 2714. A bill to increase the borrowing power of Commodity Credit Corporation; and

S. 2715. A bill to amend the Agricultural Adjustment Act of 1938, as amended; to the Committee on Agriculture and Forestry.

By Mr. KENNEDY:

S. 2716. A bill for the relief of Nicholas DeClaris (Nick DeClaris); to the Committee on the Judiciary.

By Mr. MURRAY:

S. 2717. A bill to remove the time limitations on a period during which vocational rehabilitation training may be afforded to certain seriously disabled veterans of World War II and of service on and after June 27, 1950;

S. 2718. A bill to afford education and training under title II of the Servicemen's Readjustment Act of 1944 in the cases of certain seriously disabled veterans, notwithstanding the time limitations of such act; and

S. 2719. A bill to prevent persons who engage in activities contrary to the interest of the United States from pursuing a course of education or training in a foreign country under the Servicemen's Readjustment Act of 1944; to the Committee on Labor and Public Welfare.

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

By Mr. HOLLAND (by request):

S. J. Res. 119. Joint resolution to validate conveyance of a 40-acre tract in Okaloosa County, Fla.; to the Committee on Agriculture and Forestry.

PROPOSED VETERANS' LEGISLATION

Mr. MURRAY. Mr. President, I introduce for appropriate reference three bills relating to veterans' legislation.

The bills were sent me by the American Legion with the request that I introduce them in the Senate. I am happy to comply. Upon occasion when bills are introduced by request, it is assumed that the sponsor does not necessarily support them. I want it clearly understood that I am sponsoring these bills because I agree wholeheartedly with the Legion that they are good; that they are necessary; and that they are in the national interest.

Two of the bills are designed to correct inequities in existing legislation whereby veterans, simply because of temporary physical or mental disability, have been deprived of rights granted them by a grateful nation.

The third bill is designed to plug a loophole in existing law so as to destroy the possibility that Federal funds under GI bills might be used either to finance study in totalitarian controlled institutions abroad or to finance the activities abroad of individuals pursuing courses of action inimical to the interests of the United States.

I sincerely hope the bills will be considered promptly and acted upon favorably. I shall do all in my power to assure their passage.

In this connection, I ask unanimous consent that three letters sent me by the American Legion in connection with the proposed legislation be inserted at this point in the record.

The PRESIDENT pro tempore. The bills will be received and appropriately referred; and, without objection, the letters presented by the Senator from Montana will be printed in the RECORD.

The bills, introduced by Mr. MURRAY, were received, read twice by their titles, and referred to the Committee on Labor and Public Welfare, as follows:

S. 2717. A bill to remove the time limitations on a period during which vocational rehabilitation training may be afforded to certain seriously disabled veterans of World War II and of service on and after June 27, 1950;

S. 2718. A bill to afford education and training under title II of the Servicemen's Readjustment Act of 1944 in the cases of certain seriously disabled veterans, notwithstanding the time limitations of such act; and

S. 2719. A bill to prevent persons who engage in activities contrary to the interest of the United States from pursuing a course of education or training in a foreign country under the Servicemen's Readjustment Act of 1944.

The letters presented by Mr. MURRAY are as follows:

THE AMERICAN LEGION,
NATIONAL LEGISLATIVE COMMISSION,
Washington, D. C., January 13, 1954.

Hon. JAMES E. MURRAY,
United States Senate,
Senate Office Building,
Washington, D. C.

DEAR SENATOR MURRAY: Enclosed please find copy of H. R. 1840 introduced in the House January 16, 1953, same being a bill to prevent persons who engage in activities contrary to the interest of the United States from pursuing a course of education or training in a foreign country under the Servicemen's Readjustment Act of 1944.

The national organization of the American Legion would be grateful to you if you would be good enough to introduce a companion bill in the Senate.

This amendment pertains to veterans in training under the Servicemen's Readjustment Act of 1944 (Public Law 346, 78th Cong., as amended). Under this provision the Administrator of Veterans' Affairs would have authority to deny or discontinue the pursuit of a course by a veteran in a foreign educational or training institution if it were determined that the pursuit of such course was not for the best interest of the veteran or the Government. A similar provision was inserted in the Veterans' Readjustment Assistance Act of 1952 (see sec. 221, Public Law 550, 82d Cong.).

Thanking you for your cooperation and with kindest personal regards, I am,

Sincerely yours,

MILES D. KENNEDY,
Director.

THE AMERICAN LEGION,
NATIONAL LEGISLATIVE COMMISSION,
Washington, D. C., January 13, 1954.

Hon. JAMES E. MURRAY,
United States Senate,
Senate Office Building,
Washington, D. C.

DEAR SENATOR MURRAY: Enclosed please find copy of H. R. 1304, introduced in the House January 7, 1953, same being a bill to remove the time limitations on a period during which vocational rehabilitation training may be afforded to certain seriously disabled veterans of World War II and of service on and after June 27, 1950.

The national organization of the American Legion would be grateful to you if you would be good enough to introduce a companion bill in the Senate.

Under the present law, vocational rehabilitation under Public Law 16 must have been completed by July 25, 1956. Veterans with serious disabilities, such as tuberculosis or neuropsychiatric disorders, may be unable to rehabilitate themselves before the delimiting date. This amendment would permit the Administrator of Veterans' Affairs to authorize in certain cases initiation into and completion of training beyond the present termination date.

Thanking you for your cooperation and with kindest personal regards, I am,

Sincerely yours,

MILES D. KENNEDY,
Director.

THE AMERICAN LEGION,
NATIONAL LEGISLATIVE COMMISSION,
Washington, D. C., January 13, 1954.

Hon. JAMES E. MURRAY,
United States Senate,
Senate Office Building,
Washington, D. C.

DEAR SENATOR MURRAY: Enclosed please find copy of H. R. 1303 introduced in the House January 7, 1953, same being a bill to afford education and training under title II of the Servicemen's Readjustment Act of 1944 in the cases of certain seriously disabled veterans, notwithstanding the time limitations of such act.

The national organization of the American Legion would be grateful to you if you would be good enough to introduce a companion bill in the Senate.

Under Public Law 346, 78th Congress, as amended, education or training must have been initiated before July 25, 1951, and must be completed by July 25, 1956. Certain veterans, because of serious physical or mental disabilities were unable to enter training prior to the delimiting initiation date. The proposed amendment to the law would authorize the Administrator of Veterans' Affairs to extend the delimiting initiation date so as to afford a reasonable period of time following recovery from the physical or mental disability in which to initiate a course.

Section 2 of the proposed amendment would, in any case where delayed initiation is authorized, permit completion of the course, notwithstanding the delimiting termination date of July 25, 1956.

Thanking you for your cooperation and with kindest personal regards, I am,

Sincerely yours,

MILES D. KENNEDY,
Director.

EMPLOYMENT OF ADDITIONAL CLERICAL ASSISTANTS BY COMMITTEE ON LABOR AND PUBLIC WELFARE—REPORT OF A COMMITTEE

Mr. SMITH of New Jersey, from the Committee on Labor and Public Welfare, to which was referred the resolution (S. Res. 186) authorizing the employment of additional clerical assistants by the Committee on Labor and Public Welfare, reported it favorably, without amendment, and the resolution was placed on the calendar.

ADDITIONAL PERSONNEL AND FUNDS FOR COMMITTEE ON GOVERNMENT OPERATIONS

Mr. MUNDT. Mr. President, from the Committee on Government Operations, I report favorably an original resolution providing funds for the investigating subcommittee of that committee. It was unanimously approved by the committee. The resolution requests $192,830 for the next year.

Mr. MONRONEY. Mr. President, reserving the right to object, did the Senator ask that the resolution be referred to the Committee on Rules and Administration, or that it go to the calendar?

Mr. MUNDT. I am merely reporting the resolution from the Committee on Government Operations.

Mr. MONRONEY. I thank the Senator.

The resolution (S. Res. 189), reported by Mr. MUNDT, was placed on the calendar, as follows:

Resolved, That in holding hearings, reporting such hearings, and making investigations as authorized by subsection (g) (2) (B) of rule XXV of the Standing Rules of the Senate, or any other duties imposed upon it, the Committee on Government Operations, or any duly authorized subcommittee thereof, is authorized during the period beginning on February 1, 1954, and ending on January 31, 1955, to make such expenditures, and to employ upon a temporary basis such investigators, and such technical, clerical, and other assistants, as it deems advisable.

SEC. 2. The expenses of the committee under this resolution, which shall not exceed $192,830, in addition to the amount authorized under Senate Resolution 40, 83d Congress, 1st session, agreed to January 30, 1953, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee or subcommittee, as the case may be.

SCRAPPING OF THE U. S. S. "CORN HUSKER MARINER"

Mr. CHAVEZ (for himself and Mr. ELLENDER) submitted the following resolution (S. Res. 191), which was referred to the Committee on Interstate and Foreign Commerce:

Whereas the 81st Congress on January 6, 1951, passed Public Law 911 appropriating $350 million for the construction of 35 high-speed cargo vessels to be known as the Mariner class; and

Whereas these vessels are equipped with special military features and are a necessary part of the defense program; and

Whereas one such vessel, the *Corn Husker Mariner,* ran aground at Pusan, Korea, in July of 1953 after only 6 months service; and

Whereas the Navy expended more than $600,000 to refloat and transport the vessel to Sasebo, Japan; and

Whereas the vessel can be rebuilt in Japan at an estimated cost of $2,500,000; and

Whereas the vessel is only 6 months old and cost the United States $9,500,000 to build; and

Whereas the Maritime Board and National Shipping Authority ordered the scrapping of the *Corn Husker Mariner;* and

Whereas this action would result in a net loss to the United States of $7,600,000; and

Whereas the United States is still constructing more vessels of this type: Now, therefore, be it

Resolved, That the Senate hereby requests and urges the Maritime Board and National Shipping Authority to hold up the scrapping of the *Corn Husker Mariner* until a proper committee of the Senate investigates and reports on this proposed action.

ANALYSIS OF ADMINISTRATION PROPOSALS FOR AMENDING THE TAFT-HARTLEY ACT

Mr. MURRAY. Mr. President, I ask unanimous consent to have printed in the body of the RECORD an excellent and penetrating analysis of the administration's proposals for amending the Taft-Hartley Act. I think it makes it quite clear that the proposals sent us do not in any sense carry out the pledges made to labor by this administration when it sought office.

I hope all the Members of this body on both sides of the aisle will read this analysis. It is by Arthur J. Goldberg, CIO general counsel. Of course, Mr. Goldberg does his analysis from the point of view of the great industrial unions he represents. But I challenge any one of my colleagues of the Senate, Republican or otherwise, after reading the analysis carefully, to point out a single flaw in its logic or to show in it even the slightest departure from fact.

It is a restrained, clearcut citing of evidence respecting the administration's expressions and conduct concerning the Nation's labor problems. The analysis, being based on past experience of the Federal Government in the effort to achieve equity and justice for the workers of our country, at no point fails to face up to reality. In his cool and penetrating report Mr. Goldberg has made a cogent and important contribution to an understanding of a grave set of problems which are of deep concern to our entire population. All of us, relying more than ever in this time of world peril upon the steady production of the workers of our Nation, should give sober, unselfish heed to the reasoning which animates Mr. Goldberg's analysis.

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

ANALYSIS OF PRESIDENT EISENHOWER'S LABOR MESSAGE AND SENATOR SMITH'S BILL TO AMEND TAFT-HARTLEY BY CIO GENERAL COUNSEL ARTHUR J. GOLDBERG

The President's message and the bill, which Senator SMITH says is the administration's bill, would make Taft-Hartley worse than it is. The few improvements are sugar coating to disguise new antilabor restrictions.

This is not a middle-of-the-road approach to labor-management relations by an administration pledged to justice and fairness. This is not the reform of Taft-Hartley promised by President Eisenhower as a candidate.

The message and the bill are a victory for the National Association of Manufacturers in the undercover struggle in the administration which has been going on during the last year on its labor policy. This is another giveaway to the Republican Party's financial angels.

I

The antilabor philosophy which motivates the administration's proposal is evident from the strike-vote recommendation. As Walter Reuther said, this adds to the antilabor arsenal already provided employers by the law.

The proposal is based on the misconception always harbored by antiunion employers that unions act contrary to the will of their members rather than in response to that will.

This same misconception prompted the strike-vote section of the Smith-Connally Act which Congress abandoned as a demonstrated failure at the end of the war. In fact, Congress refused appropriations for such votes while the law still remained on the books.

Even the 80th Congress, in light of the Smith-Connally experiences, refused to write such a provision into Taft-Hartley.

During Smith-Connally, 2,168 polls were taken by the Government, at great expense. Two million nine hundred twenty-three thousand six hundred and fifty-five workers were eligible to vote in these polls. Of this number, only 332,874 voted against striking; 1,593,937 voted to strike.

Fortunately, strikes of this number and magnitude did not occur, not because of the law, but because of the voluntary and patriotic response of the union membership to the no-strike pledge of their union leaders.

A strike vote repudiated in wartime is now unprecedentedly offered for peacetime.

In light of this experience, the only reason for this proposal must be the false hope that it will weaken unions.

Again, even more recent experience than the war is ignored. Taft-Hartley itself contained a similar misguided attempt to demonstrate that unions do not speak for their membership by requiring a similar vote for a union shop. Here wage earners voted more than 90 percent for union shops. After this demonstration of membership support for union leadership and unions, this provision was dropped from the law at the instance of Senator Taft himself, among others, in 1951, by a unanimous vote in the Senate and a virtually unanimous vote in the House.

It was assumed from the President's message that a prestrike vote was contemplated, an assumption shared by the administration's Labor Secretary. Senator SMITH's bill, however, provides for a vote during the strike.

Whether Senator SMITH's bill is the administration's bill is, therefore, still in doubt. He says it is. The President refuses to say.

It seems to us characteristic of the whole faltering and evasive approach of the administration toward labor policy that at this late date a lack of candor exists as to the precise details of that policy.

A prestrike vote is an attempt to drive a wedge between the union's leadership and its membership. A poststrike vote, in addition, seeks to break a strike.

Such votes intensify industrial disputes rather than solve them. They freeze positions of both unions and management and hamper realistic bargaining.

In a prestrike vote every dispute is conducted in an election-year atmosphere. In a poststrike vote, every election is conducted in an atmosphere of industrial strife.

Experience here, too, demonstrates that union membership will overwhelmingly support their union's position during such a dispute. Both the President and Senator SMITH seem to overlook the fact that Taft-Hartley itself still contains a last-offer-vote procedure in national emergency strikes.

Results under this provision have led both congressional committees and impartial experts to the conclusion that this vote is at best futile and expensive, and at worst hampers, rather than facilitates, reasonable settlement.

Almost without exception, every last-offer vote under Taft-Hartley has resulted in an overwhelming rejection of the employer's last offer.

Indicative of the loaded character of the present proposal is the fact that Senator SMITH's bill provides that a majority of those eligible, rather than a majority of those voting, must vote to continue the strike. We doubt whether the Senator would agree to measure his own acceptability to his constituency by such a test.

Our objection to this proposal is not based on any fear that workers will repudiate their unions. The record proves we have no reason for such fear. Furthermore, by and large, all unions provide for democratic determination of strike action.

Our objection is rather to Government interference in labor-management affairs in such a manner as will hamper, rather than encourage, good faith collective bargaining and the reasonable settlement of disputes.

Moreover, we reject the basic philosophy behind the proposal that the way to improve labor-management relations is by weakening unions.

This philosophy is the direct reverse of President Eisenhower's campaign philosophy that "weak unions cannot be responsible. This alone is sufficient reason for having strong unions."

II

Everybody knows that one of labor's fundamental objections to Taft-Hartley is that it expressly authorizes the States to adopt laws even more restrictive of union security than Taft-Hartley.

The administration itself proposed to eliminate this open invitation to the States to adopt antilabor legislation in the abortive 19-point message during Secretary Durkin's tenure. This significant change in Taft-Hartley is omitted from the present proposals.

By failing to recommend the elimination of this Taft-Hartley provision, the administration has placed its stamp of approval on the "right to work" laws enacted in 16 States under the guise of "State's rights."

The slogan "right to work" is transparently fraudulent. By "right to work" is really meant the right of sweatshop employers to work their employees for long hours and short pay.

When the sweatshop brigade says "State's rights," it means the right of a State to enact harsh restrictions on the rights of workers. Curiously enough, the term "State's rights," as used by these interests, under no circumstances comprehends the right of a State to enact liberal labor legislation. Nor does the slogan "Right to work" include the right of a worker—regardless of race, creed, or color—to a job all the year round.

"State's rights" and "right to work," as used in the present context, mean only one simple thing: The weakening of unions so that an employer can pay his workers less for the same work than organized workers are getting in other States.

The President's message also permits the States to adopt compulsory arbitration as a means of dealing with alleged and undefined local emergencies, thereby overruling a decision of the Supreme Court invalidating such statutes under present Federal law. Here the President is for what he was expressly against in the campaign, namely, the use of compulsory arbitration, or the trend toward it, in the settlement of labor disputes.

The next step is plainly forecast in the President's message. The President states that he has under study and will propose legislation which necessarily will overrule a recent decision of the Supreme Court preventing State and local governments from usurping the authority of the Federal Government in the field of labor-management disputes affecting interstate commerce.

This will intensify the drive for State antilabor laws. Instead of even-handed justice in the field of labor-management relations in interstate commerce, there would be 52 brands—1 for each State, Territory, and the District of Columbia.

III

In the campaign President Eisenhower was against labor injunctions. He said injunctions "will not settle the underlying fundamental problems which cause strikes." The President says it again in his message: "Where a collective-bargaining relationship exists, the issuance of an injunction often has the effect of making settlement of the

dispute which led to the injunction more difficult."

Yet the President would leave in Taft-Hartley all of the types of injunctions now permitted by that statute with only one slight modification—that is, the changing of the mandatory injunction in boycott cases to a discretionary one.

This is a far cry from the pledge implicit in his campaign speeches that the Norris-LaGuardia Act, which he praised as a Republican achievement, would be restored.

IV

Everyone recognizes that the national-emergency provisions of Taft-Hartley are unsound. Yet the President's only proposal in this field would make the national-emergency procedure even more unsound.

The President has proposed that emergency boards of inquiry be empowered to make settlement recommendations after an antilabor injunction has almost run its course and presumably accomplished its purposes.

Whatever virtue there sometimes may be in such board settlement recommendations is lost by this ill-conceived procedure. Moreover, the fundamental defect of Taft-Hartley's emergency provisions—the reliance on the labor injunction—is retained.

The President's message speaks of the right of free speech as fundamental and states that Congress should make it clear that free speech applies equally to labor and management in every aspect of their relationship. Translated into Senator SMITH's bill, this results in further legalization of employer brain washing of employees in captive audiences.

The management-packed Labor Board has already achieved this amendment, except for a 24-hour period of relief from such practices immediately before a Labor Board election. Senator SMITH apparently proposes to abolish the 24-hour relief period.

VI

One of the President's flat commitments in the campaign was to rid Taft-Hartley of its provision prohibiting economic strikers from voting in a Board election—a provision which the President said licensed union busting. His message and the bill fall short of realizing this commitment. They merely postpone this ineligibility for a period of 4 months, after which strikebreakers are free to vote and economic strikers prohibited from voting. The President now proposes not to outlaw union busting, but merely to slow it down.

VII

Everyone familiar with the realities of collective bargaining knows that its essence is maximum freedom of negotiation and discussion. The Wagner Act, based on this reality, permitted the parties to raise and discuss any issue, regardless of whether or not it was covered in the contract. This did not require an employer to concur, nor did it require any change in the terms of a contract mutually agreed upon.

Taft-Hartley, as one of its restrictions, narrowed this area of negotiation and discussion to subjects not covered in the contract. It is now proposed that the law be amended to prevent negotiation or discussion on any subject during a contract's term unless express consent of both parties is obtained. This proposal to stifle discussion of problems of concern to either party during the life of a collective-bargaining agreement is impractical, unrealistic, and can only result in discouraging, rather than promoting, mutual understanding and reasonable settlement of problems of common concern.

VIII

Organized labor and management have worked out satisfactory checkoff arrangements under the present law. It permits an employee to authorize a checkoff of his dues by an assignment irrevocable for a period of a year and renewable from year to year thereafter unless revoked at stated annual periods. In all of the lengthy hearings last year before the Congress no one advocated any change in this provision or practice. Yet, the message and the bill now would change the checkoff provision to require it to be revocable at will. This, in practice, would result in disruption of stable practices already well established.

There are two reasons which underlie this proposal: One, to place in the Federal law the restrictions now found in the worst State right-to-work laws; and second, to weaken unions by providing a means of undermining their security.

IX

The President proposes that a study be made of union welfare funds for future legislation. It is our view that what is required in this field is not legislation but adequate enforcement of existing laws against anyone, be he company officer, union official, or insurance company executive, who is faithless to his trust in the administration of such trust funds.

X

The Taft-Hartley Act, as it now stands, holds a union liable for acts of its members where the union has not actually authorized or participated in or ratified these acts. It repealed the Norris-LaGuardia Act which required actual participation, authorization, or ratification of such acts after actual knowledge thereof. It is doubtful whether the message or the bill on this subject changes the Taft-Hartley Act in any material way and a change is long overdue.

XI

The President's message and Senator SMITH's bill give belated recognition to the fact that the present Taft-Hartley provisions for union security are unworkable in industries where employment is casual or sporadic. The beneficial results which otherwise might accrue from such recognition are substantially vitiated by the fact that the message and the bill leave intact the other Taft-Hartley provision which permits the States to override the union-security provisions of the Federal law. Thus, what is given by this bill for these industries is automatically taken away in the States which have adopted or may adopt such restrictive laws.

XII

The President's proposal to reduce some of the redtape in the filing of union reports is offset by the new requirement that employers file non-Communist affidavits. We have never believed that any good result could be achieved by requiring such affidavits either by employers or union officers.

The proposal does liberalize the Taft-Hartley boycott provisions, but not nearly enough. Still prohibited are justifiable types of union mutual assistance such as refusal to handle goods produced under sweatshop conditions, goods produced during a strike, or goods produced by runaway shops.

Finally, the proposed message does not meet many of the problems in the law needing correction to which numerous witnesses called the attention of Congress during last year's hearings on Taft-Hartley revision.

If there was any theme stressed by the President and other Republican orators during the last campaign it was that the "heavy hand" and "long nose" of government should be kept out of industrial disputes.

The President's proposal for amending Taft-Hartley make the Government's role in such disputes even heavierhanded than heretofore.

We need a sound approach toward collective bargaining and labor-management relations. Taft-Hartley is not such an approach. The President's message is even less so.

Since the hearings of last year unfortunately were conducted in the vacuum resulting from the administration's delay in stating its position, we are confident the labor committees of the Senate and House will afford the CIO and all other interested parties an opportunity to be heard on these proposals of the President and Senator SMITH's bill.

ST. LAWRENCE SEAWAY DEVELOPMENT CORPORATION

Mr. BUTLER of Maryland. Mr. President, is the morning hour concluded?

The PRESIDENT pro tempore. If there is no further routine business to be transacted, the Chair lays before the Senate the unfinished business.

The Senate resumed the consideration of the bill (S. 2150) providing for creation of the St. Lawrence Seaway Development Corporation to construct part of the St. Lawrence seaway in United States territory in the interest of national security; authorizing the Corporation to consummate certain arrangements with the St. Lawrence Seaway Authority of Canada relative to construction and operation of the seaway; empowering the Corporation to finance the United States share of the seaway cost on a self-liquidating basis; to establish cooperation with Canada in the control and operation of the St. Lawrence seaway; to authorize negotiations with Canada of an agreement on tolls; and for other purposes.

The PRESIDENT pro tempore. The question is on agreeing to the amendments offered by the Senator from Louisiana [Mr. LONG] proposing to change certain language on pages 6, 12, and 13.

Mr. BUTLER of Maryland obtained the floor.

Mr. NEELY. Mr. President, I ask unanimous consent to have printed in the RECORD a telegram which I received from William Blizzard, president, district 17, United Mine Workers of America, and I ask the Senator from Maryland to yield for that purpose.

Mr. BUTLER of Maryland. I shall be very happy to yield for that purpose, provided I do not lose the floor.

The PRESIDING OFFICER (Mr. COOPER in the chair). Is there objection?

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

CHARLESTON, W. VA., *January 14, 1954.*

MATTHEW M. NEELY,

United States Senate:

On behalf of members of district 17 I wish to enter a strong protest to St. Lawrence seaway legislation now before Senate.

U. M. W. of A. finds this legislation just as objectionable under Republican sponsorship as under Democrats. You are urged to exert all possible influence in preventing its passage.

WILLIAM BLIZZARD,
President, District 17, U. M. W. of A.

Mr. BUTLER of Maryland. Mr. President, I call to the attention of my colleagues my remarks in the closing minutes of the last session of the Senate before the adjournment last summer with regard to the St. Lawrence seaway project, and I take this opportunity to address myself to the pending bill, S. 2150.

It is indeed ironical that one of the next items of business to come before the Senate will be the question of raising the limit of the national debt. We were informed before Congress adjourned last August that this step would be necessary, and, in fact, as Senators will recall, an attempt was made to have that matter considered before the adjournment.

It would appear that nothing has taken place in the meantime to relieve us of this necessity. That of course means that we are not yet in a position to balance the budget. It is quite clear in such a situation that every effort must be made to economize in every possible way, and to eliminate all nonessential spending. Balancing the budget is not merely a desirable objective, nor is it just a case of fulfilling a campaign promise, but it is urgently necessary from the standpoint of the welfare of the Nation. An unbalanced budget leads to the continuation of high taxes, adds fuel to the flame of inflation, and generally threatens the economic stability of the country.

In this state of affairs, how anyone could vote for the expenditure of any substantial sum of money to provide for United States participation in the construction of the St. Lawrence Waterway, unless such participation be urgently necessary from the standpoint of our national security, is utterly inconceivable to me. The burden resting upon the proponents in this situation is far more than one of showing that construction of the project would be desirable or that it would be economically sound or that the project could be made self-liquidating and the investment of the United States amortized over the next 50 years. In normal times a demonstration of these things might well be enough, but it is entirely clear that it is not enough under the conditions prevailing today.

At the outset, I think it would be appropriate to set forth in summary form the major provisions of the bill the Senate now has under consideration. It will not be necessary to go into detail.

Senate bill 2150 would create a body corporate, to be known as the St. Lawrence Development Corporation, which would be authorized and directed to construct in United States territory navigation works of 27-foot depth in the International Rapids section of the St. Lawrence River, together with necessary dredging in the Thousand Islands section, and to operate and maintain such works in coordination with the St. Lawrence Seaway Authority of Canada.

The Corporation is directed not to proceed with the construction unless and until, first the St. Lawrence Seaway Authority of Canada provides satisfactory assurances that it will complete the Canadian portions of the navigation works; and, second, the Corporation has received satisfactory assurances that the State of New York or other licensee of the Federal Power Commission, in conjunction with an appropriate agency in Canada, will construct and complete the dams and power works approved by the International Joint Commission in its order of October 29, 1952.

In order to finance its activities, the Corporation is authorized to issue to the Secretary of the Treasury its obligations up to the amount of $105 million. The Secretary of the Treasury is authorized and directed to purchase such obligations and to use as a public debt transaction the proceeds from the sale of securities issued under the Second Liberty Bond Act.

Provision is also made for the Corporation to work out an agreement with the St. Lawrence Seaway Authority of Canada for the establishment of a system of tolls to be levied for the use of the waterway, or in the event such an agreement is not reached, to establish unilaterally a system of tolls for the use of the works in the United States. Standards are prescribed to govern the establishment of the system of tolls. Among other things, these standards include provisions to the effect that the rates prescribed shall be calculated to cover as nearly as practicable all costs of operating and maintaining the works, payment of interest on the obligations of the Corporation, payments in lieu of taxes, and, in addition, amortization of the principal of the debts and obligations of the Corporation over a period not to exceed 50 years.

I think that constitutes a sufficient description of the bill for my purposes.

My initial interest in this project arose by reason of the fact that substantial elements of the economy of the State of Maryland represented to me that this project would be harmful to their interests and to the State of Maryland. Accordingly, I gave this matter the most careful study, and reached the conclusion that the representations made to me were correct and that this project would be harmful to various elements of the economy of my State.

I make no apologies for my position, for I conceive it to be my duty to protect the legitimate interests of my State. On the other hand, important as those local interests are, I feel they are subordinate to the national welfare. For that reason I have studied this project with a view to determining what its national aspects are, for I wanted to know whether there were any overriding considerations which would cause me to favor this project, regardless of its effect on my State. Of course, national security would constitute such an overriding consideration; and, therefore, I felt it incumbent upon me to study this project without bias or prejudice, in order to determine whether it is necessary from the standpoint of national defense.

In this connection there are two points to consider: first, whether the project as a physical structure is necessary from the standpoint of national defense; and, second, even if one should conclude that it were necessary, whether there is any occasion for the United States to participate in this construction, as provided for in Senate bill 2150.

Let us look into the first question thoroughly. The claimed necessity of this project from the standpoint of national defense has rested almost entirely upon the argument that the Great Lakes steel industry would in the relatively short period of 10 or 15 years be unable to obtain an adequate supply of iron ore from the Lake Superior region; that it would become dependent upon the ore fields of Labrador, now under development, for a large portion of its needed supply; and that such quantities of Labrador ore could not be brought into this area economically without a 27-foot waterway through the St. Lawrence River.

The first scare headlines about our rapidly diminishing supply of high-grade ore in the Lake Superior region came at the time of the testimony of the then Secretary of the Interior before the House Public Works Committee, in the spring of 1951. The Secretary's conclusion was based almost entirely upon a mathematical calculation. He took from the Minnesota tax rolls the figure which purported to show reserves of open-pit, direct-shipping, high-grade ore in the Mesabi Range. He divided that figure by the annual production of such ore, and thus arrived at his conclusion that there was only 14 or 15 years' supply of such ore left. He failed to point out that these figures do not purport to be a true showing of reserves, but represent only the proven ore on which the owners are required to pay taxes.

As an indication of how unreliable such figures are as a true measure of reserves, consider the following figures: As of May 1, 1945, the Minnesota tax rolls showed, as an estimate of open-pit reserves in the Mesabi Range, 487 million tons. From 1945 to 1951, inclusive, 293.3 million tons of that type of ore were shipped, so we would naturally expect the remaining reserve to be 487 minus 293.3 million, or only 193.7 million tons. However, on May 1, 1950, the Minnesota tax rolls showed an estimate of reserves of that type of ore of exactly the same amount as they showed on May 1, 1945, namely, 487 million tons. The Secretary apparently failed to give due weight to the factors of new discoveries of ore, the improvement of equipment for stripping of overburden which has resulted in the reclassification of underground reserves as open-pit tonnage, and advances in the processes of beneficiation for ore.

Consider, for example, the views on this subject of Mr. Wilfred Sykes, chairman, executive committee, Inland Steel Co., as expressed in an article in the March 1950 issue of the magazine Midwest Engineers. Mr. Sykes stated in that article:

> There has been some rather wild talk regarding the possible future of the steel industry due to exhaustion of our present sources of raw materials. It has been suggested by an economist that in the future it will be necessary to concentrate the production of steel at the eastern seaboard where foreign ores could be received. This is based on the assumption that our existing sources of ore are being so rapidly depleted that steps must be taken promptly to maintain an adequate supply of steel. Fortunately this is not a true picture.
>
> At the present time we obtain about 85 percent of our ore from the Mesabi Range. In considering reserves, it is interesting to note that since 1915 about 1 billion tons of ore have been shipped from the Mesabi Range, but during this period the known reserves, as determined by the Minnesota Tax Commission, have decreased only about

300 million tons. This has been the result of—

1. The discovery of new ore;

2. Reclassification as ore of material previously considered of too low a grade to be economically shipped; and

3. Advances in the beneficiation of low-grade ores.

According to the best estimates available we probably have a supply of ore in the Mesabi Range that will last us for the next 30 years or so, after which the annual production will gradually decrease.

There are many varying estimates as to the quantity of reserves of high grade ore in the Lake Superior region, but the evidence that carries the most weight with me is that the men in the steel business think that the supply is adequate. This evidence is not in the form of concrete estimates expressed in millions of tons of reserves but is implicit in the actions of the steel companies.

In the period following World War II, the steel mills of the Great Lakes region of the Midwest have gone through the greatest expansion in their history. To me it is ridiculous to think that they would have taken such action without knowing that they were assured of an adequate supply of ore at economical prices for those mills. This point of view was well summed up by Mr. Elton Hoyt II, senior partner, Pickands, Mather & Co., one of our largest ore companies, in the following concluding paragraphs of an address entitled "Iron Ore in an Expanding Steel Industry," delivered at the general meeting of American Iron and Steel Institute on May 24, 1951. I quote from Mr. Hoyt's address as follows:

It is inconceivable to me that in planning the erection of costly additions to their plants at this time, and without Government subsidy, the executives of the great steel companies and their organizations do not know where the iron ore is coming from to operate their present as well as their new facilities. Unquestionably, if not unduly interfered with by outside influences beyond their control, the increase in pig iron production represented by new extensions now authorized will be forthcoming to meet the requirements of the present emergency, representing another and oustanding instance of the influence of the human element in the industrial picture.

It is my sincere belief that we may count among our blessings as American citizens the continuity of the courageous and far-sighted managements of this industry in the past and, above all, that the same managements for the most part continue today.

To me no other assurance is required that iron ore reserves are available for an expanding iron and steel industry.

In addition to the high grade ore from the Lake Superior region in Minnesota, there is an enormous field of high grade ore in Ontario known as Steep Rock which is being brought into production by United States interests. The chairman of the board of Steep Rock Iron Mines, Ltd., the company developing this field, has stated that the areas under development can comfortably support an annual production of upward of 15 million tons of high grade ore for an indefinite period. The Secretary of the Interior in 1951 placed practically no reliance upon this source.

As a means of bringing into perspective the figure of 15 million tons as annual production, it should be borne in mind that the initial planned production in Labrador by the Iron Ore Co. of Canada and the quantity which the president of that company, Mr. George M. Humphrey, testified would be adequate to make their investment of $200 million pay out, is 10 million tons a year. I should also point out that Mr. Humphrey further stated that this investment had provided fixed facilities which would permit the expansion of production in that field to as much as 20 million tons in 1 year. Thus it appears that in Labrador the production of 10 million tons a year is planned and the hope is harbored that this production may be expanded to as much as 20 million tons a year, but no plans are in contemplation for production in excess of 20 million tons a year.

In addition to the high-grade ore from the sources already mentioned, the steel mills of the Midwest can rely upon an additional source of supply in the form of taconite processed into usable form.

Taconite is the name used to describe the most common form of low-grade mineral, having an iron content of from 30 to 35 percent. The process for concentrating taconite into pellets of high iron content has been perfected to such a point that the steel companies of this country have been willing to invest enormous sums of money in such concentration plants.

According to the best information I have been able to obtain, the investment in such plants approximates $500 million. I have been unable to obtain accurate information as to how much annual production would be realized as the result of such an investment. However, a rough estimate may be made on the basis of statements contained in the lead article in the magazine Steelways for March 1951 entitled "Taconite: Iron Ore Bonanza." The article described the plans announced for the first full-scale commercial taconite plant. The first unit of the plant was designed to produce 2,500,000 tons of concentrated pellets per year. The article went on to say that the plant would be so laid out as to make possible a fourfold expansion for a potential 10 million tons per year at a total expenditure of $160 million.

This gives an indication that the investment of $500 million will probably support an annual production of approximately 30 million tons of ore.

Some people say that taconite is all right as a source of supply of iron ore but that it will be too expensive and will make the cost of steel too high. They do not produce any figures to support these statements, and against that we have the concrete evidence, evidence of the character that is entitled to great weight, that the owners of the steel companies of this country and of the ore companies have bet about $500 million that taconite will be competitive with high-grade ore.

Furthermore, some of the heaviest investors in taconite plants in Minnesota are the very companies that are engaged in developing the Labrador field. Several years ago Republic Steel Co. and Armco, two of the five steel companies interested in the development of the Labrador field, purchased all of the stock of the Reserve Mining Co., which controlled an enormous deposit of taconite. The Chicago Tribune of September 19, 1950, contained an announcement of this purchase, together with the plans of these two companies for construction of a taconite plant at Beaver Bay, Minn. The following is taken from that announcement:

Republic Steel Corp. and Armco Steel Corp. announced today they have purchased equally all stock of the Reserve Mining Co. of St. Louis County, Minn.

The mining company controls a deposit of at least 1,500,000,000 tons of magnetic taconite iron ore at the eastern end of the Mesabi Range. Incorporated 11 years ago, the mine has not been worked extensively.

A Republic spokesman said the mine will provide the two steel companies with a major part of their ore requirements for years to come.

When converted, the deposits will yield about 500 million tons of high-grade iron ore, enough to supply 10 millions tons of ore annually for the next 50 years, he estimated.

Certainly, no one could accuse these two companies of being detractors of the Labrador development, and yet, it seems clear that they plan to place more reliance upon taconite as a source of iron ore for the future than on high-grade ore from Labrador.

The quantity of usable iron ore to be obtained from taconite is practically unlimited, for there seems to be no dispute whatsoever that the quantity of taconite and other low iron content minerals is so great that it would support indefinitely into the future any conceivable level of production. The only limitation is that based on the economic discretion of the owners of the steel mills and the ore producers.

I think at this point it might be well to discuss some of the relative advantages and disadvantages of relying upon Labrador ore as a source of future supply for the steel mills of the Midwest as compared with relying upon increased production of taconite.

All the ballyhoo about the Labrador ore field has caused many people to accept as fact that this is an incomparable source of ore. They point out that there is a large reserve supply of ore, that it will be open-pit direct-shipping ore, and that it will have the advantage of rapid expansibility of production in time of need. They stop at this point.

They do not point out that this field lies 365 miles in the interior of northern Canada in a virtual wilderness, with no supporting population and with no means of the labor force employed there earning a living in the vicinity in the 6 or 7 months when they cannot be engaged in the production of ore. Who knows whether those promoting the Labrador ore development will be able to increase their labor force in time of war when the supply of labor will be very short, on a half-year basis, as would be necessary here? Who knows whether the investors in the Labrador ore field will see fit to maintain standby equipment for the production of the ore,

standby port facilities, and standby rail equipment, all necessary in order to realize on this factor of expansibility?

It must be borne in mind that the 365-mile railroad serving the Labrador field has 2 dead ends and is not connected with any other rail lines anywhere. There will not be available the flexibility inherent in the pooling of all the cars of this country made possible because it is a single interconnected system.

To bring about any substantial expansion of production in Labrador it would be necessary to bring in by boat additional rail equipment in the form of cars and locomotives, unless, as I have said, the investors in the Labrador field are willing to have a part of their investment tied up in the maintenance of such standby equipment.

Of course, all these factors also have a bearing on the cost of the ore laid down at the point of use. Actually, all we have in the way of evidence as to the reasonableness of the cost of Labrador ore is that to be inferred from the fact that certain investors are expending $200 million on the bet that the ore produced in Labrador will be competitive with other existing and contemplated sources of ore.

Let us now consider some of the advantages of producing ore from taconite, located in the Lake Superior region of the United States. The taconite fields are situated in the same region as the high grade ore fields. They have available a supporting population, they have available rail facilities heretofore employed in the movement of high grade ore. They have available also the dock facilities and handling facilities and the existing fleet of ore boats, and the know-how, all of which have made possible the movement of up to 90 million tons of ore in a single year, from the upper Great Lakes to the lower Great Lakes, in one of the most efficiently and economically handled movements of a bulk commodity known to the commercial world.

One other factor to be taken into consideration is that because of the uniform size and quality of the pellets concentrated from taconite, and its high iron content, the production of pig iron from the use of a ton of taconite pellets is expected to be about 20 percent higher as compared with a ton of ordinary high grade ore such as would be obtained from Labrador.

All these factors, of course, enter into the determination of the ultimate cost of steel, and after all, in the final analysis, that is what counts.

Again, as I have already said, I have no concrete evidence of what the cost would be of ore obtained through the concentration of taconite, or what the cost of steel would be made from such concentrated ore, but, as in the case of Labrador ore, we have as evidence the fact that investors have bet at least $500 million that such ore will be competitive with high grade ore.

Mr. LONG. Mr. President, will the Senator from Maryland yield?

Mr. BUTLER of Maryland. I am very happy to yield to my distinguished colleague from Louisiana.

Mr. LONG. I am sure the Senator from Maryland realizes that in spending American funds to reduce the cost of bringing Labrador ore into the Great Lakes region, we are subsidizing an undertaking which is competitive with the development of our own resources.

Mr. BUTLER of Maryland. That is entirely and completely correct, and I point it out later in my remarks.

Mr. LONG. As a matter of fact, development of the vast taconite reserves in the Lake Superior region will cost a large amount of money, and the cost will be greater than the cost of producing high-grade ore. Is that correct?

Mr. BUTLER of Maryland. That is correct.

Mr. LONG. When we undertake such an operation, we must realize that it is necessary to find some way of reducing the cost of producing our ore in order to make it competitive with the ore coming out of Canada; and in the event of a grave national emergency, the transportation system from the Lake Superior region to the steel mills of the Great Lakes region will be far more reliable than a system going through Labrador by a long, one-track railroad and on down through 14 locks into the Great Lakes area.

Mr. BUTLER of Maryland. Yes; and, as I pointed out before the Senator from Louisiana came into the Chamber, the Labrador railroad line is 365 miles long, and at the location of the pits in Labrador there is no labor force and there are no commodities or facilities of any kind; they must all be built. In addition, they must be built on a stand-by basis, because for 4 or 5 months of the year ore cannot be mined in Labrador.

Mr. LONG. If the St. Lawrence navigation project is to be paid for from tolls, it is interesting to note that the American consumer will be the ultimate person who will have to pay the tolls.

Mr. BUTLER of Maryland. That is correct.

Mr. LONG. Because anyone who brings the Labrador ore into the United States will have to pay the cost of bringing it in and will pass that cost along to the American consumer.

Mr. BUTLER of Maryland. Precisely so.

Mr. LONG. So that in the long run Canada will get back her $500 million, together with any other amount she may invest, from the American consumer.

Mr. BUTLER of Maryland. That is perfectly correct.

If the Senator from Louisiana will permit the remark, it seems to me to be another way of giving away America to a foreign nation.

Mr. President, in comparing the advantages and disadvantages of Labrador ore and ore concentrated from taconite as a future source of supply for the steel mills of the Midwest, one other important factor, which I have not yet mentioned, should be taken into consideration.

The Labrador field lies wholly within a foreign country under its complete political domination, whereas the taconite fields upon which we could rely are located entirely within the United States. Bear in mind that the frame of reference within which we are considering this problem at the moment is from the standpoint of national security. From this standpoint can there be any possible question as to the advantage of having the source of supply of a raw material so vital as that needed for the production of steel wholly within our own country and under our own control rather than in a foreign country?

Mr. President, this is one of the crucial points in this case. For that reason I have sought to make a proper evaluation and appraisal of the relative importance of Labrador ore and taconite production in this country as a source of ore from the standpoint of our future national security. On this point, fortunately, we have such an appraisal by the men who should know best, the men in the business.

Mr. LONG. Mr. President, will the Senator from Maryland yield further?

Mr. BUTLER of Maryland. I shall be happy to yield.

Mr. LONG. In regard to the point that the proposed seaway would be valuable for national defense, it is significant that the more we rely upon Labrador ore at the expense of retarding the development of more than a hundred years' supply of taconite ore in the Lake Superior region, the more vulnerable will be our entire system of producing ore and transporting it to the mills.

Mr. BUTLER of Maryland. That is true. We would develop a Canadian resource and if the time comes when we really need it, Canada will have her own steel industry and will need that ore herself. When we need it, it will be in Canada, and Canada will keep it there, and our production in the United States will be neglected.

Mr. LONG. The point has been made that it is necessary to protect the Soo locks in order to be sure that Lake Superior ore will be economically transported in sufficient volume to the steel mills in the Lake Erie region. Nevertheless, the fact remains that at the Soo there are five parallel locks, and in order to bring ore to the steel mills it is necessary to go through only one of those five locks. On the other hand, if this Nation is going to rely upon the St. Lawrence project, there would be at least 14 locks upon which we will be dependent, and it would be necessary to go through all the 14 locks. It would not be possible to bypass a single one of the 14 locks. If any one of them were sabotaged or put out of business, either by breakdown or for any other cause, it would mean that it would be impossible to traverse the St. Lawrence seaway.

Mr. BUTLER of Maryland. It would not only be impossible to traverse it, but it would be impossible to get out of it the much-needed ships on the other side of the damaged lock. Shipping would be tied up, and we would not get the ore we need.

Mr. LONG. It is very simple to concentrate defenses around anything which is so vital as the Soo locks, but it would be a very difficult undertaking to try to defend 14 different locks.

Mr. BUTLER of Maryland. The Senator from Louisiana, as I proceed with

my speech, will see that the point he has now raised has been considered by very eminent men in our Defense Establishment, and they have concluded that it would be sheer folly to rely upon the seaway in time of emergency.

Mr. LONG. Mr. President, will the Senator from Maryland yield further?

Mr. BUTLER of Maryland. I yield.

Mr. LONG. I am sure the Senator also appreciates the distinction between defending a railroad which runs through heavily populated portions of the United States and defending a railroad which runs hundreds of miles through the wilds of Canada and Labrador.

Mr. BUTLER of Maryland. That is perfectly correct.

Mr. President, in June 1951, Director of Defense Mobilization Charles E. Wilson appointed a steel task group to appraise the adequacy and planned capacity of the steel industry to meet military requirements and to evaluate the supply available for all other uses. This task group was headed by Hiland G. Batcheller, chairman of the board of the Allegheny Ludlum Steel Co., of Pittsburgh, and Director of the Iron and Steel Division of the War Production Board during World War II. The task group was composed of 36 members, most of them experts in the field of steel production. According to a release of January 23, 1952, by the Office of Defense Mobilization, the group held numerous meetings with steel industry representatives, other steel experts, steel consumers, and Government officials before arriving at its conclusions; also, according to the release, one of the conclusions with respect to iron ore was that "the need for supplementing present domestic sources of high-grade ores with high-grade concentrates is paramount for developing national security."

That covers exactly the point which the Senator from Louisiana raised.

Mr. LONG. Mr. President, will the Senator from Maryland yield further?

Mr. BUTLER of Maryland. I yield.

Mr. LONG. I am sure the Senator realizes that in order to develop and process the taconite which is necessary to be utilized crushing machinery and a vast amount of other heavy machinery are required.

Mr. BUTLER of Maryland. That is certainly true.

Mr. LONG. We cannot expand the capacity overnight. It has to be developed as time goes on.

Mr. BUTLER of Maryland. That is correct.

The release also quoted the following from the report of the steel task group:

> If planned facilities are to produce from 118 million to 120 million ingot-tons of steel, an adequate supply of raw materials is obviously essential. We recommend, therefore, that—
>
> 1. In order to supplement the diminishing supply of domestic high-grade ore, action be taken to encourage and aid in every way possible programs now underway designed to beneficiate low grades of ore (taconite and others) in order that they may be utilized economically, and, further, that encouragement and aid be extended to those who are undertaking aerial surveys with the aid of the magnetometer and gravitometer, with the objective of locating possible new deposits of domestic ore. Any favorable results from such projects would reduce our dependence on foreign sources in case of a global war.

The report of the steel task group has been classified and is not obtainable, but from the release it is quite obvious that the report did not recommend construction of the St. Lawrence waterway as one of the steps necessary to assure us of an adequate supply of ore in the interest of national security.

I wish to point out at this time the utter absurdity of one of the basic arguments of the proponents of this waterway. As Senators know, Canada has expressed complete willingness to build a 27-foot waterway through the St. Lawrence River, entirely on its own, and entirely at its own expense. In fact, it has obligated itself to do so both in an exchange of diplomatic notes with this country and in an application to the International Joint Commission. Thus, if Canada carries out its obligation there will be available a waterway for the movement of Labrador ore to the Great Lakes, this being the use of the waterway deemed to be of the greatest importance from the standpoint of national defense. Yet proponents say that unless S. 2150 is passed and unless the United States participates in the construction and control of the waterway through the St. Lawrence River, Canada through its sole control of this waterway might take action that would impede its usefulness to us in the transport of ore from Labrador in the time of great need.

There are a great many pertinent considerations in this connection that I shall go into at greater length later, but suffice it for these purposes to point out that Canada would in any event have complete control over portions of the waterway that lie wholly in Canada. Furthermore, there is the fact that under treaty rights we are guaranteed equal use of the waterway with Canada and, in the event tolls are imposed, guaranteed complete equality in the matter of tolls with Canadian commerce.

The point I mean to make at this time, however, is that proponents purport to express concern over the fact that we may not have some voice in control of a portion of the waterway, and yet express no concern whatsoever over their prediction that we will become dependent for a vital raw material, such as iron ore, upon a source which lies wholly within Canada and is completely under the political control of Canada. In fact, their promotion of the St. Lawrence waterway is directed at creating a greater dependence upon this source of iron ore to the detriment of the development of an adequate source of iron ore lying wholly within our own borders and under our own control. Thus, if the expressed concern about the complete friendliness of Canada has any substance whatsoever, the interests of national security would dictate the prevention of the construction of the St. Lawrence waterway by anyone.

As a matter of fact, it does not seem to me that it requires the opinion of a board of experts to bring home the realization that it is highly important for the United States to be in a position to supply itself with iron ore from sources within its own borders and under its own political control to the greatest extent possible. It is obvious that it is within our capabilities to become completely independent of any foreign source for vital quantities of this raw material. No matter how friendly the foreign country, it is not consistent with the best interests of our national security to have to rely primarily upon any foreign source where that is avoidable.

While Canada is as friendly as any foreign nation could be, and while if we had to rely upon any foreign country for one of our vital raw materials Canada would probably be the Nation we would all choose first, let me suggest one of the possibilities that might make it unwise to place too heavy dependence upon Labrador as a source of iron ore. This is a possibility also that is entirely consistent with Canada remaining completely friendly to the United States.

Every country that is primarily a supplier of raw materials has aspirations to use those raw materials for the production of finished goods at home rather than to export them in their cheapest state to sustain the production of other countries. The debates in the Canadian House of Commons, in December 1951, when the bill for the construction of the All-Canadian Waterway was under consideration, reveal that Canada does have such aspirations, and the tremendous economic growth of Canada in recent years makes it a definite possibility that such aspirations may be realized in the not too distant future.

The following statements in the course of the debates, by Mr. George A. Drew, leader of the opposition, are worthy of note in this connection. Let me quote from his speech on December 4, 1951:

> However, while we recognize that need, since Providence has placed at our disposal so much of this vitally precious metal, as we make our plans for supplying iron ore to the mills of the United States we should be laying plans now for the construction of mills in Canada to produce steel on a scale we have never contemplated at any time in the past.

At a later point in his speech, after discussing the manner in which Canada had developed from a mere supplier of forest products to the United States to a manufacturer of those products, Mr. Drew stated:

> If it was sound for us to raise ourselves from the position of woodchoppers for the workers of the United States, it is equally sound for us to say that we shall not limit ourselves to the digging of the iron ore, that we shall give to workers here in Canada, and workers yet unborn, employment on a scale we have never even contemplated, through the use of these new resources now available to us.

Again, Mr. Drew stated:

> The plans to which I was referring were plans to expand our own production by the best possible use of our resources, and that is what I am suggesting again tonight.
>
> Once again I want to emphasize the vital role that iron and steel play. No oil would be found without steel. No copper, zinc, or aluminum would be produced without steel. None of the great synthetics that we

are producing today would be produced without steel. It is the basis of modern industrial expansion. That being so, of all the resources we possess I suggest it should be the declared policy to make sure we will use that raw material to the very best advantage of all Canadians when it is actually brought out from the soil.

It seems to me the foregoing indicates the distinct probability that there will be other demands upon the supply of iron ore from Labrador which may have priority over the demands of the United States steel mills.

What I have said thus far leads to the inescapable conclusion, first, that an adequate supply of iron ore for the steel mills of the Midwest is available and will be available from the Lake Superior region for the foreseeable future, and second, that in any event it would not be wise for the United States to become dependent upon the ore fields of Laborador for any vital portion of its supply of this essential raw material.

By what I have said I do not mean to indicate that we should not use Labrador ore if it can be produced and marketed at a price making it competitive with other ore. The developers of the Labrador field are of the view that this can be done without the St. Lawrence waterway. Mr. George Humphrey very freely admitted that the $200 million investment in Labrador was not based on the assumption that there would necessarily be a 27-foot waterway through the St. Lawrence River. He said that in his opinion 10 million tons annually of Labrador ore could be marketed economically without the waterway and at a price competitive with Lake Superior ore.

He said that without the waterway he anticipated that perhaps from two to four million tons would move by deepdraft vessels to east coast ports, and that from six to eight million tons would move to Montreal and there be transshipped for movement either in small vessels through the existing 14-foot canals or by rail to interior points such as Pittsburgh. His only point was that there was some doubt as to whether quantities in excess of 10 million tons could be marketed economically without a 27-foot waterway through the St. Lawrence. It was not contended that amounts in excess of 10 million tons could not be marketed by existing forms of transport and commercial routes, but merely that such amounts, if brought to points adjacent to Lake Erie and to mills in the Ohio Valley, would have to be at a somewhat higher cost that might perhaps make such ore not competitive with ore from the Lake Superior region. If it were not for the fact that most of the steel mills belonging to the five companies engaged in the development of the Labrador field were located in these areas, it is quite clear that there would be no advocacy of the St. Lawrence waterway from any of the steel interests.

Thus, what is at stake is not a question of national security, but merely a question of economic advantage for a small segment of the steel industry. In fact, it is pretty clear that the project proposed in the Senate is almost wholly for the benefit of a handful of private companies constituting a minor segment of the steel industry. From the day the St. Lawrence waterway project was first envisioned it was always on the basis of a uniform depth for all of the Great Lakes, but now the project calls for a 27-foot depth only as far as Detroit, since the steel companies in Labrador have no interest in carrying their product beyond Lake Erie.

Moreover, all through the years the project has been envisioned as one that would permit oceangoing vessels to ply directly between ports of the Great Lakes and European ports without the necessity for transshipment, and was long ago dubbed by its proponents as the St. Lawrence seaway. Now that the economics of shipping have forced vessel operators to turn to the use of oceangoing ships of greater draft than can be operated economically through a 27-foot waterway, particularly those of United States registry, it is still being advocated at that same limited depth, which, it so happens, is entirely adequate for lake vessels of the type used to transport iron ore.

It is hard indeed to escape the conclusion that, so far as American interests are concerned, this project is tailor made to suit the economic needs of this handful of steel companies. Never before, so far as I can recall, have so many been asked to spend so much for so few.

Another fact should be borne clearly in mind. There is no dispute that Labrador ore moving via the ocean route to east coast ports and then inland by rail to Pittsburgh could be marketed at that point as cheaply as the same ore could be marketed at that point after moving through an improved St. Lawrence waterway, or perhaps more cheaply. There is also no dispute that, as to all points east of Pittsburgh, Labrador ore moving via east coast ports could be marketed more cheaply than it could moving through an improved St. Lawrence waterway.

The consumption of ore by the steel mills located in the Pittsburgh area and points east of Pittsburgh is sufficiently great to absorb the production from Labrador. The steel-producing points closest and most readily available for the marketing of Lake Superior ore are those located in Illinois and Indiana, on Lake Michigan, at Cleveland and at certain other points on Lake Erie, and inland points in Ohio close to Lake Erie. These are what might be called the natural market areas for Lake Superior ore. There is no doubt whatsoever that sufficient ore from the Lake Superior region will continue to be produced in quantities sufficient to supply the needs of all the areas mentioned.

In addition to these points, practically all the ore used in the Pittsburgh area has come from the Lake Superior region. This is also true as to Johnstown, Pa., which is east of Pittsburgh, and much of the ore consumed by steel mills located in eastern Pennsylvania and Maryland has come from the Lake Superior region. These are not natural market areas for Lake Superior ore; and the farther east we go in the marketing of Lake Superior ore, the more such areas fall into the category of marginal markets for Lake Superior ore. If there should be any diminution in the supply of ore available in the Lake Superior region, it would be only natural that the Lake Superior region should cease to supply these marginal markets rather than its natural markets.

On the other hand, the marginal markets for the Lake Superior ore constitute the natural markets for foreign ore, such as that from Labrador, Venezuela, Libya, Sweden, and other foreign sources. Therefore, all that could really be accomplished by providing a waterway through the St. Lawrence at Government expense, which inevitably, in my opinion, will constitute a subsidized waterway, would be to permit the developers of the Labrador field to cut into the natural market for Lake Superior ore when they have available to them a natural market of their own.

In short, I say the St. Lawrence project does not make sense economically, but makes sense only as a means of giving a competitive economic advantage to a few steel producers.

I think I might just as well address myself at this point to one of the arguments which has been advanced many times by the proponents of this project. They have said, "Yes, Labrador ore can be marketed economically in peacetime, and there would be no necessity for the St. Lawrence waterway in order to market all the ore that could be produced in Labrador. But what about wartime, when the shipping lanes via the ocean might be cut off by submarine, and Labrador ore could no longer be brought down to the east coast ports with safety?"

Let us leave aside for the moment the question of whether our Navy, using the convoy system as it did so successfully toward the end of the last war, could keep these shipping lanes open. Let us accept for the time being the assumption of the proponents that the ocean lanes would be cut off by reason of submarine activity. If for that reason Labrador ore could no longer be brought to the east coast ports, certainly the same thing would be true of the ore moving to the east coast ports from Venezuela, Libya, and all the other foreign points from which ore is now being received on the east coast.

As my colleagues know, there has been and there is still going on an enormous expansion of steel capacity in mills located on or near the east coast. They will receive substantially all their ore from these foreign sources. If in time of war these sources of ore supply were shut off, what would we do? It is perfectly clear that we could not afford to shut down these mills, and we would be faced with the necessity of finding ore to supply them. As a matter of fact, this did happen during the last war, and it was necessary to bring ore all the way from Lake Superior to Sparrows Point, Md., to keep the Bethlehem Steel plant there in operation. Would we have to do that again, or would there be available any closer supply of iron ore?

Under those circumstances, assuming the Labrador field to be in production, the Labrador field would constitute a closer source of supply. However, in supplying these mills with Labrador ore there would be no occasion whatsoever for the use of the St. Lawrence waterway even if it were in existence. In this situation Labrador ore would move by vessel to Montreal, which it could do in deep-draft vessels, because there is already 35 feet of water as far west as Montreal, and then be transferred to railroad cars and brought due south to the eastern mills, which are on a direct parallel with Montreal. A study of this possible movement has already been made by the railroads, and they inform me that they have the ability to handle the movement. What would be the sense, in such a situation, of carrying Labrador ore an additional 500 miles west of Montreal through the slow and tedious course of the St. Lawrence waterway to Lake Erie points, and there transferring it to rail cars and hauling it back east again? If Labrador ore were not used to supply these mills, there would be no other choice than to move Lake Superior ore all the way to these eastern mills.

Thus, in time of war, under the assumptions made by the proponents of the bill, in order to use the St. Lawrence waterway at all for the movement of Labrador ore, it would be necessary to engage in a wasteful, time-consuming cross-hauling of ore, which could not be tolerated at such a time.

So when we consider that the principal argument for the proposed waterway, from the standpoint of national defense, is for the purpose of transporting Labrador ore, and reason and good common sense indicate that regardless of where Labrador ore might move in peacetime it would not move via the proposed waterway in wartime, the argument of the proponents collapses utterly and completely.

While the use of the proposed waterway for bringing in Labrador ore has always constituted the principal argument for the project as a national-defense measure, I think it would be well to deal at least briefly with the other two arguments which have from time to time been advanced in support of this project from the standpoint of national defense.

One of these arguments has been stated in this way:

> Construction of the proposed waterway would provide shipbuilding and ship-repair facilities, located in a relatively secure area, capable of expansion and conversion for handling deep sea vessels, which could be used to supplement coastal shipyards.

I should like to answer this argument by referring to the testimony of Vice Adm. Russell Willson, United States Navy, retired, presented before a subcommittee of the Committee on Foreign Relations of the Senate on Senate Joint Resolution 111, 80th Congress. Admiral Willson held many high positions in the Navy; and during World War II he held such positions as Chief of Staff and Deputy Commander in Chief to Admiral King, naval adviser to the Joint Chiefs of Staff; naval member of the Strategic Survey Committee, and member of the United States delegations at the Dumbarton Oaks and San Francisco Conferences.

With respect to the value of the St. Lawrence project as a means of providing shipbuilding and ship-repair facilities in the Great Lakes, on the theory that this area was relatively secure, he had the following to say:

> This reference to a relatively secure area, in my opinion, is a questionable point. There is a traditional idea that in wartime, inland areas are more secure than those on the coast. This is no longer true as regards the United States. In the first place, our only possible enemy—due to national limitations—will always have a relatively insignificant Navy incapable of carrying an attack to the coasts of this country.
>
> * * * * *
>
> As to the shipbuilding and repair facilities' being capable of expansion and of conversion to supplement coastal shipyards, the future necessity for such additional building capacity for oceangoing ships, in my opinion, is not the same as it was on the eve of the last war, when most of the discussion of this subject occurred. It would seem that the shipbuilding facilities which supported an all-out war on both sides of the world should be adequate to do likewise in any war which can be foreseen. I can see nothing in the warfare of the future to change the role which the Great Lakes shipyards played in the last war. They built 510 small vessels, up to and including escort destroyers and submarines. Any additional capacity could be used for similar purposes, as this was only 12½ percent of the number of these types of vessels built during the war.
>
> * * * * *
>
> Had I the decision, I would think long and hard before I counted heavily on shipbuilding facilities for deep-sea vessels in the Great Lakes, when all facilities there could be used many times over for equally necessary small vessels. Nor would I care to lay down Liberty ships, destroyers, and cruisers in that area, where one bomb placed at a critical point in this project could bottle them up, perhaps for the rest of the war.
>
> In my opinion, the concept that this project would make a substantial contribution to national security by providing additional facilities for deep-sea vessels in a relatively secure area has been largely nullified by recent and prospective developments in the field of warfare.

Mr. President, it seems to me the admiral's statement makes the greatest good sense. When we add to it the fact that we have, located on all three of our coasts, a vast quantity of shipbuilding facilities, suitable for the construction of deep-draft vessels, but presently surplus and being held in reserve for an emergency, it is inconceivable that new facilities for oceangoing vessels would be constructed in the relatively vulnerable area of the Great Lakes.

The third, and final, argument for the proposed waterway from the standpoint of national defense has been that it would constitute an additional line of communication, and one which would be safer for the handling of shipments to Europe, because via this route there would be one-third less open-ocean travel.

With regard to this argument, again I should like to quote several statements made by Admiral Willson as to the value of the proposed waterway as an additional line of communication. He had this to say:

> I sat in on a hundred or more meetings of the Joint Chiefs of Staff and, I might add, of the combined Chiefs of Staff, and was familiar with the planning of all the large operations. I was Admiral King's representative, particularly in charge of the arrangements for the north African invasion. I know that the great problem was not getting cargoes to the loading ports but getting ships to take them overseas. The question arises whether under such circumstances ships would be used to parallel land transportation. It might well be that the wartime traffic on this waterway would be reduced because the ships would have to be employed elsewhere.

As to its being a safer route, Admiral Willson had this to say:

> The statement has been made before this committee that this route has the added advantage of protection from underwater craft at least a third of the way into the North Atlantic sea lanes. If this statement conveys the idea that as between comparable routes, say Montreal to Liverpool, and Boston to Liverpool, the former is one-third safer from submarines, it should be corrected. Actually, only about one-eighth of the Montreal route is safe from submarines, which operated successfully throughout the war in the Gulf of St. Lawrence, as far west as the Gaspe Peninsula just below Quebec. There is a digression there. While there was not much traffic, relatively, out of the St. Lawrence during the war, six ships were sunk there by submarines, and there were no submarines sunk, the reason being that the conditions there for submarines are very favorable.
>
> But technical considerations, with which I shall not burden the committee unless they so desire, counterbalance even this theoretical advantage of one-eighth. I have recently talked with the officer who ran the operating end of the antisubmarine warfare for Admiral King. There is no higher authority on the subject. It was his opinion, and I fully concur, that due to technical considerations, namely, facilities for diversion, weather for air coverage, and underwater sound conditions, the route from New York or Boston to Europe is as safe or safer than the route from Montreal.

These are the views of a genuine military expert who had investigated and studied the problem thoroughly, and it seems to me his points are very well taken. If they were not well taken, it seems to me it was incumbent upon the advocates of this project to put on the stand military experts to answer these arguments and contradict the conclusions reached by this witness. Yet this has not been done.

Incidentally, Admiral Willson's general conclusion as to the national-defense value of the project was as follows:

> After balancing all factors pro and con, it is my opinion that the St. Lawrence project would make such a limited and uncertain contribution to national defense that the decision to build it must be based entirely on other considerations.

In considering the national-defense value of this project, it is of course highly important to consider the probability of the project's being available for use in time of war. In other words, we must consider the question of its vulnerability. It is all well and good to talk about the theoretical advantages of the proposed St. Lawrence waterway in time of war, but of course they are all completely illu-

sory if in time of war the probabilities are that the project would not be available for use. It is common knowledge that a lock-and-dam project is extremely vulnerable to both sabotage and air attack. Admiral Willson referred to this matter briefly, but I should like to refer specifically to the views of two other experts who testified with regard to the proposed waterway.

One of these was Maj. Gen. Follett Bradley, United States Army, retired. Among other important assignments which Major General Bradley held during the war was that of commander of the 1st Air Force, with the job, among others, of organizing the air defense of our coastwise shipping on the east coast.

The other expert was Vice Adm. Gerald F. Bogan, United States Navy, retired, 26 of whose 38 years of active service were spent in the naval aviation branch. I should like to quote several excerpts from the statement made by Major General Bradley before a subcommittee of the Committee on Foreign Relations of the Senate on Senate Joint Resolution 111.

The real question is: Can the project, with its 40 locks, more or less, and its proposed dams and powerhouses be defended against enemy air attack? I answer categorically, "No." Let me remind you that in Europe in 1944 between September 23 and October 14—3 weeks—we interdicted the north German canals, Dortmund-Ems and Mittelland. We closed off the Rhine to enemy traffic at Cologne, and the water movement of coal to southern Germany ceased. An enemy with access to the polar route could and definitely would destroy the project's locks and dams and powerhouses and sink ships in the narrow canals in the St. Lawrence seaway just as effectively as we did in Germany. If he should be successful in establishing and maintaining air bases in northern Canada, Greenland, or Iceland the task would be that much easier.

* * * * *

It is our Air Forces' proud boast that no American bombardment formation, even when suffering heavy losses, has ever turned back from its objective because of enemy action. He is optimistic indeed who believes that our enemy would be any less determined and less willing to accept losses, and that he could be stopped.

It might be said that the weapons of defense have improved since World War II. That is true. But the weapons of offense have also improved, and it is my opinion that the St. Lawrence seaway and power project cannot be defended. Its location in this area might be excused by arguing that there are so many lush targets already existing there, that the addition of a few more will not make any difference. This excuse does not appear reasonable when it is realized that the proposed powerplant will be the largest in the world.

I think you would be interested in a brief description of the destruction of the Ruhr dams to which I briefly referred earlier in my statement. The essential facts were these: Wing Comdr. Guy Bibson, of the Royal Air Force, was notified in March 1943 that he was to have carte blanche in forming a heavy bombardment squadron to execute a top-secret mission of extreme importance and urgency by precise bombing at night from very low altitude. He had complete freedom of choice in his personnel, equipment, and training methods.

On the night of May 16–17, 1943, the attack was made with 16 Lancasters. Eight were shot down, but the Mohne and Eder Dams were breached, with 4 mines effective on the first, and 2 on the second. * * * The millions of tons of water released from the Mohne and Eder Dams ruined the canals, inundated and swept away highways, bridges, and factories, and wrought havoc generally in the valley of the Ruhr.

On this point, Admiral Bogan had the following to say in testifying before the House Committee on Public Works on House Joint Resolution 4 and other measures, in April 1951:

It is my considered judgment that no defense measures could be so effective as to prevent major damage to one or many locks or to the power site dams. With the exception of Alaska, the area of the proposed St. Lawrence Waterway is one of the nearest targets for air attacks launched across the polar region. We do not have now, nor will we in the future, a defense capable of completely aborting a determined attack or series of attacks of this nature.

That defense would require, in the area from the Welland Canal to Montreal and in the dam locales, great numbers of antiaircraft batteries, numerous widely dispersed airfields for interceptor fighters, and in extended radar coverage blanketing the probable direction of an expected attack. The physical security of the installations from sabotage could be assured only by the permanent presence of large numbers of troops, at a time when such men would be sorely needed elsewhere.

It is my conviction that if an enemy considered major damage to this waterway necessary in its conduct of the war, no defensive effort on our part would prevent or abort attacks to a degree that would not permit him to inflict that damage. A recent article by the Chief of the Air Force estimates that only 30 percent of the planes in a massive attack could be destroyed before reaching their objective. That objective in the St. Lawrence Waterway includes 15 locks and 2 large dams. The locks of the Welland Canal extend over a distance of 27 miles. In the passage from Lake Ontario to Montreal are 7 additional locks not concentrated in a manner which permits strong, overall defense, but so separated by distance that each of 5 separate areas would require its own individual defensive measures. The dams for increasing the depth of water and impounding it for power are even more vulnerable, and damage to one or both would be as vital as damage to one or more locks.

It is apparent to you gentlemen, I am sure, that major damage to any one of the installations in the controlled depth area of this project would immediately render the oceangoing feature of the waterway useless until repairs were completed. It is also equally apparent that successful attacks would be repeated. Duplication of lockage facilities, a tremendously expensive operation, would not add security in relation to cost. When and if such attacks took place, all seagoing vessels in the Great Lakes at the time would be limited to operation in those lakes until the waterway was again wholly navigable. I doubt very much that it would become navigable until after the end of hostilities, entailing a protracted significant loss of tonnage at a critical time.

Again, as in the case of the testimony presented by Admiral Willson, the proponents of this project never attempted to answer the arguments of these military experts or to present witnesses to contradict their conclusions.

So far as I have been able to discover, in all the long years that this project has been under consideration, and for the last 10 or 12 years when it has been urged primarily on the grounds of national defense, not one single military expert has been presented by the proponents of the project to testify regarding such crucial points as I have just been discussing. True they have presented general statements setting forth in thumbnail fashion the national defense arguments which I have mentioned, but no military experts have themselves taken the stand so that they might be cross-examined and their views explored with respect to the all-important considerations which were presented so fully and forcefully by military experts called to appear as experts by the opponents of this project. It seems to me that the very absence of these witnesses is a sign of weakness, and if it be conceded, as I think it must be, that the burden of proof rests upon the proponents of a project, it is clear beyond any doubt that the proponents have not met that burden in this case.

In the light of our unbalanced budget, high taxes, and generally unhealthy financial condition, it would almost seem unnecessary to go into any other aspects of this project after disposing of the false claim that the project is necessary from the standpoint of national defense. But, in view of the fact that it looks as though at long last this matter may be up for final disposition by the Congress of the United States, I think it may be well to give the subject the full treatment.

Accordingly, let us take a brief look at some of the economic aspects. What are the principal economic benefits claimed for this project? Aside from the five steel companies desiring to put themselves in a better competitive position with Lake Superior ore in the Midwest steel market, the principal claimed advantages, so far as I can ascertain, seem to be that the farmers in the area tributary to the Great Lakes region would obtain lower freight rates for the shipment of certain grains, principally wheat, and that certain manufacturing interests located mainly around Detroit and to some extent perhaps in the Cleveland area would obtain lower freight rates for the export of their products.

Let us look at the farmers' claim first. To start with, the United States is not a big exporter of grain and a very small proportion of the total grain produced in this country goes for export. In other words, the export business is relatively unimportant to the farmers of the United States compared with their domestic business. Therefore, if by reason of the construction of this project the railroads should be adversely affected, and to the extent that such adverse effect might be reflected in their rates, the farmers of this country as a whole would probably suffer far more than they would gain by reason of any lowered costs of transportation on the export of grain.

In the second place, I am convinced beyond any doubt that the claimed advantage of lower freight rates, even if they should materialize, would not accrue to the benefit of the farmers. For example, in the administration of President Hoover the railroads were prevailed upon to establish special low rates on grain for export. The day those lower rates went into effect the price of wheat in the Liverpool market, which set the

price obtained for this export grain, fell by precisely the amount of the lowered freight rates. Thus the end result of that experiment was that the railroads received less for the transportation of grain for export and the farmers got not one single dime more for their product.

Mr. WILEY. Mr. President, will the Senator from Maryland yield for an insertion?

Mr. BUTLER of Maryland. I shall be very happy to yield, provided I do not lose the floor.

The PRESIDING OFFICER (Mr. COOPER in the chair). Is there objection? The Chair hears none, and the Senator from Wisconsin may proceed.

Mr. WILEY. Mr. President, from all over our Nation, I have received expressions of individuals and organizations urging the passage of S. 2150, the Wiley bill, for completion of the Great Lakes-St. Lawrence seaway.

Every type of organization—business, farm, labor, educational—have recommended that Congress remove the final obstacle to the completion of this mighty project.

I have in my hands two such expressions.

One is from Mr. Matt Triggs, assistant legislative director of the American Farm Bureau Federation. It reiterates the position of that great organization on behalf of the seaway.

The second consists of pertinent excerpts from an editorial carried in the January 12, 1954, issue of Labor's Daily and written by Mr. Willard Shelton.

I ask unanimous consent that the text of both of these items be printed at this point in the body of the CONGRESSIONAL RECORD.

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

AMERICAN FARM BUREAU FEDERATION,
Washington, D. C., January 13, 1954.

Re St. Lawrence seaway.

Hon. ALEXANDER WILEY,
United States Senate,
Washington, D. C.

DEAR SENATOR WILEY: At the most recent annual meeting of the American Farm Bureau Federation the voting delegates representing the member State farm bureaus approved the following resolution:

"We strongly favor the enactment of legislation to provide for the participation of the United States with Canada in the joint construction and operation of the St. Lawrence seaway. The project should be built and operated on a self-liquidating basis."

We understand that Canada is prepared to go ahead with the seaway. The only issue remaining is whether or not the United States is to participate in the construction and operation of the project.

The major portion of the commerce through the seaway will consist of cargoes originating from or destined to United States ports. Since United States shippers will pay the major portion of the tolls to liquidate the cost of the project and since the project will contribute to our national security, it is appropriate that the United States share in the administration and control of the seaway.

Your support for the enactment of S. 2150 is recommended.

Very sincerely,

MATT TRIGGS,
Assistant Legislative Director.

AGAIN, THE ST. LAWRENCE

(By Willard Shelton)

The St. Lawrence seaway bill should get the immediate green light.

The proposal is for a deep-channel dredging of the St. Lawrence, plus some bypasses of rapids, so as to provide a landlocked seaway for oceangoing vessels into the heartland of the American and Canadian Continent.

The seaway was first endorsed by President Harding. It has ben endorsed by every President since Harding's day—Coolidge, Hoover, Roosevelt, Truman, and now Eisenhower.

The concept invoices a joint operation of Canada and the United States, each contributing a fair share of the cost, each sharing in the benefits and the control.

Many special interests in the United States have blocked the seaway in the past. Eastern railroads, Atlantic seaboard port authorities, have looked on the proposal as a menace to their economic position.

It has always been the viewpoint of this observer that sectional and special interests should yield, in the consideration of major proposed improvements, to the national interest.

There was a time in our early history when the river routes and great canals connecting them were needed for national development. Later the railroads supplanted the canals, and the canal lobby of those times could not be allowed to interfere with the cross-country march of the rails.

The railroads violently objected to the construction of the Panama Canal, but in the early part of this country the rails had to be brushed aside, because a canal across the Central American narrows was vital to our national welfare.

Now the question is whether special interests, including the Atlantic ports and the eastern railroads, can again block the St. Lawrence after 35 years of struggle.

They should not be allowed to block it, no matter how powerful their spokesmen may be in Congress.

The Nation needs for its security a safe approach to the iron ores of Labrador. It needs a covered seaway, running through the center of our continent, by which access to these ores may be guaranteed in war or peace.

The cities of the upper Midwest have a right to access to the wide oceans. Boston, New York, and Baltimore will not wither and fade away if Duluth becomes an ocean seaport. On the contrary, the whole Nation will be stronger, more secure, and more prosperous when the seaway is constructed.

Canada will build the seaway alone if the United States still refuses to participate. But we ought not to refuse. We have our own part to play in the development of the North American complex and we should not leave it to our northern neighbor to do the job alone.

Mr. BUTLER of Maryland. Mr. President, if I am informed correctly, and I think I am, the transportation charges on export grain are not generally paid by the farmer, and the benefits of any lowered transportation rates would accrue to the benefit of the buyer or some middleman.

It is not anticipated that any other farm products would move via the proposed waterway, and in my judgment the farmers who think they will obtain any benefit from the proposed St. Lawrence Waterway are being deluded.

The proponents of the project have endeavored to create the impression that all the farm organizations have always expressed their unqualified approval of the St. Lawrence Waterway. This is by no means so. The largest and most important of all of the farm organizations, the Farm Bureau Federation, took the position in 1952 that they favored the construction of the St. Lawrence Waterway financed by revenue bonds. That farsighted organization stated that it was unable to evaluate the conflicting claims as to the economic soundness of the project and therefore felt that the only way to test its soundness was by letting the outcome depend on whether a sufficient number of people were willing to risk their own money in support of their judgment that the project would be sound.

So that there may be no misunderstanding regarding this point, let me quote a passage from the statement by Allen B. Kline, president, American Farm Bureau Federation, incorporated at pages 869–871 of the hearings on Senate Joint Resolution 27 and Senate Joint Resolution 111 in February 1952. Mr. Kline, after discussing certain of the conflicting testimony and points of view, stated:

> The American Farm Bureau Federation is unable to cut through the conflicting arguments of proponents and opponents and determine of its own knowledge that the project as submitted is economically feasible. However, the history of projects placed under a truly revenue bond type of financing is that they have been successful for the reason that investors will not support them without such projects being on a sound business basis. The American Farm Bureau Federation wants the project to be a success. It seems clear that since revenue bonds cannot be sold unless the project is economically sound, the use of such bonds would be the greatest guaranty that the project would be successful. We do not see how the other proponents of the project can be for anything less (p. 870).

Mr. Kline made one other statement which is of interest. It will be recalled that Senate bill 589, for which Senate bill 2150 is a substitute, provided for financing the project through the issuance of bonds directly to the public but unconditionally guaranteed as to both principal and interest by the United States. With respect to such an arrangement, Mr. Kline said:

> If the project is put on a sound revenue bond basis investors will not need the guaranty of the United States Government. If the United States Government guarantees the principal and interest, there is no need for the investors to investigate its economic feasibility. In such event, the already overburdened Federal finances would be unnecessarily subjected to additional burdens of an indefinite amount.

This position is in keeping with the best traditions of the American free enterprise system, and I commend the American Farm Bureau Federation for its forthright stand.

In this connection, it is interesting to note that throughout the many long years this project has been advocated, and despite the claims of the proponents that there is no doubt that the project could be made self-liquidating through the imposition of tolls, not once has a proposal been advanced to construct the project by means of funds raised through the issuance of revenue bonds. Such a method of financing the project

would not present any difficulties; that is, if there were sufficient people who believed in the project to back their own judgment by risking their own money. It is extremely easy for people who think they would obtain some direct benefit from the expenditure of Federal money to advocate such an expenditure, for even if it does not pan out as a successful project, the advantages to them would probably outweigh the share of the cost they would pay through added taxes.

Let us next take a look at the manufacturing interests that are supporting this project. So far as I can determine, the only real support for the project from manufacturing interests is from certain automobile manufacturing companies who think that they will be able to ship their products abroad directly from Great Lakes ports. Perhaps there will be some savings to the automobile manufacturers in transportation costs. Perhaps there will be savings to certain other manufacturers located close to the Great Lakes. But if so, I am convinced that it will be not by reason of any true economy resulting from the construction of the proposed waterway, but by reason of the fact that the taxpayers of this country would be paying a part of the legitimate costs of the transportation of such goods in the form of a subsidy, which will be inherent in the construction of an uneconomic project with Federal funds.

Let us look for a moment at some of the broader economic aspects of this question. If economic advantages will accrue from the construction of the waterway, they will be for the benefit of the largest agricultural section and the most highly industrialized section of the entire country. These areas are already served by the finest network of railroad, highways, inland waterways, and air routes of any similar area in the entire world. This has played a major part in bringing these areas into such a dominant economic position. It is utterly inconceivable that anyone could think that the growth of this section had been stunted and held back by any inadequacy of transport. When one has limited funds to expend for charitable purposes, one does not bestow his bounty on those who already have the most and need the least. I might point out also that if this project should have the advantages claimed for it, it could only lead to the heavier concentration of industry in the area which is already the most heavily industrialized in the whole country. A certain imbalance in economic development will always result from the concentration of certain inherent economic advantages in certain localities. But when on top of this we pour artificial advantages at the taxpayers' expense and create further concentration, it seems to me the policy is unwise from a national standpoint.

It is perfectly clear that if economic advantages are to be created by the expenditure of Federal funds, it would be the part of wisdom to expend those funds in undeveloped areas in order to create a better economic balance in this country. Not only is this so from the standpoint of economics, but it is clearly in keeping with the planning from the standpoint of national defense and national security which favors the decentralization of industry.

Thus from this broad economic standpoint it seems to me the construction of the St. Lawrence Waterway does not make sense.

I have given the reason why the producers of certain raw commodities and the manufacturers of certain finished goods have felt that the construction of the proposed waterway would have economic advantages. In that connection I should like to refer to the testimony of a gentleman, who, several years ago, spoke of the economic harm to producers of another raw commodity as well as the manufacturers of finished products. I should like to read a few of the statements made in 1946 at hearings before a subcommittee of the Senate Foreign Relations Committee on Senate Joint Resolution 104, to approve construction of the St. Lawrence project, because many Senators may feel that his views are entitled to considerable weight. The gentleman whose testimony I am going to read is that of Mr. R. L. Ireland, Jr., president, Hanna Coal Co., and president, Ohio Coal Association. The Hanna Coal Co. is a subsidiary of the M. A. Hanna Co., of which the president was Mr. George M. Humphrey. Mr. Humphrey was also a director of the Hanna Coal Co., and in testifying before the Senate Foreign Relations Committee in 1952, he stated that the views expressed by Mr. Ireland at the time had his approval and he had been in accord with them.

First, let me quote what he had to say regarding the effect of the construction of the proposed waterway on the coal industry:

> I appear here representing the membership of the association in opposition to the Great Lakes-St. Lawrence seaway project for the reason that in our judgment the project is a serious threat to the economic welfare of Ohio and the entire Great Lakes Basin area, both to the labor we employ and to the investments of producers who, during a period of many years, have invested large sums of money in the development, building, and maintenance of mines, tipples, and cleaning facilities. In our judgment the completion of the project would mean the displacement of millions of tons of Ohio-produced coals through the opening up of our markets to imported fuels.

Next, let me quote what he had to say about the effect of this project on the manufacturing interests in the area to be served by the proposed project:

> Foreign-produced goods which would come in through the St. Lawrence Waterway may well, because of their low-wage cost, be able to compete with and replace our own domestic products. This may result in total loss of operation to existing manufacturing plants in our market because of their inability to operate in competition with foreign-produced goods. This cannot help but result in a further employment reduction which, in turn, means a further reduced purchasing power.
>
> We in Ohio feel that a large part of the benefit of Ohio's geographic location in relation to its natural markets would be destroyed by the foreign competition created by this project. We have, over a period of years, given much study to the project and we have found it cannot help us, but only hurt us.
>
> Therefore, in consideration of the exorbitant cost of this project and in anticipation of its many ruinous consequences, we ask that you give serious consideration to all the factors, for if you do, we feel confident that the proposed Great Lakes-St. Lawrence seaway project will be abandoned.

Finally, let me quote his concluding statement regarding the St. Lawrence Waterway and, in particular, note what he had to say about it in relation to the Labrador ore fields:

> All the St. Lawrence Waterway would do, if it is a success, will be to bring that competition right into the heart of our industrial section, and damage the blast furnace, the steel mill, the finished-products operations, and therefore, the whole economy; so that we in Ohio, and I speak generally of the State of Ohio, because the majority of people in Ohio who have taken time out to investigate this project, are unanimous in the opinion that the St. Lawrence Waterway project would be a detriment and not a help to us; so I can tell you, sir, that insofar as the Labrador project is concerned, my company is much more interested in it as an investment for the future, without a seaway, than with a seaway, even though, of course, with a seaway we could bring the raw material in cheaper. It would be, for a while.

It seems to me that the considerations which I have already brought to the attention of the Senate raise the very gravest doubts as to the economic soundness of the St. Lawrence Waterway from the standpoint of the interests in the United States. In view of the Nation's present financial condition, it is difficult indeed for me to comprehend how anyone would be willing to vote for the expenditure of a single dollar for the construction of the proposed project, much less the millions upon millions of dollars which ultimately will be involved, of which the proponents admit a present expenditure of at least $105 million.

Continuing to consider the economic aspects of this matter, there is nothing more to be put in the balance scale in favor of the project, but there are many more items to be added to the unfavorable side of the balance scale.

First, there is the adverse effect on the ports on the Atlantic seaboard and the gulf coast. The New York Port Authority has estimated that as much as 3 million tons of foreign commerce would be diverted from that port. The port of Boston has estimated that it would suffer a marked decrease. Similarly, the ports of Philadelphia, Baltimore, and Norfolk would suffer. Those directly responsible for management of the ports of Houston, Tex., and New Orleans, La., point out that those cities also would be adversely affected by the construction of the waterway. In a like position are the railroads of this country. Principally, of course, those east-to-west roads in the northeast section of the United States would be adversely affected. How much business and how much revenue they would lose, it is difficult to say, but, as a point of orientation, if the exaggerated estimate of the traffic which the proponents of the waterway claim would be diverted from the railroads were realized, the loss in revenue to the railroads would approximate $175 million a year.

Concurring in the belief that construction of the proposed waterway would be economically harmful are the labor forces serving the coal industry, the railroad industry, and the ports. In addition to these segments of labor, the American Federation of Labor is strongly opposed to the project. As an indication of what the project might mean to labor, the director of port development of the Port of New York Authority testified that about 400,000 of the 4 million people employed in the Greater New York are closely associated with the operation of the port of New York. He estimated that taking into consideration those secondarily affected, as well as those primarily affected, in the neighborhood of 200,000 jobs would be adversely affected by the proposed waterway.

In considering the effect upon the railroads and the ports, it is highly important to bear in mind that even after the expenditure of the enormous sums of money involved in the construction of the waterway, it would constitute merely a part-time, seasonal transportation route. It is uncontroverted that the waterway would be closed entirely for 4 months of the year, and when we consider the slowdown in movement during the first month of the open season and the last month of the open season, it would appear that the waterway would have only a little more than 7 months of full operational utility.

The fact that the waterway would be a part-time competitor of the railroads and the ports on the seaboard does not lessen its harmful effect, but merely adds to it, for quite obviously it would be necessary for these two segments of the economy to maintain as standbys the facilities necessary to handle, during the period when the waterway would be closed, the traffic which would move over the waterway during the open season. Some part of the traffic, such as iron ore, could be accommodated to a seasonal movement as it is today over the Great Lakes, but practically all the other traffic would not be of a seasonal character and would have to continue to move over other routes during the closed season of the waterway. This is an inherent defect of the waterway which cannot be cured.

One other very important segment of our economy, which I have not yet mentioned, is opposed to this project. I refer to the shipowners of this country who make up the American merchant marine. So far as I know, this is the first time the shipowners of the United States generally have been opposed to the construction of a project supposedly for the purpose of creating additional ocean routes.

If the project were, in fact, to be a true "seaway," as it has always been affectionately and reverently designated by its proponents, and if, in fact, it were soundly conceived, one would certainly expect to find the owners of our shipping fleets in the forefront of those urging the construction of the project. Furthermore, it is not merely a case of the shipowners being disinterested in this project, but they are unanimously and vigorously opposed to it. Time and again they have pointed out before congressional hearings that the proposed project with its limited depth of 27 feet would not be usable economically by American ocean-going vessels.

Because of the need for clearance under the keel of the vessel, a 27-foot waterway will permit the loading of vessels only to a depth of 24 feet. Some persons say 2½ feet of clearance is sufficient, while others recommend 3½ feet; but I think a clearance of 3 feet is a fair figure. For instance, the regulations of the port of Montreal require a clearance of 3 feet for all vessels of 10,000 tons or over.

The net result is that very few vessels of United States registry could operate through the proposed waterway with economic loads. That is true as to all of the Liberty and Victory ships built during World War II, and as to all ships which have been constructed since that time. According to the National Federation of American Shipping, only about 2 percent of the privately owned oceangoing vessels of American registry could operate with full loads through a 27-foot waterway.

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

Mr. BUTLER of Maryland. I am happy to yield.

Mr. POTTER. I know the distinguished Senator from Maryland is making a long speech in opposition to the St. Lawrence seaway, and that he has spent a great deal of time in preparing it. It happens that his views are in direct contradiction of my own.

Will not the Senator agree that very few of our cargo ships are actually loaded to the draft limit? In other words, most of our ships are based upon not only the weight of the cargo, but also the size of the cargo. Thus, many times, and perhaps in most instances, a full load may be had, but still the ship may have only half the draft that could be accommodated. Does not the Senator agree with me?

Mr. BUTLER of Maryland. I may answer the Senator by asking, If that is so, then why do the American shipping interests, who know more about ships, the loading of ships, the trimming of ships, and the navigation of ships, unanimously oppose the St. Lawrence seaway project?

Mr. POTTER. I think the Senator's question answers itself. Probably they are opposed to it for the same reason the Senator from Maryland is opposed to it. So far as they are concerned, it is a personal economic interest that is involved.

Mr. BUTLER of Maryland. Does the Senator mean to say that all ships operate out of Maryland?

Mr. POTTER. We who favor the St. Lawrence seaway are greatly concerned not only about economic interests—and those of the Midwest, I am frank to say, would be greatly benefited—but also—and I believe this is the controlling factor—we are concerned about our own national security. In determining this issue, I hope Senators will put aside the economic interests of their own local areas, and will consider the weight to be given to our national security.

Mr. BUTLER of Maryland. Has the Senator from Michigan been away from the Chamber so long that he has not heard what, to me, is conclusive proof that the proposed waterway could never be an effective adjunct to our national defense for it would be frozen over 4 or 5 months of the year, and would be one of the most vulnerable targets for any enemy?

I call the attention of the Senator to page 326 of the hearings before the Committee on Foreign Relations on the proposed waterway. There he will see testimony to the effect that only 2 percent of the privately owned American flag merchant fleet could operate through the waterway. Also, he will notice the testimony of a person who is very capable of giving such testimony, Mr. Alvin Shapiro, to the effect that the loading and trimming of ships is a very exact science. A ship cannot be so carefully loaded that it can be trimmed, reloaded, and retrimmed during the course of its voyage. When it goes from salt water into fresh water, naturally its draft becomes greater, because fresh water does not have the buoyancy of salt water. So all those factors argue against the carrying of part loads or half loads.

Another point to which I wish to call the attention of the junior Senator from Michigan is that the American merchant marine today is faced with a problem of size. To operate the American merchant marine economically, it is necessary that there be large ships, and that a large cargo can be carried in them. Indeed, if the Senator will read the hearings before the Senate Committee on Foreign Relations in connection with the proposed waterway, he will find that ships are becoming larger and larger, and that the average draft is now 29 feet.

When I was abroad only 2 or 3 months ago, I saw tankers of 32,000 tons laid down in foreign shipyards. Our cargo ships are becoming larger; our tankers are becoming larger. The first thing we know, the average draft of such ships, by the time the proposed St. Lawrence project could be completed, would be 29 feet. The seaway would be obsolete before it was constructed.

I may say to the Senator from Michigan that this is simply an effort to get a foot in the door, and to take from the taxpayers of the United States another $1,500,000,000 to complete a seaway that has been rejected by every Congress as long as I can remember.

If this small 27-foot channel is authorized, then the foot is in the door, and the first thing we know, in order to accommodate American shipping and to appease American shipping interests, we will have to make the channel 30 feet. Then we will have to make it 35 feet, and will also have to enlarge all the dockage facilities on the Great Lakes, and all the channels. So it will cost the taxpayers of the United States billions of dollars. It is the same old story, "Let us get a little bit first; then we can enlarge it later."

Mr. POTTER. Will the Senator yield for a question?

Mr. BUTLER of Maryland. I am very happy to yield to the Senator from Michigan.

Mr. POTTER. I am sure the Senator wishes to be correct. The cost of the construction of the seaway is not several billion dollars, as the Senator has stated, but it is $105 million. Time and time again this body has heard opponents of the St. Lawrence seaway citing fantastic sums as to what the cost of the project will be. Senators should be accurate in their statements. I think it is well for us to stick to the amount in the bill under consideration, which is $105 million.

Mr. BUTLER of Maryland. That is a very convenient argument for the men who want to get the nose of the camel under the tent; but, from the standpoint of the betterment and the welfare of the American people, if the proponents of this bill succeed in getting the nose under the tent in this case, the American people will spend billions of dollars before we are through with the matter. I say that this is no time to be boondoggling with $105 million, when the President of the United States is coming before Congress to ask it to raise the debt limit because the Government cannot pay its daily bills.

Mr. POTTER. Will the distinguished Senator yield further?

Mr. BUTLER of Maryland. I yield.

Mr. POTTER. We spend billions upon billions of dollars for national defense. I know the Senator may not agree with me, but I think he will have to agree with the National Security Council, and with the President of the United States, who is a man with whose military opinions most people will certainly agree, as they will with officials of the Department of Defense. They all say that the construction of the St. Lawrence seaway will enhance our national defense. There is no question of a nose under the tent. I say to the Senator from Maryland that $105 million will pay for the construction of the seaway. It is to be done for national security reasons. I understand the argument of the Senator from Maryland that we can get our iron ore from Venezuela and from other places; but I remind him that in case of war the submarine menace to our offshore shipping will be such that the carriers from South America will not be able to operate in the trade routes to the United States or to some of the inland ports of Canada. So from a national defense standpoint it cannot be contradicted that the seaway is essential.

Mr. BUTLER of Maryland. The Senator from Michigan has asked a very long question, if it is a question, but I shall try to answer it. I spent an hour this morning proving conclusively, I think, that there is no national-defense feature involved in this project, and that not one military man has appeared before a committee of the Senate and put his reputation on the line by testifying that it is needed for national defense. Not one of them will come to the Senate and subject himself to cross-examination on that question by Senators who are opposed to this project. If it is such a good project from the standpoint of national defense, why do they not come forward, appear before the committee, and give me, the Senator from Michigan and other Senators the opportunity to cross-examine them and to inquire into what they know about it.

I have here the testimony of two of the most able men in the Department of Defense of the United States, who said that it would be folly to build this seaway. There has been no testimony to the contrary.

Mr. AIKEN. Will the Senator from Maryland yield for a question?

Mr. BUTLER of Maryland. I am very happy to yield to the Senator from Vermont.

Mr. AIKEN. Is the Senator aware that one of them is a retired general and the other an admiral, and that one received $1,000 and the other $800 for testifying?

Mr. BUTLER of Maryland. I do not care if they received a million dollars. Does the Senator mean to stand on the floor of the United States Senate and tell me that simply because a man receives a fee for rendering expert service his testimony is not to be believed?

Mr. AIKEN. I do in this case. They were hired to do it.

Mr. BUTLER of Maryland. I do not agree with the Senator.

Mr. AIKEN. They were hired to give testimony by interests opposing the seaway. One received $1,000 and the other received $800.

Mr. BUTLER of Maryland. My mind does not run in the same channel as that of the Senator from Vermont.

Mr. AIKEN. The Senator is quite correct that our minds do not run in the same channels.

Mr. BUTLER of Maryland. I agree that the Senator is correct that they do not.

Mr. AIKEN. There is more than one channel, and that channel is not the Chesapeake Bay or the St. Lawrence.

Mr. BUTLER of Maryland. I think the Senator has done these men a great injustice.

Mr. AIKEN. They did themselves an injustice.

Mr. BUTLER of Maryland. Does the Senator honestly believe that those men appeared before a committee of the United States Senate and committed perjury for $600?

Mr. AIKEN. I believe they testified the way they were told to testify. One received $1,000. I do not know whether the other received $600 or $800.

Mr. BUTLER of Maryland. Then the Senator believes that they committed perjury?

Mr. AIKEN. They were not under oath.

Mr. BUTLER of Maryland. If they were not under oath, they should have been.

The net result is that very few vessels of the United States registry could operate through the proposed waterway with economic loads. That is true as to all the Liberty and Victory ships built during World War II, and as to all ships which have been constructed since that time.

Mr. WELKER. Will the Senator from Maryland yield?

Mr. BUTLER of Maryland. I am very happy to yield to the Senator from Idaho.

Mr. WELKER. I know very little, if anything, about ships. The Senator referred to the Liberty-type ships. Will the Senator explain what is meant by that?

Mr. BUTLER of Maryland. The Liberty-type vessel was built to carry our commerce during the World War.

I think my friend, the distinguished Senator from Michigan [Mr. POTTER], who does know something about ships—and I have been trying to learn something about the subject—knows that it is the vessel that carried most of our commerce during the war period. It was some 590 feet in length, had a beam of probably 55 feet, had a speed of approximately 13 knots, and had a gross tonnage of probably 10,000.

Mr. WELKER. Will the Senator from Maryland yield further?

Mr. BUTLER of Maryland. I yield to the Senator.

Mr. WELKER. Will the Senator state what is meant by the draft of a vessel?

Mr. BUTLER of Maryland. By "draft" is meant the depth in the water of the lowest part of the vessel.

Mr. WELKER. I thank the Senator from Maryland.

Would the depth provided for the waterway in the proposed legislation be sufficient, in the opinion of the senior Senator from Maryland, to enable a Liberty-type vessel to use it?

Mr. BUTLER of Maryland. It would not. A Liberty vessel requires a draft of about 27 feet 6 inches. A Victory-type vessel requires a draft of about 26 feet 9 inches. A modern-day vessel, the type being considered on the ways throughout the world today, requires a draft of approximately 29 feet.

Mr. WELKER. Will the Senator from Maryland yield further?

Mr. BUTLER of Maryland. I yield.

Mr. WELKER. I do not desire to interrupt, but will the Senator from Maryland state what sort of vessels will use this waterway?

Mr. BUTLER of Maryland. The only vessels the Senator from Maryland can visualize that will receive any benefit from the so-called seaway are the ore vessels and other vessels plying the Great Lakes, and foreign tramp vessels, which could come right into the heart land of America, preempt the trade of the area, pass through the seaway, and take American commodities abroad.

Mr. WELKER. Will the Senator from Maryland yield further?

Mr. BUTLER of Maryland. I yield to the Senator from Idaho.

Mr. WELKER. Will the Senator from Maryland state whether the foreign tramp vessels are smaller than the Liberty ships?

Mr. BUTLER of Maryland. The foreign tramp vessels are generally much slower and much smaller, and they can afford to operate in the manner they do, because the wages paid to their personnel are very much less than the wages paid in the American merchant marine. It costs us much more to operate a vessel per day than it costs any of our foreign competitors.

Mr. WELKER. I should like to ask one other question, and then I shall not further interrupt my colleague: What sort of vessels will be used on the seaway to haul grain? There has already been some debate on that point.

Mr. BUTLER of Maryland. They would be bulk cargo vessels, of which there are now very few under United States registry; but those vessels, I would say, would not be of less than 10,000 tons, and they would draw not less than 27 or 28 feet. It would not be economical to operate vessels any smaller in size.

Mr. WELKER. Those vessels could operate in the seaway, though, could they?

Mr. BUTLER of Maryland. No; those vessels could not operate in the seaway.

Mr. WELKER. I thank my friend.

Mr. BUTLER of Maryland. Mr. President, certain theorists appearing in support of the waterway testified that a substantial number of United States vessels could operate through a 27-foot waterway, when loaded to from 75 to 80 percent of their capacity, and that therefore a 27-foot waterway would be entirely feasible and economical.

However, who would rely upon the views of such theorists, none of whom is engaged in the shipping business, in the face of the very definite opinion to the contrary held by all persons who are engaged in the business of operating ships?

In this connection it is very interesting, indeed, to note that the same advocates of the St. Lawrence Waterway who maintain that it would be perfectly economical to operate vessels through the waterway with partial loads, appeared in Detroit, at a recent hearing conducted by the Army engineers who were studying the proposal for the deepening and improvement of the connecting channels in the upper Great Lakes, and gave as one of the important reasons in support of such deepening the great economy that would result from permitting vessels to operate with greater loads.

I hope the Senator from Michigan heard that part of my address.

Mr. President, in further support of the need for the improvement of these channels, they pointed out that a small percent of the vessels already in operation on the Great Lakes were unable to operate through these channels with full loads.

It seems to me that is typical of much of the double talk that has been handed out with regard to the St. Lawrence Waterway. On the one hand, proponents say there is no need for deepening the St. Lawrence Waterway below 27 feet, although approximately 98 percent of United States vessels cannot operate with full load through a channel of such depth; and, on the other hand, the proponents say that other channels in the Great Lakes need deepening because a small percentage of the vessels cannot operate through them with full loads.

There are some other considerations that have a bearing on the inadequacy of a channel of 27-foot depth. The depth of 27 feet was first decided upon back in 1928. The figures indicate that at that time approximately 60 percent of the American oceangoing fleet and approximately 67 percent of the foreign oceangoing fleet could have used a waterway of that depth, while carrying loads. When we consider the change that has taken place in the 25 years since that time in the matter of depth of draft of United States vessels, and yet that there has been no corresponding change in the proposal as to the depth of the waterway, it is quite obvious that the plans for the proposed waterway have not kept pace with changing conditions. The evidence is clear and convincing that a 27-foot channel is already obsolete and outmoded for oceangoing vessels. The limited depth makes the seaway one of the greatest misnomers of all time. Consider the following factors, Mr. President:

All of our important seacoast harbors have depths of at least 35 feet, and most of them have a greater depth than that. For instance, when we consider the ports of our Atlantic and Gulf coasts, we find that in the year 1950, approximately 75 percent of our foreign waterborne traffic entered and left from ports having a depth of 35 feet or more. Including the ports with a depth of 30 feet or more, we find that 91 percent of foreign waterborne traffic was handled by such ports. Ports with a depth of 27 feet or less on the Atlantic and Gulf coasts handled only 6 percent of our foreign waterborne traffic. I think the above figures give a fairly good indication of the depth required if a port is to become a first-class port.

In looking at other canals for ocean shipping, we find that the Panama Canal has a depth of 40 feet, the Suez Canal has a depth of 35 feet, and the Kiel Canal has a depth of 36 feet. Even when the Kiel Canal was first opened, in 1895, it had a depth of 29 feet. The Houston Ship Canal has a depth of 34 feet, and the Army engineers have recommended that it be increased in depth to 36 feet to enable it to accommodate modern oceangoing vessels. The Manchester Ship Canal, completed as long ago as 1894, has a depth of 28 feet.

At the hearings on the St. Lawrence Waterway, it seems to me the Chief of Army engineers or his representatives have hedged on the question of the adequacy of a 27-foot depth for the waterway, neither admitting the inadequacy of the 27-foot channel nor yet denying the advantages of a deeper channel. As having a bearing on the views of the Army engineers on this point when the St. Lawrence Waterway is not involved, let me call attention to several of their recent recommendations on other projects.

In response to the request of local interests for a deepening of the Houston Ship Canal, on the ground that the present 34-foot channels are "not adequate to accommodate, fully and safely, the present merchant fleet of large dry-cargo and tank vessels," the Army engineers have recommended increasing the depth to 36 feet.

A second project involving a proposed deepening of the channel is on the Hudson River to Albany. In a report not yet acted on by the Board of Engineers or the Chief of Engineers, the district and division engineers have recommended deepening the channels of the Hudson River to Albany from 27 feet to 32 feet. The district engineer makes this significant statement in his report:

> The existing 27-foot channel in Hudson River has become inadequate as a result of the increased size of merchant vessels using the waterway.

A third such project involves the channels in Mobile Bay and Mobile River, which in a recent report of the Army Engineers were recommended for deepening from 32 feet to 40 feet. In the report of the district engineers, concurred in by the Chief of Engineers, this significant statement is made:

> The impracticability of providing a channel depth inadequate to accommodate, at full load draft, the larger vessels which are expected to handle a substantial share of the future port tonnage is readily apparent.

Speaking before a group in Mobile, Ala., on March 15, 1952, General Pick, then Chief of Army engineers, is reported by the Mobile Labor Journal to have made the following statements with respect to this project:

> I am going to tell you now that it is time for Mobile to become a first-class port. To those of you who think you already have a first-class port, I say you have not got a first-class port in the sense of other first-class ports.
>
> * * * * *
>
> They have authorized channels into those ports of 40 feet * * * but Mobile has only a 32-foot channel. * * * I remember the channel at Houston was dug before the projects were located; and you are locating them now, and you haven't even a good 32-foot channel. What kind of ship can you put in here? Can you bring a ship drawing 32 feet of water? The answer is no. I expect if you will find out from the shipping public here, you will learn that the use of those that draw over 27 feet is usual.
>
> * * * * *
>
> Colonel Wilson has written a report and I knew a long time ago what he was going to say. He has recommended the project of 42 feet over the bar. He has recommended 40 feet up the channel, thirty-odd miles from the entrance to the harbor, or bridge. That will mean that you can bring in to this harbor the ships of the world.

In other words, it would appear that whenever any project other than the St. Lawrence is involved, the Army engineers clearly recognize the inadequacy of a 27-foot channel and the need for channels of from 35 to 40 feet.

Mr. President, it is also very illuminating to note that back in 1929, the Brookings Institution, after its thorough study of this project, concluded that a channel depth of 27 feet would be wholly inadequate. At that time it reached the following conclusion:

> A channel depth of 33 feet is a minimum requirement if the St. Lawrence Waterway is to serve the purposes for which it is advocated.

The substantial increase in the draft of vessels since that time clearly indicates that under today's conditions 35 feet would be the minimum requirement if the St. Lawrence Waterway is to serve the purposes for which it has so long been advocated.

The conclusion to be drawn from the evidence on this point is so clear and unmistakable that one cannot help but wonder why the proponents have not sought authority to construct a 35-foot channel in the first instance. I believe the answer to this is clear. While from the standpoint of the physical and functional aspects of this waterway, looked

at from the viewpoint of United States interests, nothing less than a 35-foot depth makes any sense at all, the proponents have realized that it would be impossible for them to justify economically the enormously increased costs of a waterway of such depth. Therefore they are following the age-old stratagem of getting the nose of the camel under the tent by trying to get the United States to embark in the first instance upon a project of 27-foot depth.

Just as in the case of the railroads and ports, the shipowners have also expressed the view that even if they were operating through the St. Lawrence Waterway the fact that it would be closed for approximately 5 months of the year would create an economic hardship on them by reason of their having to maintain shipping offices in the Great Lakes ports for operation on a part-time basis. The general conclusion of the shipowners was that the proposed waterway if constructed would, so far as its use by oceangoing vessels was concerned, be used primarily by foreign tramp steamers, inasmuch as a substantially greater number of such vessels are of a draft that would permit their use of a 27-foot waterway at economical loads.

The draft of oceangoing vessels forming the American merchant marine has been steadily increasing through the years, with an exceptional spurt in this direction in the past few years. This has been made necessary by the high level of wages paid to American seamen. The only way to combat the factor of an everincreasing percentage of labor costs per unit of traffic was to increase the size and draft of vessels. Any artificially imposed restrication on the use of the full capacity of the ship would of course do away with all the advantages gained from such increased depth, thus forcing them back into the uneconomical position under which they found they could not previously operate successfully.

Every Member of Congress knows the amount of time that has been devoted to the problem of maintaining the American merchant marine as a strong, vigorous, and economical fleet, both in the interest of our national economy and in the interest of national security. It is absolutely incredible to me that the Congress should be giving serious consideration to a step calculated to do so much to hurt the American merchant marine. Perhaps some have lost sight of the fact that much of the operations of our merchant marine in the field of foreign commerce is already subject to payment of subsidies by the Federal Government. It seems clear that the inevitable result of the construction of the proposed waterway would be to increase the burden on the Federal Government in the form of subsidy payments. In short, to me the conclusion is inescapable that from the standpoint of the economic consequences the construction of the St. Lawrence Waterway has far more capabilities for harm to the various segments of the American economy than it has possibilities of advantage.

Where does the question of self-liquidation of this project fit into the picture? Actually, it seems to me that whether this project could ultimately be made self-liquidating or not is not of major importance in view of the present state of our national finances. However, I think Senators are entitled to be informed as to what kind of a case the proponents have made on the question of self-liquidation.

The principal factors that determine whether a project can be made self-liquidating are the volume of traffic that the proposed waterway would carry, the cost of the project, and, of course, the level of tolls to be levied. When a project is proposed as self-liquidating, the burden of proof should very definitely rest upon the proponents to demonstrate that the project could be made self-liquidating. It is interesting to observe that no careful traffic study for the proposed waterway has been made since 1940. At that time a careful traffic study was made by the Department of Commerce, and the results were published as volume III of a 7-volume study entitled "The St. Lawrence Survey." The traffic study itself was 342 pages long. In it the traffic possibilities of 17 commodities were considered. As a result, the Department estimated that the annual United States traffic through the seaway for these commodities would range between 4,600,000 and 4,750,000 tons. The Department undertook to show the sources from which the traffic would be derived and the points at which the commodities would be marketed, and attempted to give consideration to the influence of factors which might result in certain items of traffic not moving over the waterway despite its availability. The report pointed out that the 17 commodities selected were not exhaustive of the traffic possibilities, and estimated that an additional tonnage of a little more than 2 million tons might move, making a total of about 7 million tons.

Let me read one paragraph from volume III of the St. Lawrence survey, page 34:

> In view of the fact that so many important commodities have been omitted from the present study, it would not be excessive to assume that the potential annual traffic would be much greater than indicated by our figure of 4,600,000 or 4,750,000 tons. For instance, other studies have included in their estimates large items such as petroleum, 500,000 tons; sugar, 500,000 tons; fertilizers, 555,000 tons; coal, 350,000 tons; lumber 41,500 tons; pulpwood, 82,500 tons, or a total of 2,029,000 tons—all of them being items which are not included in our studies. Adding to our studies the items which are included in other studies, but excluded from ours, will yield 7 million.

After the treatment of the specific commodities, the report went on to say, at page 36, that—

> It is not improbable that actual American traffic within a reasonable period will be as much as 10 million tons.

Since that time the proponents of the St. Lawrence Waterway have not seen fit to make a detailed traffic study, but instead have substituted estimates of traffic based on the judgment of so-called experts which for the most part are nothing more than figures picked out of the air. This method has proved much more satisfactory from the standpoint of the proponents because it was much more difficult to analyze and test the results arrived at in this manner.

From time to time since that last careful study various estimates have been submitted, ranging from 38 million tons to 84 million tons annually. This highest and most absurd estimate was relied upon in hearings in 1951 and 1952. Because of the absurdity of these estimates opponents of the project at various congressional hearings were able to demonstrate the thoroughly unreliable basis for the figures. No doubt because of this experience the most recent estimates have been somewhat more modest, ranging between 40 and 50 million tons. I assure Senators that no substantial evidence was submitted in support of these estimates, and they remain little more than figures picked out of the air. It is interesting to bear in mind that at the time when the Department of Commerce was able to find only 7 million tons of United States traffic in prospect for the proposed St. Lawrence Waterway the proposal was not being advanced on a self-liquidating basis. Great pains were taken at that time by the Department of Commerce to point out how low the traffic was and how unlikely it was that traffic of such an amount could have any serious adverse effect upon the railroads or the seaboard ports.

Now, on the other hand, when proponents feel that they are obliged to try to demonstrate that the project will be self-liquidating, they completely ignore the earlier carefully prepared estimates and simply come up with whatever figure they think is required in order to produce the amount of revenue needed to meet the costs of the proposed waterway. The exaggerated estimates seem even more ridiculous in the face of the fact, perpectly clear to everyone, that the effect of imposing tolls for the use of the waterway instead of providing a waterway free of charge could only be to reduce the amount of traffic that would use the waterway. This is just another indication that the traffic estimates presented by proponents of the St. Lawrence project are not worth the paper they are written on and cannot be relied upon at all.

Considering all the time and money its proponents have spent in promoting this project, realizing as they must have that a reliable traffic estimate would be essential in determining whether the project could be made self-liquidating, it seems to me to be utterly inexcusable that a careful detailed study of probable traffic has not been made since 1940. The only conclusion one can reach is that they were afraid of what such a study would show.

On the question of costs we are in a little better position than we are with respect to the question of probable traffic, but not very much better. Because S. 2150 is such a limited bill and takes only a piecemeal approach toward the construction of the St. Lawrence project, we will limit our consideration of cost for the moment to the estimated cost of construction of a canal on the United States side of the International Rapids section

of the St. Lawrence, which is the only construction authorized by this bill.

The estimated cost of construction of these works was stated by the United States Army engineers to be in the neighborhood of $100 million. This, they say, is a careful and firm estimate. The underlying data in support of this estimate have not been available for inspection, which makes it impossible to reach any firm conclusion as to whether the Army engineers may come a little closer to being correct in this case than they usually do. In this state of the record, however, about all one can do is to judge this estimate on the basis of the record for accuracy shown in estimates of cost by the Army engineers for other projects.

As bearing on this point, I should like to read from the report of the House Appropriations Committee on the general appropriations bill, 1951. This is taken from pages 247–248 of House Report No. 1797, 81st Congress, 2d session:

It is desirable to call to the attention of the membership of the House the fact that the original estimated total Federal cost of budgeted river and harbor and flood-control construction projects, including the lower Mississippi, and Sacramento River, Calif., was $4,364,057,750. The present total estimated Federal cost of these same projects is $7,034,408,070, an increase of $2,270,350,320,[1] or 52 percent.

While it is recognized that a portion of this cost is attributable to increased construction costs and to extensions and modifications subsequently expressly authorized for individual projects, the major portion of the increase is due to engineering and constructural modifications permitted under authorizing legislation to be made by the Chief of Engineers. For example, in fiscal year 1949, the estimated total Federal cost of these projects was stated at $6,073,765,580. This total was increased to $6,465,299,990 in fiscal year 1950, and again, as above indicated, to $7,034,408,070 in fiscal year 1951.

In attempting to analyze these increases in estimated total Federal costs, the committee obtained from the Corps of Engineers purported reasons for increased total costs on 63 of the major projects. In only three instances were the increased costs attributed to additional legislative authority. Engineering and construction modifications authorized by the Chief of Engineers seem to account for 58 percent of a major portion of the increased total Federal cost, and for some reason, not quite clear to the committee, over 33 percent of the increase is placed on higher construction costs. No construction-cost index known to the committee substantiates this percentage increase from November 1947 to November 1949. The Department of Commerce composite construction cost index reflects only an increase of approximately 14 percent in November 1949 over November 1947. The same index shows a decrease of 3.7 percent in November 1949, as compared with November 1948. The index quoted includes both labor and materials.

* * * * *

The simple conclusion is that the Chief of Engineers has committed the Government and is continuing to commit the Government to the expenditure of funds far in excess of amounts contemplated by the Congress either at the time of the original authorization of the projects or at the time funds were appropriated for the initiation of construction. As a matter of fact, the committee has reason to believe that very little cost and engineering data with respect to individual projects is on file with the Chief of Engineers, most records being maintained at the offices of the various district engineers. Consequently, these excessive obligations of Federal funds are being incurred by the district engineers and are, it would seem, approved by the Chief of Engineers, as a matter of form.

It will readily be admitted by anyone in a responsible position in the construction industry that continued modifications in design and structure, once construction has been initiated is, to say the least, expensive. It borders on profligacy. The averred necessity for major modification of plans, designs, and specifications after construction is begun on projects, is clearly indicative of the fact that construction of numerous projects has been initiated before adequate surveys, plans, and designs had been developed. Such practice is not proper stewardship of a vital and very expensive public function. Flood control is vital to the public welfare, but other demands upon the National Treasury must necessarily limit annual expenditures for flood control and related activities. Therefore, it is incumbent upon the Chief of Engineers, the Bureau of the Budget, this committee, and the Congress, to insist that adequate plans and designs be prepared in detail before construction of any project is initiated, otherwise public funds will continue to be wasted.

[1] So in original. House Appropriations Committee advises should be "$2,670,350,320, or 61 percent."

I think the Senate would also be interested in the following from the report, dated August 16, 1951, of the Subcommittee on Deficiencies and Army Civil Functions of the House Appropriations Committee, Investigation of Corps of Engineers Civil Works Program:

The cost of the river-and-harbor and flood-control projects under construction by the Corps of Engineers in fiscal year 1951, generally designated as civil-works projects, has increased inordinately. In dollars the increase between the cost estimate for these 182 projects when they were authorized by Congress, and the cost estimate submitted in connection with the budget for fiscal year 1952 has been $3,273,933,000. In percentage, it amounts to an increase of 124 percent. The cost estimate at the time of authorization of these projects was $2,638,517,000 and their cost for fiscal year 1952 is $5,912,451,000.

When it would be impossible to say by how much the actual cost of the project will exceed the estimates, I think without any hesitation whatsoever we can assume that the final cost of the proposed project would be very considerably in excess of the estimated cost.

I believe that it can be fairly said that if anyone were to make a careful study of the record on the question of self-liquidation, he could reach only one conclusion, namely, that there had been no successful demonstration that there was any reasonable prospect the project could be made self-liquidating.

While S. 2150 provides only for the construction of the canals on the United States side of the St. Lawrence through the International Rapids section, we would be blind indeed if we allowed ourselves to be deluded into thinking that the costs for these works constituted the only costs that the United States would be letting itself in for in connection with the St. Lawrence project.

In the first place, no provision whatsoever has been made for the cost of improving Great Lakes ports and harbors. It is like sticking one's head in the sand to proceed on any other assumption than that as a direct consequence of this project it would be necessary to improve Great Lakes ports and harbors quite extensively. It certainly would make no sense to provide a 27-foot channel through which oceangoing vessels would have access to the Great Lakes if when they got to the Great Lakes they could not complete the transaction of their business by getting into the ports and harbors in that area.

When the proponents of the project were confronted with this question of expense for Great Lakes harbors, their only reply was to express the hope that maybe the local interests at each port would see fit to deepen and improve their own facilities. This is an absurd suggestion, and there is absolutely no foundation for any such hope. All the improvements heretofore in the ports and harbors of the Great Lakes, other than the fixed facilities on land, have been constructed by the Federal Government and at the sole expense of the Federal Government. The only result of not including the cost of such improvements as a part of the project is to eliminate the cost of such improvements from those costs which are presumably to be liquidated through the imposition of tolls. Thus the Federal Government would have to pay these costs in the first instance, and would have no chance of recovering any part of the costs from the users.

Exactly what the cost of making these improvements in the Great Lakes harbors would be it is difficult to say, for no estimates of such costs have ever been submitted. The Army engineers did submit some estimates as to the cost of providing an entrance channel and turning-basin in 17 typical harbors on the Great Lakes, but this, of course, would constitute a wholly inadequate improvement of the channels to serve the needs. The only genuine attempt at an estimate of this cost was that made by Maj. Gen. R. C. Breene, retired. Using the same unit costs employed by the Army engineers on harbor work, Major General Breene arrived at a minimum estimate of $104 million for deepening to 27 feet of 17 typical harbors in the Great Lakes.

In this connection, Mr. President, there should not be left out of the picture the question of the cost of deepening the connecting channels of the upper Great Lakes. If it be asked why this cost should be taken into consideration, I think the answer is obvious. In the first place, up until this year every bill introduced calling for approval of the St. Lawrence Waterway project has included as a part of the project the cost of deepening these channels. For nearly 30 years this waterway has been advocated on the theory that it would permit oceangoing vessels to ply freely between the ports on the Great Lakes generally and ports all over the world. Never, prior to last year, had it ever been suggested that this part of the work should be omitted. The reason for the omission is perfectly obvious. It is certainly not because of any change in concept of what the overall project should be, but is merely a result of the

tactics calling for a piecemeal approach to the construction of the waterway in order to make it look cheap.

It should be perfectly obvious to everyone that S. 2150 is merely being used as a means of getting a foot in the door. It would be very difficult, indeed, to justify providing a 27-foot waterway for those located on Lake Ontario and Lake Erie and denying a waterway of similar standards for those located on Lake Michigan, Lake Huron, and Lake Superior. The Senators from Minnesota have already made it perfectly clear that they have no intention of letting the waterway stop at Detroit, and there are amendments pending before the Senate to S. 2150 calling for the improvement of the upper Great Lakes channels.

The cost involved in this work is even more uncertain than the cost of the work in the International Rapids section, for the estimates previously submitted by the Army engineers for this work, amounting to approximately $100 million, do not even purport to be final and accurate estimates. According to the statements of the Army engineers themselves, much of this work would be performed in areas in which no soundings or borings have ever been taken. The estimates are the result of office studies employing available hydrographic data.

To me it is a shocking thing that the Congress of the United States should be asked to consider authorizing work of this magnitude with little more than rough estimates of the cost, particularly when one has in mind the inaccuracy in the past of even the most thorough and carefully prepared final estimates of the Army engineers.

Not only is S. 2150 being used as a means of getting the nose of the camel under the tent, so far as the geographical extent of the project is concerned, but it is clearly being used in that way in another respect. I have reference to the depth of the proposed waterway. For the reasons I have already outlined it should be obvious to everyone that the proponents of the St. Lawrence waterway will not by any means be satisfied with an obsolete waterway of 27-foot depth. Once a waterway of 27 feet were to be authorized, and probably before the project were even completed, one could rest unhappy but assured that the proponents of this project would be back before Congress seeking authorization for deepening the entire waterway at least to 35 feet, which is the absolute minimum depth for a waterway to serve ocean shipping. Then proponents would point out the absurdity of having a waterway through which the American merchant marine could not operate economically while their foreign competitors, because of lower wage costs, were operating successfully with smaller vessels and taking away all of their business; and they would produce figures to show the great economies to be achieved through the operation of deeper draft vessels.

In view of these facts, I see no point in the Congress going into this situation blindly. For that reason it seems to me to be the part of wisdom to inquire into what the probable ultimate cost would be of a 35-foot waterway before we embark on any part of this project. To do this it will be necessary to rely upon figures submitted by the Army engineers several years ago at a time when they included in their table of costs the estimates for a 35-foot project. At the hearings on S. 2150, no figures were presented having to do with the cost of a 35-foot waterway. This, no doubt, was a part of the strategy of the proponents who did not wish anyone studying this project to have before them the figures which showed what real money would be required if the only project making any sense from a functional standpoint were ever constructed.

Let us now look at the increase in the cost of a 35-foot depth as compared with a 27-foot depth for the various segments of the total project.

In the Thousand Islands section, we find that the cost goes up from $1,593,000 to $23,679,000, or an increase of approximately $22 million. In the International Rapids section, the cost goes up from $475,356,000 to $512,587,000, or an increase of approximately $37 million. These increases are quite moderate, but in the connecting channels of the upper Great Lakes, the cost goes up from $89,845,000 to $516,657,000, or an increase of approximately $427 million. The total of these increases for the United States amounts to approximately $486 million. This cost, of course, includes nothing for the deepening of the harbors in the Great Lakes.

Again, as in the case of the estimate of the cost of deepening the harbors to 27 feet, there has been no study which would justify placing too great reliance on the estimate for this work, but General Breene estimated the cost of deepening 17 typical harbors in the Great Lakes to 35 feet at $577,600,000, or an increase of $473 million over the cost of deepening such harbors to 27 feet. This gives a grand total increase in cost to the United States for a 35-foot project, as compared with a 27-foot project, of approximately $960 million. In view of the fact that most of these costs are based on cost levels for December 1950, there is little doubt that as of today the increase in cost would be more than $1 billion.

This is only the increase to the United States, and, of course, it would be necessary for Canada to increase the depth of the portions of the waterway for which it would be responsible in order to make the project a 35-foot waterway. For the three portions of the waterway in the so-called Canadian section, the cost would be increased from $137,858,000 for the 27-foot project to $224,337,000 for the 35-foot project, or an increase of approximately $86,450,000. In the Thousand Islands section, Canada would be required to spend approximately $2 million for the 35-foot channel as against no cost for the 27-foot channel, and in the Welland Canal the cost would be increased from $1,302,000 to $449,545,000, an increase of $448,243,000. Furthermore, this estimate of the cost of deepening the Welland Canal to 35 feet carries the following footnote which is quoted from a letter of the Department of Transport in Canada:

> The estimate of cost of this project is far from the same degree of accuracy as other estimates of cost for other sections of the waterway. Sufficient data on which to base a reliable estimate for a 35-foot project in the Welland Canal area is not available.

Thus, the total increase to Canada would be approximately $537 million, as a minimum. This, of course, includes no cost to Canada for increasing the depth of its harbors, for which there is no estimate.

While, of course, no one could force the United States to pay any part of the cost of deepening the waterway in Canadian territory to 35 feet, Congress should not overlook the fact that Canada may be thoroughly disinterested in any proposal to increase the depth of the waterway from 27 to 35 feet. I say this for the reason that at 27 feet the anticipated effect of the waterway will be to promote and build up the trade of the port of Montreal, at the expense of United States ports on the eastern seaboard, because of the expectation that at the limited depth of 27 feet the waterway would be largely unusable by oceangoing ships, and most of the traffic moving over the waterway for export would move to Montreal in lake vessels and there be transferred into oceangoing ships for movement across the Atlantic Ocean. On the other hand, if the waterway were deepened to 35 feet, much of this traffic might sail right past Montreal without stopping.

In this connection, I cite the following statement from a speech of Mr. Lionel Chevrier, Canadian Minister of Transport, in the Canadian House of Commons:

> In this connection it may be of interest to note the oceangoing vessels are not expected to play a major role on the seaway.

Further confirmation of this view from a high Canadian source is to be found in a recent statement of General McNaughton, cochairman of the International Joint Commission. I quote the following from an editorial in the Buffalo News of March 28, 1953, entitled "It Won't Be a Seaway":

> Official confirmation comes from Ottawa that the St. Lawrence Waterway which Canada seems intent on building as its own is not designed as a seaway. Gen. A. G. I. McNaughton, cochairman of the International Joint Commission, is authority for the statement. Speaking before the House of Commons Foreign Affairs Committee, he said that the bigger ships have a role of their own in ocean trade, and were not designed for traversing waterways. The general feeling is that far from wanting them in, we want them out, he declared.

It is, therefore, extremely doubtful that the increased benefits from the 35-foot canal would appear sufficiently enticing from the Canadian point of view to justify an additional expenditure by Canada of more than half a billion dollars, and with resultant damage to the port of Montreal.

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

The PRESIDING OFFICER (Mr. CARLSON in the chair). Does the Senator from Maryland yield to the Senator from Louisiana?

Mr. BUTLER of Maryland. I am happy to yield.

Mr. LONG. Am I to understand from the Senator's argument that he anticipates that if the channel should be eventually deepened to 35 feet, it would probably have to be done entirely at the expense of the American Government, once we begin to participate in the operation of the seaway?

Mr. BUTLER of Maryland. I anticipate precisely that result. That is why I said a little while ago that, in my opinion, this will turn out to be one of the biggest American giveaways in the history of the country. It will make the port of New York look like a second-rate port alongside Montreal. It will take away from the United States traffic we ought to have, traffic we have fought and died for, and will put it in Canada.

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

Mr. BUTLER of Maryland. I am very happy to yield.

Mr. LONG. Has the Senator considered the fact that at such time as the traffic is diverted to Montreal and through the St. Lawrence, it would nevertheless be necessary to maintain capacity at Atlantic coast ports, because during at least 4 months of every year the seaway would be frozen, and during that time all cargo originating in the midwestern section of the United States would have to be loaded through eastern and southeastern ports?

Mr. BUTLER of Maryland. I may say to the distinguished Senator from Louisiana that that eventuality would place such a burden on the economic system and on persons who operate the present facilities along the east coast that they could not bear up under it.

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

Mr. BUTLER of Maryland. I am glad to yield.

Mr. LONG. I am certain the Senator from Maryland realizes that although it would be necessary to enlarge all the ports on the Great Lakes to enable them to handle the increased cargoes, it still would be necessary to maintain standby capacity on the eastern and southeastern seaboards to handle the traffic during the time when the Great Lakes-St. Lawrence system would be frozen.

Mr. BUTLER of Maryland. That is correct. It would be necessary to retain the eastern seaboard facilities, which have been constructed at a cost of hundreds of millions of dollars, and would have to be maintained only on a standby basis. I do not believe any business could live on that basis.

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

Mr. BUTLER of Maryland. I am very happy to yield.

Mr. LONG. Does not the Senator realize also that it would be necessary to employ labor for perhaps 8 months in the Great Lakes region, particularly in connection with Great Lakes ports, only to discharge that labor during the other 4 months, when they would be either unemployed or would have to find some other type of employment while the Great Lakes ports were frozen?

Mr. BUTLER of Maryland. That is perfectly true. That is why the United States labor organizations are against the project.

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

Mr. BUTLER of Maryland. I am glad to yield.

Mr. LONG. The point has been made that railroads are acting selfishly in opposing the seaway. Of course, the income of railroads is limited by rates fixed by the Interstate Commerce Commission. Railroads are limited to a fair return on their investment. The amount of income to which the railroads are entitled is fixed by law; it is not fixed by their own earning capacity.

When this seaway is opened up, if its tonnage is diverted from the railroads, as the seaway advocates contend will be the case, then those railroads will have to get their income from other hauls where they charge lesser rates. The only way I can anticipate the railroads recovering the money which would be lost would be to raise all their rates on the short hauls.

Mr. BUTLER of Maryland. The rates would be so high that the railroads would price themselves out of the market, and ultimately would not be able to stand the burden.

Mr. LONG. I wonder if the Senator has noticed that the Canadian Minister for Transportation has testified, or has certainly made speeches in this country to the effect, that a similar injury would not occur to the Canadian economy.

Mr. BUTLER of Maryland. I just cited that in my address. He said, indeed, that he would rather all of the American oceangoing ships stay out of the waterway. They do not want them there. They want the trade to go to Montreal, and they want us to take our own trade away from ourselves. They want our trade, and they want us to pay the bill for their getting it.

Mr. LONG. Did the Senator notice the statement made by the Canadian Minister of Transport that the Canadian railroads and ports are strongly in favor of the seaway, although the American ports and railroads are opposed to it?

Mr. BUTLER of Maryland. The Canadian railroads and ports naturally would be, because they are the ones who would naturally preempt all the traffic.

Mr. LONG. Would not that statement by the Canadian Minister of Transport indicate that the Canadians feel that this diversion of traffic would cause their railroads and their ports to handle more traffic rather than less?

Mr. BUTLER of Maryland. That must follow.

Mr. President, to some persons, the suggestion might seem absurd that the United States would consider paying a large part of the cost of performing work in portions of the St. Lawrence River lying wholly in Canada. It seems to be a little realized fact, however, that that is exactly what was proposed in the 1941 executive agreement between Canada and the United States, and what would have been done if the legislation before the 82d Congress had been enacted.

It is only necessary to look at the table of costs presented by the Army engineers in 1952 to see that this is so. While in that table all the work lying wholly in Canada was shown as a cost to Canada, this was made up for by charging Canada less than one-fifth of the cost of the work in the International Rapids section, including the cost of the powerhouse and all the machinery and equipment for the generation of power which was to be divided equally between the two countries.

The total amount Canada was to have paid under the 1941 agreement was $251 million. When we consider that that is only a little more than half of what the total cost of the power project would have been at that time and less than half of the $517 million at which the cost of the power project is estimated today, without including interest during construction, it is obvious that Canada was in reality paying practically nothing toward the cost of the waterway. Further evidence that this is not a far-fetched idea is to be found in a statement from a letter of the Canadian Department of Transport, which is appended as a footnote to the Canadian estimate of the cost of deepening the Welland Canal to 35 feet, in which it is said:

> Also, it is believed that study should be given to locating such a project (35-foot canal connecting Lake Ontario and Lake Erie) on the United States side.

Therefore, in considering what the United States Government may be embarking upon in the way of an ultimate total expenditure by reason of this venture in the St. Lawrence, it is necessary to consider that should the depth of the waterway be increased to 35 feet, the cost to the United States would be at least a billion dollars above the cost of the 27-foot waterway, plus, possibly, a large proportion of the half billion dollars of added cost that proponents assume would be borne by Canada.

Mr. LONG. Mr. President, will the Senator yield again?

Mr. BUTLER of Maryland. I yield.

Mr. LONG. As the Senator well knows, I have offered an amendment, which is at the desk, which would require that in appropriating the money to build this waterway the appropriation should go through the usual channels, and that all the money to build the waterway would have to be recommended by the Appropriations Committees. I wonder whether the Senator has considered that there may be many items of expenditures entailed by the proposed projects which have not up to this time been presented to the Appropriations Committees.

Mr. BUTLER of Maryland. I think that is perfectly true, and much of it is in the form of estimates. I went to great pains in my address to point out that the Army engineers' estimates have sometimes proven to be as much as 35 to 40 percent erroneous.

Mr. LONG. Can the Senator tell us what committees of the Congress are charged with the responsibility of look-

ing into proposed expenditures, seeing how much money a given item would cost, and what the amount of the appropriations should be?

Mr. BUTLER of Maryland. I know of no other committee of the Congress with the exception of the Appropriations Committees.

Mr. LONG. Does not the Senator find it passing strange that we find here a bill involving the expenditure of $105 million upon which the Appropriations Committee of the Senate is not given an opportunity to pass?

Mr. BUTLER of Maryland. It is very strange; and, furthermore, the committee will probably have no opportunity to pass upon the other expenditures entailed by this foot-in-the-door method.

Mr. LONG. The Senator from Maryland has made the point, has he not, that the interest to make this a real seaway for ocean-going vessels is American rather than Canadian?

Mr. BUTLER of Maryland. That is true.

Mr. LONG. The channel for ocean-going vessels should be a 35-foot channel, should it not?

Mr. BUTLER of Maryland. Yes.

Mr. LONG. In looking into that, does not the Senator agree that the Appropriations Committee should be the one to consider what should be the cost of such a waterway?

Mr. BUTLER of Maryland. Yes.

Mr. LONG. Does the Senator agree that the Appropriations Committee is the one which has made the study in order to see whether the channels should be 30 or 35 feet when a canal project is under consideration?

Mr. BUTLER of Maryland. I have never, since I have been a Member of the Senate, heard of any project being handled on any different basis.

Mr. LONG. Does the Senator know of any bill involving the development of our waterways in the consideration of which the Committee on Foreign Relations has been the committee to pass upon the adequacy of a given channel?

Mr. BUTLER of Maryland. No, I do not. I do not know of any other instance.

Mr. LONG. Did the Senator hear the statement made by the distinguished chairman of the Committee on Foreign Relations to the effect that before this seaway is constructed it is hoped some agreement can be reached with Canada to assure that the United States will have an equal voice as to what tolls shall be charged on the Welland Canal, and on the four locks which are to be on the Canadian side?

Mr. BUTLER of Maryland. Yes. I was on the floor when he made that statement, and I questioned him immediately after that as to the terms upon which we could use the seaway after it was built. We have no firm commitment from Canada that we can even use it.

Mr. LONG. Does it occur to the Senator that it might be a very good idea for the Congress of the United States to retain control of the purse strings, to the extent of $105 million, until we see what kind of an agreement we have with Canada?

Mr. BUTLER of Maryland. Yes, and I think that if the time comes when Congress forfeits its right to do that, we will have reached a pretty sad day. This is a very unusual project, I was about to say "put through" in a very unusual way. I do not want to say "put through," because I hope and trust it will not go through, but the attempt is being made to put it through in a very unusual way.

Mr. LONG. Without intending any reflection upon the present administration or any prior administration, I wonder whether the Senator would give me his judgment as to whether it has been the Congress of the United States or the Executive that has been more solicitous in protecting dollar for dollar the investments of the American people.

Mr. BUTLER of Maryland. It has been the Congress all the way through.

Mr. LONG. Whether it has been the Congress or the Executive that has been more careful in protecting the funds of the American people, is it not true that the Congress should not shirk its responsibility, that it should look into expenditures and see precisely what public money is to be spent for?

Mr. BUTLER of Maryland. I do not believe the Congress of the United States can shirk its responsibility. It is its constitutional obligation to retain control of the purse strings, and that is what the Founding Fathers provided in the Constitution.

Mr. LONG. Is it not also true that if a project cannot be constructed in a single year, it is up to Congress to look at the project year by year, rather than to make an appropriation of $100 million, leaving it to some agency either to accelerate or promote the project as it sees fit?

Mr. BUTLER of Maryland. The Senator from Louisiana knows, as do I, that that is the common practice; and in some instances the Appropriations Committees have stopped construction right in the middle of a project.

Mr. LONG. Mr. President, will the Senator from Maryland yield further to me?

Mr. BUTLER of Maryland. I yield.

Mr. LONG. During the time the Senator from Maryland has served in this body, can he cite me a single precedent for the present control to bypass the Appropriations Committtee and bypass the Congress of the United States in the expenditure of $105 million or in the expenditure of a single thousand dollars?

Mr. BUTLER of Maryland. No; I cannot think of any such instance.

Mr. LONG. I thank the Senator.

STUDY OF JUVENILE DELINQUENCY

Mr. HENNINGS. Mr. President, will the Senator from Maryland yield, to permit me to submit a resolution and to make two unanimous-consent requests in connection therewith?

Mr. BUTLER of Maryland. I shall be very happy to yield for that purpose, provided I do not thereby lose the floor. I ask unanimous consent for that purpose, Mr. President.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. HENNINGS. I thank my distinguished friend, the Senator from Maryland, who today is making such an effective and enlightening address concerning a problem which is of great concern to all of us.

Mr. BUTLER of Maryland. I thank my friend.

Mr. HENNINGS. It is of particular concern to some of the Members of the Senate who come from States beyond the periphery of the area contiguous to the proposed project, and, in particular, from west of the Mississippi River.

Mr. President, on behalf of the junior Senator from New Jersey, I now ask unanimous consent to submit a resolution, which I send to the desk for appropriate reference. The resolution is jointly sponsored by the junior Senator from New Jersey [Mr. HENDRICKSON], the senior Senator from North Dakota [Mr. LANGER], the senior Senator from Missouri, and the senior Senator from Tennessee [Mr. KEFAUVER].

There being no objection, the resolution (S. 190) was received and referred to the Committee on the Judiciary, as follows:

Resolved, That section 3 of Senate Resolution 89, 83d Congress, agreed to June 1, 1953 (authorizing the Committee on the Judiciary to make a study of juvenile delinquency in the United States), is amended to read as follows:

"SEC. 3. The committee shall make a preliminary report of its findings, together with its recommendations for such legislation as it deems advisable, to the Senate not later than January 31, 1954, and shall make a final report of such findings and recommendations to the Senate at the earliest date practicable but not later than January 31, 1955."

SEC. 2. The limitation of expenditures under such Senate Resolution 89 is increased by $175,000, and such sum together with any unexpended balance of the sum previously authorized to be expended under such Resolution shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

Mr. HENNINGS. Mr. President, I also ask unanimous consent to have printed in the RECORD a statement on the subject being dealt with by the Subcommittee of the Judiciary Committee to which the resolution just submitted relates. The statement was prepared by the junior Senator from New Jersey [Mr. HENDRICKSON].

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

STATEMENT BY SENATOR HENDRICKSON

During the 1st session of the 83d Congress the Senate approved a resolution directing that a study and investigation be made of juvenile delinquency in this country. In August 1953 a subcommittee of the Judiciary Committee was organized to carry out this mandate. The junior Senator from New Jersey had the honor to be named chairman of that subcommittee, serving with my distinguished colleagues, Senator LANGER, of North Dakota; Senator KEFAUVER, of Tennessee; and Senator HENNINGS, of Missouri.

The approval of the original resolution, Senate Resolution 89, which created this subcommittee, expressed the grave concern we all have felt about the rising tide of delinquency among our youth.

Our investigations of nearly 5 months demonstrate that this concern is indeed justified.

To that end, I address the Senate today to urge adoption of an amending resolution which would extend the life of this subcommittee from January 31, 1954, until June 30, 1955, and allocate $175,000 for that purpose. In this request for an extension of time from less than 5 months of actual operation, I am joined by my 3 colleagues of the subcommittee.

In these early stages of our work the subcommittee has held public hearings into various national aspects of the problems of juvenile delinquency. It is hearing today, and for the next several days, from the Department of Justice and the Department of Health, Education, and Welfare in the belief that we should reexamine our own Federal programs involved in the prevention and treatment of juvenile delinquency.

Next week we conduct hearings at which our major church, civic, and national youth-serving organizations will present their approaches to the problem.

Our subcommittee has held community hearings, with the aid and advice of local community leaders, in Denver and Washington, D. C., and near the end of January we will visit Boston for another hearing, prior to issuing a report. This community approach, as well as the basic objectives of our work, has the blessing and support of President Eisenhower. He has written to me, as chairman, pledging the support of his executive agencies, and applauding our plan for an on the scene city-by-city study.

We cannot continue this city phase of our hearings without an extension as proposed in the new resolution. I submit herewith the text of President Eisenhower's letter to me:

THE WHITE HOUSE,
Washington.

DEAR SENATOR HENDRICKSON: The subject of juvenile delinquency, which you and your colleagues of the Judiciary Committee of the Senate are now studying, is one of the most complex social problems facing the Nation today. Juvenile delinquency is a problem filled with heartbreak. I know that you share with me the fervent hope that your deliberations will result in suggestions for action which will reduce substantially the incalculable unhappiness which juvenile delinquency now causes our children, their parents, pastors, educators, and all who are concerned with the problem.

In your investigation you may count on the wholehearted assistance of those executive departments which are concerned with the problem. For a number of years, the Children's Bureau of the Department of Health, Education, and Welfare, in particular, has been collecting information about juvenile delinquency and evaluating the proposals advanced from time to time regarding its alleviation, which should be of value to you.

I am happy to know, too, that the subcommittee proposes to hold hearings in various other cities, including some smaller towns, in an effort to ascertain the effects of juvenile delinquency in specific localities. Although it is a problem of national importance, and one in which the Federal Government properly takes a keen interest, juvenile delinquency does vary from community to community in its nature and extent. Your subcommittee in seeking the concrete facts about delinquent children and youth in particular communities has taken note of that important fact.

It is my hope that one result of the present hearings will be to alert our community leaders and all of our parents to the responsibility that is theirs. I wish you every success in this important investigation.

With best regard,

Sincerely,

DWIGHT D. EISENHOWER.

I am not an alarmist; nor are my distinguished colleagues. We do not subscribe to the gloomy prophesy that American youth is deteriorating beyond redemption.

But we are disturbed by the results of our investigations.

The experience of the Subcommittee on Juvenile Delinquency has been brief but intensive. Our investigations are far from completed, but I would like to give a few highlights of some of the evidence we have received to date.

The evidence received so far conclusively establishes that juvenile delinquency is a problem of sharply increasing severity. Annually, since 1948, both its volume and rate has mounted. Younger children in larger numbers are becoming involved in serious crime.

Although individual communities may be excepted, we find that all sections of our country have experienced an aggravated juvenile-delinquency problem. Measured in terms of volume, we are waging a losing battle against it.

Nationwide juvenile delinquency as measured by offenders in juvenile courts increased almost 30 percent between 1948 and 1952. But even larger rises are occurring in many States and communities. Indeed, I have just been handed a report showing that in 1953 alone, in my own State of New Jersey, juvenile delinquency increased a disturbing 18.6 percent, according to preliminary estimates.

But involvement of younger persons in larger numbers in serious, even violent, forms of crime is equally ominous.

When we think of childhood we think of a carefully sheltered period of youth, learning and playing. It is hard for us to realize that children, sometimes of very tender ages, are actually found ever more frequently involved in such serious crimes as housebreaking, personal assaults, narcotic violations; even murder and rape.

During 1952, 37 percent of all persons arrested for robberies were under 21 years of age. This young age group accounted for 47 percent of all arrests made for larceny, 68 percent of those for auto theft, and 35 percent of all arrests for rape.

Testimony presented to the subcommittee indicates that heroin—the drug which has enslaved thousands of young Americans—is being methodically produced and poured into the world's markets by Red China. This Red tide of dope has reached our west coast and is moving eastward. We have received testimony that New York City has today an estimated 7,500 juvenile addicts, and this city has not yet been hit by the tide from the Far East.

No less than 8 percent of children coming before juvenile courts in Los Angeles County today have had contact with narcotics. Eighty to ninety percent of all Latin-American boys appearing before the juvenile court in Denver have had such contact.

While there is some variance in the testimony of experts, total evidence indicates that during the past 5 years, there has been an increase in drug violations by juveniles in the majority of our large urban centers.

Actually our subcommittee is concerned more about the future; how we may best handle the new situation, and what increased Communist production means for our young people in the next few years, than we are about the current narcotics situation.

Heroin is not the total of the drug menace to juveniles. Iowa is an agricultural State. Yet 25 percent of the girls admitted to its State training school for girls have used marihuana. Still other youngsters in search of a thrill or a "kick," as they call it, have turned to barbiturates and amphetamines.

A recent investigation in Oklahoma City revealed that 250 juveniles between the ages of 13 and 18 were using these drugs regularly. Apartments were rented and used as "pads" for drug or so-called "kick" parties.

The delinquents in these cases all come from the better neighborhoods of the city and not from the wrong side of the tracks.

I am aware that the vast majority of druggists and physicians are reputable representatives of honored professions. But the drugs in this instance were secured by the children from a few of those willing to sell the welfare of youth for a "fast" dollar.

Your subcommittee is now studying proposals which would better protect our young people from this evil practice.

The lawless conduct of juvenile gangs constitutes another serious problem for children in many communities.

I do not refer to innocent play or interest groups of children and adolescents, and thankfully there are many more of these.

I refer to the organized, predatory gangs which children in some neighborhoods must join for their own protection. Gangs in which robberies, extortion, drug traffic, assaults and sexual irregularities are the order of the day.

Certain large cities—New York and Los Angeles for example—have made sound starts to bring this problem under control. But the gang problem is not restricted to large urban centers.

In order to tap grass roots experience on a broad basis, the subcommittee sent letters of inquiry to some 3,000 local police officials, educators, judges, welfare, and mental health officials.

Many reported gang problems.

May I quote as an example from the reply of a police official in a small city in the State of Washington:

"Gang warfare has reared its ugly head in our community and already reports have reached our ears of a number of beatings having taken place." He goes on to say that numerous dangerous weapons, which include whips made from car battery cables, car fan belts, along with a large collection of assorted knives and a home-made .22 pistol or two, have been seized.

Obviously, we must find ways to meet this problem on a broader front than through specialized programs in a few urban centers.

In mentioning New York City, Los Angeles, Iowa, and other specific cities or States, I want to make it clear that I am not implying that their problems are more serious than that of other cities or States.

Juvenile delinquency is a nationwide problem.

Such cities and States are but examples of broadly existing problems and conditions. I could go on at length about the evidence we have received of many other forms of illegal conduct which is assuming larger proportions among our young people.

From those 3,000 grass-root sources throughout the Nation we have received reports of increased school dropouts, increased truancy, increased use of alcohol by juveniles—indeed, an increase in almost every form of delinquent conduct.

But in the last analysis, the exact forms that serious delinquency takes, is unimportant except as it points to what is wrong—what is causing a small but increasingly large percentage of children in our times to become involved in delinquency and crime. This ominous development is not and cannot be without cause.

In less than 5 months the Subcommittee on Juvenile Delinquency has not been able to produce the whole answer but many factors have come to light.

Obviously, juvenile delinquency is symptomatic that something is wrong in the life of a child. Increased juvenile delinquency means that there is something wrong in the lives of more children.

We know that juvenile delinquency has its roots in family life and in the life of the neighborhood of which that family is a part. Many forces are operating in present-day

America which work against stable and satisfying family and community life.

Let me mention a few of these forces.

We have become a highly mobile people. Such mobility is the product of, and in many ways necessary to, our high industrial and agricultural productivity.

But it also uproots families and sends them into new communities among strange people. Our vigorous economy draws many mothers into the labor market where they add to our national production and to the incomes of their own families.

As a result the latchkey children of some of these mothers suffer lack of proper care and supervision. Modern urban life with its impersonal relations among neighbors and its many attractions which pull family members away from the home is also a factor with at least some negatives for the development of strong family life, amidst friendly, interested neighbors.

Because of the strained international situation, young people of today find it impossible to look forward with certainty to higher education, to entering a trade or business, to plans for marriage, a home, and family.

This results in the development of added restlessness, added tension, and encourages a philosophy among our young people of eat, drink, and be merry.

God grant that this be a temporary situation; that international tensions abate, and that the world find the means to live at peace.

In referring to these forces, it should be made clear that neither mobility nor industrialization, nor modern urban life, nor an uncertain future alone creates a delinquent child.

They do, however, add to insecurity, to loneliness, and to fear. They do detract from the care and supervision of children and from the development of the close personal relationships through which we all gain and maintain a sense of acceptance, competency, trust, and confidence in the future.

The evidence before the subcommittee also indicates that we as a society have been deficient in developing and enforcing the laws necessary to better protect children from delinquency. We have been equally deficient in developing the machinery necessary to giving help to children in trouble.

Early testimony before the subcommittee indicates that much of our basic thinking may be misdirected as to prevention and cure. Challenging questions have been raised as to methods and approaches. Are we reaching the truly delinquent child with our programs? Or are they beyond the pale in our society?

Is it just a matter of spending more money, or is it not really a matter of using that money to the best advantage that we must consider as well?

To be sure, many of our programs may indeed be excellently channeled. But if everyone is doing a 100-percent job, why is delinquency among our young increasing?

Juvenile delinquency is primarily a local problem, although there are significant interstate factors to which I will shortly refer.

It develops in a child's own home and community and must basically be prevented at that level. It is no indictment of individual local communities to say that they have not found the answer because the problem is common to all communities.

Neither is it an indictment of old and tested methods to say that they don't meet new problems. What is needed, then, is a new focus upon this problem—a clear-cut and factual definition of the problem and a marshaling of community resources to meet it. Individual communities are experimenting with new techniques and approaches, but no effective way exists for one community to benefit from the successes or failures of another.

I believe that the Subcommittee on Juvenile Delinquency is performing an invaluable and unique service to children by turning the spotlight of public attention boldly and factually upon the problem of juvenile delinquency.

America has both the will and the intelligence to solve this problem. Through this subcommittee the Senate can provide the catalytic agent and the leadership necessary for effective action. Such action on the part of the Senate has, I believe, widespread public support.

The public interest which has been demonstrated in the work of this subcommittee has been most heartening to its members. Thousands upon thousands of pieces of mail have been received. Hundreds of letters and telegrams from organizations and individuals have reached the subcommittee, urging that its work be continued. Invitations to hold hearings have been received from dozens of communities.

The same kind of interest and support has been expressed by various public and private officials. The governors of no less than five States—Maryland, Massachusetts, Rhode Island, Washington, and New Jersey—have loaned personnel.

Similar loans have been made by certain private organizations, including the National Probation and Parole Association, the American Public Welfare Association, and the Prisoner's Aid Society of Baltimore.

The problem of juvenile delinquency is not one, however, which can be handled entirely within individual communities or States. Juvenile delinquency crosses State borders, and the solution of certain aspects of the problem will require direct Federal action.

As among States, for example, we permit the deserting father from one State to find refuge in another.

Senator LANGER, joined by the three other members of the subcommittee, has just offered legislation to help combat this serious contributing factor to delinquency.

We permit the runaway child from one State to be committed as a delinquent to the institution of another State because we lack the machinery to return him to his home. Many hundreds of such runaways are apprehended in single States alone, such as California and Florida each year.

Your subcommittee is now studying alternative approaches to the solution of this interstate problem.

Much remains to be done far and beyond what we have been able to accomplish in less than 5 months. A start has been made and, I believe, a sound one. I am convinced that the protection of our children from the menace of delinquency makes it imperative that the Subcommittee on Juvenile Delinquency be enabled to complete its crucial task.

The junior Senator from New Jersey does not believe that admitting to past error necessarily absolves one of all blame. He does believe, however, that confession is good for the soul. He further confesses in all sincerity, at least one error to the Senate of the United States.

I had no idea last spring when I first introduced Senate Resolution 89, just how complex was the problem I had set out to probe. I had little idea of its magnitude. It took me just a month or two with my staff, headed by an eminent lawyer from my State, Mr. Herbert J. Hannoch, to determine the depth of our work.

Unfortunately, I must recite to the Senate from a colloquy during the course of the original debate upon which I entered with the senior Senator from Louisiana.

This is the confession of which I just spoke, and I quote from the colloquy:

"Mr. ELLENDER. Since the Senator from New Jersey is the author of this resolution, I have no doubt that he will be appointed a member of the subcommittee, I hope so; and I hope he will come to the Senate next year without a request for more funds.

"Mr. HENDRICKSON. I sincerely hope that I shall be able to come before the Senate and report exactly the result which the Senator from Louisiana wishes."

The junior Senator from New Jersey recognizes his original error, but he sincerely feels that the good work and the good purpose of this subcommittee must go on in the public interest.

Today, we are rightfully concerned about our national security.

But safeguards to our future as a nation of free men, I submit, cannot be adequately measured by the power of our Armed Services or by our skill and tenacity in ferreting out subversives, important though these matters be.

Indeed, self-protection against foreign enemies will achieve little of permanent value if that which we seek to safeguard, the welfare of our future citizens, is destroyed by forces operating within our society today.

Our Nation's future in the last analysis depends upon the character, stability, courage and ideals we are able to impart to our children and to our children's children.

The fight against juvenile delinquency, as I see it, is a crucial one, in our struggle to preserve our American way and I urge the early adoption of this resolution.

Mr. HENNINGS. Mr. President, I also ask unanimous consent that some remarks prepared by me, on the same subject, be printed in the RECORD.

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

STATEMENT BY SENATOR HENNINGS

Last September, the first national study of juvenile delinquency ever undertaken by a congressional committee got under way. The importance of this comprehensive survey was reflected almost at once by the attention given it in press and radio from coast to coast. At the same time, a spontaneous avalanche of mail descended upon the committee and its members. I might add that nearly all of these expressions of public interest were favorable, even enthusiastic, in their content.

Speaking as a member of the Judiciary Subcommittee which is making the juvenile delinquency study, I feel that this vast public expression is indicative of a national desire for congressional guidance in the matter of our juvenile problems. There is an acute awareness that a shocking national problem of major proportions exists.

There is also a growing realization that the problem is accelerating at a dangerous pace, despite increasing efforts in some places to provide constructive services to reverse the trend.

There are, as FBI Director Hoover has stated, a myriad of programs to combat juvenile delinquency and in some parts of America a conscientious effort to curb the problem. Yet, our delinquency ratio continues to rise.

It is the primary aim of our committee's study to determine why, as a nation, we have failed to master the delinquency problem to date and how, as a nation, we may end this failure. By no means do I wish to imply that what our committee has done in these months of operation, or what we hope to do in the future, will magically rid America of her social blight of juvenile delinquency. The job is a plodding one. As we probe deeper, new aspects are revealed.

What is the real extent of the tragedy of our youth? Do we really understand its causes? How can we adequately guide those social servants and judges and police officers who are daily confronted with the problems of juvenile delinquency and who must deal with the juvenile offenders? Are our corrective methods and institutions outmoded?

Are our laws too rigid, or not rigid enough? Are new Federal laws needed and are some of our present laws outmoded? What success is a new approach to the youth gang problem meeting with in New York City? What is California doing to cope with its narcotics problem among youth? Why is delinquency among minors rising in the rural areas of our country at an incredible rate? Are we too soft or too tough with our juvenile offenders? Are we overplaying or neglecting psychiatric treatment?

These are but a few of the questions our study is attempting to answer. They are questions that are being asked all over the country.

That is why I believe there has been such a spontaneous and approving response to the activities of the juvenile delinquency subcommittee headed by my able colleague, Senator ROBERT HENDRICKSON, of New Jersey.

In the brief period our committee has been in existence, we have heard a host of witnesses, most of whom are devoting their lives to some one facet of the many-sided enigma of our young people in trouble. Listening to these specialists spell out their findings and their bafflements is an inspiring and a challenging experience. In nearly all cases the witnesses have added considerably to our understanding of the problem. In nearly all cases the witnesses have offered corrective suggestions for us to weigh and report upon.

In many instances the witnesses offer the hope that collectively we of the committee will produce the catalyst for a great national drive against juvenile delinquency which will be successful.

It is this challenge to come up with something worthwhile that makes the work of the committee members gratifying. It is this challenge which makes us want to continue our efforts until we succeed. That is why my colleague, Senator HENDRICKSON, has asked this body to approve the continuation of our work.

If we accomplish nothing more than the tedious compilation of our day-to-day hearings, I believe our cost to the taxpayer will have been at a bargain rate. For, make no mistake about it, I am convinced that the public document we are compiling, which records our hearings, will prove as important as any public document the Congress has produced during the past decade or more. I feel confident it will not become a dead, dust-encrusted sheaf of papers. I see it, rather, as one that will be used for a generation ahead, in all parts of the Nation, by those concerned with the betterment of our youth. I believe it will become the accredited wellspring of guidance for those concerned with the problems of the juvenile delinquent. I also think it will be an important factor in stimulating State, county, municipal, group, and organizational activities—all of which, probably more than anything else, can alleviate the national burden of juvenile lawlessness.

There is an urgent time element involved in the work the juvenile delinquency investigating committee has undertaken. This urgency has to do with meeting an expected crisis in juvenile-delinquency matters by the year 1960.

By that time it is anticipated that 55 million Americans will be under 18 years of age. This vast number of young people is the result of the great rise in birth rate during World War II.

Our war babies are now half-grown youngsters. Tens of thousands of them were born in a calamitous home environment due to our war-shaken social order. The Korean war and the general instability of our postwar world has not been conducive to a quick changeover in our social order from the turmoil of shaken, uprooted homes to the security of a neighborly and stable pattern which we all would prefer.

Our children in too many instances reflect our own instability. That is frequently why they get into trouble.

With these vast millions of young Americans coming along by 1960—our population of minors will equal the population of the six New England States—the more we know about the causes and effects of juvenile delinquency, the better we will be prepared to deal intelligently with the anticipated increase in the number of young people in trouble.

How valuable will our committee findings be to all the specialists and public workers who are in the field of juvenile work? It is my hope that some committee recommendations at the end of our study will result in direct constructive action on the part of many to minimize the anticipated rise in juvenile delinquency during the next half decade.

For 27 years I have been concerned with youth groups and the problems of helping youthful offenders become useful and law-abiding members of the community. The Missouri Crime Survey of 1926, of which I was a staff member, was able to develop for the first time a full and accurate picture of the extent and nature of criminal activity then prevalent in the State. As circuit attorney of St. Louis, it was my duty to deal with hundreds of cases of young people in trouble and seek to conserve these vast human resources. I have been active for the past 25 years in the work of the Big Brothers of America, which work has shown good results. My own experience leads me to the conviction that the efforts of this committee will be justified.

In closing may I say that it is my feeling that the great majority of the Senate on both sides of the aisle are as much interested in seeing that our committee meets with real success in its undertaking as are the committee members and staff. If we are successful, the gain will be the whole Nation's.

Mr. LANGER. Mr. President, will the Senator from Maryland yield to me?

Mr. BUTLER of Maryland. I am very happy to yield, provided that I may do so without losing the floor.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. LANGER. I wish to speak briefly in regard to the resolution which has just been submitted.

Mr. President, I am a member of the Juvenile Delinquency Subcommittee, as well as chairman of the Senate Committee on the Judiciary, of which the Juvenile Delinquency Subcommittee is a part.

Very frankly, Mr. President, I do not know of any subcommittee which at the present time is of greater importance to the citizens of the United States than the subcommittee which is the subject of the resolution which has just now been submitted by the distinguished senior Senator from Missouri [Mr. HENNINGS].

The results, thus far, of the study made by the subcommittee have simply been astounding and invaluable. For example, we have found an interstate trade in babies and little children, who are being sold. At the hearing at Denver, we found that some men desert their wives and little children and will not take care of their families—although even a wild animal will feed its young.

We found that in Denver, in 1 year, 49 men abandoned their wives and children. When such men go to another State, it is found to be almost impossible to return them.

We have already prepared and introduced a nonpartisan bill which all members of the subcommittee—2 Democratic Senators and 2 Republican Senators—endorse; and the junior Senator from Vermont [Mr. FLANDERS] has also joined in sponsoring the bill. Two years ago he introduced a bill along similar lines. The bill we have already prepared and introduced will make it a Federal crime for a man to abandon his children.

This morning at a hearing of the subcommittee, we discovered from the testimony of the National Auto Theft Association, of Chicago—by far the largest group, if not larger than all of the others put together, interested in the matter of the theft of automobiles—that from 1948 on, the number of automobiles stolen by young persons under 17 years of age has steadily risen. In 1948, 17 percent of all automobiles stolen were stolen by boys or girls under 17 years of age. In 1952, the last year for which figures are available, 70 percent of all automobiles stolen were stolen by boys or girls under 17 years of age. Such thefts involve, of course, a loss of millions upon millions of dollars to the automobile owners of the United States. I might cite many other details we have found in the process of the work of the subcommittee.

Mr. President, let me say that all the testimony taken by the subcommittee is being printed.

We have had the benefit of the testimony of experts from the large colleges and universities; we have had the advice of the very best experts it has been possible to obtain.

I now ask unanimous consent that a statement by me in connection with this matter may be printed at this point in the RECORD.

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

STATEMENT BY SENATOR LANGER

The senior Senator from North Dakota is not known by his colleagues as a sentimentalist. Rather, he has a reputation for being a hard-boiled realist. He is certainly hard boiled when it comes to spending the taxpayers' money.

The money Senator HENDRICKSON is seeking in order to extend the life of the Juvenile Delinquency Committee will be as wisely and usefully spent as any money Congress could grant during this session.

Certainly to be a member of the Senate group which is undertaking the war against juvenile delinquency has made me feel good inside. It is a heart-warming undertaking for the betterment of American youth. If we can contribute, as I know we shall be able to, to curbing the disgraceful increase in juvenile delinquency, we will at the same time be curbing adult crime. Fifty percent of our adult criminals—think of it, one-half of our hardened criminals—began their lawless careers as juvenile offenders.

How much does crime cost our Nation? A fabulous sum that runs into the billions. And the cost in terms of lives and homes that have been ruined cannot be measured.

If we can slow up the rise in juvenile delinquency we can reduce our future criminal population. Is it worth while to try? That is what Senator HENDRICKSON'S subcommittee of the Judiciary Committee is working

on. I think we would be morally delinquent if we failed to go along with his request for time and money to complete the job.

I think the Nation as a whole wants this study to go on. My mail proves it. The people all over this land are greatly disturbed about the juvenile-delinquency problem.

I believe we can stimulate more and more constructive thought on the matter. This will lead to local action. The rise in the rate of juvenile delinquency in agricultural areas is what I am particularly concerned about, not to mention the serious problem existing on our Indian reservations. Our subcommittee will go into these areas and look into the causes.

That is why I think Senator HENDRICKSON is going to meet with approval in his request for a continuation of his Subcommittee To Investigate Juvenile Delinquency. I heartily support it.

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

Mr. LANGER. I yield.

The PRESIDING OFFICER. The Chair reminds the Senator from North Dakota that the Senator from Maryland has the floor.

Mr. BUTLER of Maryland. Mr. President, I am very happy to yield for any purpose, provided I do not thereby lose the floor.

Mr. LONG. Mr. President, will the Senator from Maryland yield to me?

Mr. BUTLER of Maryland. Yes; if I may do so without losing the floor.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. LONG. Mr. President, I desire to say that I salute my distinguished friend, the Senator from North Dakota, for the very fine statement he has made here.

Mr. LANGER. I thank the Senator.

Mr. LONG. Having served with the Senator from North Dakota on the Committee on Post Office and Civil Service, let me say that I recall very well that there was no other member of the committee, nor, for that matter, no other Member of the Congress, who was more solicitous of the welfare of mothers and children than was and is the distinguished senior Senator from North Dakota. So I am delighted to see that he has taken such great interest in proceeding to have something done about, and some study made in connection with, the problem of juvenile delinquency in the Nation.

Mr. LANGER. I thank both the Senator from Louisiana and the Senator from Maryland.

Mr. HENNINGS. Mr. President——

Mr. BUTLER of Maryland. Mr. President, I am very happy to yield to my distinguished friend, the senior Senator from Missouri, if I may obtain unanimous consent for that purpose, and provided I do not thereby lose the floor.

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

Mr. HENNINGS. I should like to make a brief statement only.

Let me say that I am very glad the distinguished chairman of the Judiciary Committee has given us the benefit of his experience, his views, and his most active interest in the work of the subcommittee, of which I have the honor to be a member. The subcommittee has been investigating the ever-growing and most serious problem of what is commonly referred to as juvenile delinquency, although in effect in fact, and in scope, it is really far broader in import as well as in impact upon not only the youth of the Nation but the entire Nation.

The members of the subcommittee have been working on this problem since last summer. A large part of my time and a large part of the time of the distinguished chairman of the Judiciary Committee and of the other members of the subcommittee throughout the summer and during the period of adjournment has been spent in the organization of the subcommittee and in conducting the hearings, which commenced in November. At those hearings there have appeared hundreds of witnesses—not merely persons, ofttimes improperly despised, I think, who sometimes are contemptuously referred to as social workers; but we have heard from judges of long experience, district attorneys, members of the medical profession, and members of the lay citizenry. During the extensive hearings, persons from every class, walk, and condition of life have appeared before our subcommittee, and have given us the benefit of their points of view regarding some of the causes of this problem.

In asking for additional funds for the work of the subcommittee, Mr. President, let me say that I think most of us view this matter not as an effort which will result in either a sensational solution or an easily found solution of the problem, but as an effort which will raise the many questions which bear upon the problem and will help to resolve at least some of the more obvious causes and reasons for such conditions among our young people, upon whom we must depend if our Nation is to continue in greatness, in power, and in strength to carry the burdens of the next generation and of subsequent generations.

I shall not say as much as could be said or might be said at this time. However, I think it appropriate to point out that this is a vastly intricate and complex problem. There is no readymade solution. Only yesterday the Assistant Attorney General of the United States, Mr. William Rogers, appeared before our committee. Mr. Rogers stated that he was empowered and authorized to speak for the Attorney General of the United States as well as for himself, in endorsing the work of this subcommittee as a most necessary and helpful adjunct to the work of the Department of Justice in controlling crime and undertaking the rehabilitation of young men and women who are in the courts or before they reach the courts, and who are thereafter unfortunately subject to confinement in Federal reformatories or penal institutions.

Mr. President, this subcommittee is not operating a sideshow. It is not exploiting the young people by having their photographs taken or bringing them before the committee to humiliate or embarrass them, to characterize them as juvenile delinquents, or to stigmatize them in any way.

Members of the committee have thoroughly inspected the homes for young people in the District of Columbia. On that occasion we asked the gentlemen of the press not to take pictures of any of the young people there, although they were prepared to take pictures of various portions of the institutions, and did so.

I think it can be fairly said that as a result of certain observations which were made at the detention home in the District of Columbia, when Mr. Spencer, chairman of the Board of Commissioners appeared before our committee, it was decided to include the enlargement of that home in the budget.

We are not only receiving information, but we are undertaking to give some advice, counsel, and encouragement to many fine, dedicated men and women who are doing their utmost to cope with the problem of young people who have difficulty with the law and to prevent such problems in all their phases.

I thank the distinguished Senator from Maryland [Mr. BUTLER] for his courtesy.

MESSAGES FROM THE PRESIDENT

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

ORDER FOR RECESS TO MONDAY

Mr. KNOWLAND. Mr. President, I ask unanimous consent that when the Senate completes its business today, it recess until 12 o'clock noon on Monday next.

The PRESIDING OFFICER (Mr. CARLSON in the chair). Without objection, it is so ordered.

ST. LAWRENCE SEAWAY DEVELOPMENT CORPORATION

The Senate resumed the consideration of the bill (S. 2150) providing for creation of the St. Lawrence Seaway Development Corporation to construct part of the St. Lawrence seaway in United States territory in the interest of national security; authorizing the Corporation to consummate certain arrangements with the St. Lawrence Seaway Authority of Canada relative to construction and operation of the seaway; empowering the Corporation to finance the United States share of the seaway cost on a self-liquidating basis; to establish cooperation with Canada in the control and operation of the St. Lawrence seaway; to authorize negotiations with Canada of an agreement on tolls; and for other purposes.

Mr. LONG. Mr. President, will the Senator from Maryland yield to me?

Mr. BUTLER of Maryland. I am very happy to yield.

Mr. LONG. I ask unanimous consent that, without affecting the right of the Senator from Maryland to continue his speech, I may suggest the absence of a quorum.

The PRESIDING OFFICER. Is there objection? The Chair hears none.

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

The PRESIDING OFFICER. The Secretary will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. LONG. Mr. President, 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. CARLSON in the chair). Without objection, it is so ordered.

Mr. BUTLER of Maryland. Mr. President, as already indicated, the minimum cost to the United States for a 27-foot waterway, according to the figures of the Army engineers, would be approximately $300 million, made up, in round figures, of $100 million in the International Rapids section, $100 million in the channels of the upper Great Lakes, and $100 million for improvement of harbors. Thus the total minimum cost to the United States alone for the 35-foot waterway would be $1,300,000,000, assuming complete accuracy of the estimates of the Army engineers. This figure, of course, assumes no cost to the United States for the Canadian portions of the waterway. It should also be pointed out that this is the cost of constructing a 35-foot waterway if it were planned initially as a 35-foot waterway.

Under the "foot in the door" plan of its proponents, the project would be initiated as a 27-foot waterway. Just how much the total cost of the project would be if it were first built as a 27-foot waterway and then later converted to a 35-foot waterway, I could not say, but it is clear that the cost would be substantially greater than that given as the cost of building a 35-foot waterway in the first instance. For that part of the work which would consist of merely a deepening of the channels by further excavation, the additional cost of superimposing a 35-foot waterway on a previously constructed 27-foot waterway would probably not be materially greater than if constructed to the 35-foot depth in the first instance, but as to such works as the locks, all of the initial work would be practically valueless because since the permanent sills are to be set at 30 feet, deepening to 35 feet, I am informed, would require almost a complete rebuilding of the locks. Note what happens to the estimate of the cost of deepening the Welland Canal from 27 feet to 30 feet and to 35 feet.

The depth over the sills in the Welland Canal is also 30 feet and the depth in the channels is 25 feet. To deepen the Welland Canal to 27 feet, the cost is shown to be $1,302,000. To deepen it to 30 feet, the cost is shown to be $37,744,000, but to deepen it to 35 feet, the cost jumps to $449,545,000.

Finally, but very important, is the fact that approximately 90 percent of the total increases shown for both the United States and Canada for the cost of constructing a 35-foot canal, as compared with the cost of constructing a 27-foot canal, is based on estimates which the Army engineers or the Canadian Government state are of a preliminary nature and cannot be taken to be accurate. Based on experience with cost estimates prepared by the Army engineers for other waterway improvements which were final estimates and presumably as accurate as they could be made, I believe Congress would have to assume that the ultimate cost of a 35-foot waterway, including only the United States portions of the waterway and United States lake harbors, would be at least $2 billion.

Also, it should be borne in mind that under the scheme which calls for self-liquidation only of the works in the St. Lawrence River, the only portion of the enormous cost for a 35-foot waterway which would even be made the object of self-liquidation would be a mere 10 percent of the cost. Accordingly, 90 percent of this vast expenditure would be a total and complete burden on the taxpayer.

In view of the considerations which I have already laid before the Senate with regard to the construction of the proposed St. Lawrence Waterway, question might well arise in the minds of Senators as to why Canada seems to be so favorably disposed toward this project.

In the consideration of this question, there is one basic all-important difference which must be borne in mind. Canada is in the very happy position of having had a balanced budget and a surplus of revenues over expenses for the past several years. Compare Canada's position in this respect with that of the United States. We now have a Federal debt of approximately $275 billion, are facing a deficit for the present fiscal year of about $3½ billion, with another heavy deficit in prospect for the next fiscal year, and are faced with the necessity, we are told, of having to raise the Federal debt limit. In such a situation, is it any wonder that Canada might be in a position to consider the expenditure of money for the St. Lawrence project while we, in the exercise of discretion and any degree of commonsense, should not give a moment's consideration to such an undertaking?

Then, too, there are other considerations which might make the St. Lawrence Waterway appear attractive from the standpoint of Canadian interests, while from our standpoint it not only might be considered unattractive but definitely detrimental to our best interests. Consider, for instance, what the effect of a 27-foot waterway might be on our respective seaports. It is admitted that the effect of the construction of the waterway under the joint project would be to divert traffic from United States Atlantic and gulf seaports. On the other hand, it is anticipated that the effect of the all-Canadian waterway would be to build up trade from the port of Montreal.

All but a few impractical theorists have long since realized that a 27-foot waterway would be wholly inadequate for oceangoing vessels, except perhaps for foreign tramp steamers. This simply means that aside from the traffic moving in foreign tramp steamers, most cargo originating in or destined to the Great Lakes area would be transferred at Montreal. This gives a clue as to why the city of Montreal, once a strong opponent of the so-called deep waterway, has joined in its support. Let me quote what the Minister of Transport, the Honorable Lionel Chevrier, said in presenting the Government's case for the St. Lawrence before the House of Commons on December 4, 1951:

> In this connection it may be of interest to note that oceangoing vessels are not expected to play a major role on the seaway. They may very well enter in some numbers, to be sure. But in the circumstances I have outlined it would appear that an ocean vessel would not enter unless it had an inbound cargo as well as an outbound offering.
>
> No doubt there will be those that would have this advantage, but otherwise most of them will find it more attractive to pick up their cargoes at Montreal or some other transfer point.

It was also recognized by certain members of the Canadian Parliament that there was a marked difference between the situation of Canada and that of the United States with respect to the need for a waterway. It was recognized that the existing forms of transportation in the United States much more fully meet the needs of commerce than do the existing forms of transport in Canada. Take, for instance, the following statement made by Mr. Daniel McIvor, of Fort William, in the debate on the St. Lawrence Waterway on December 6, 1951—page 1641:

> Unlike the United States, we are not self-contained. The United States can pretty well get along without the waterways. The tie that binds us to the United States is a tender one. Perhaps in no other place, though I come from the old land, have we so many near relatives as we have in the United States. But the United States can get along without this waterway, while we cannot.

Consider also the statement of December 6, 1951, by Mr. J. W. Noseworthy, of York South—page 1649:

> On the other hand the United States is no longer a frontier country, and there is not the same national need for this type of project. Our neighboring country is well settled and is criss-crossed with numerous means of transportation; it does not depend as we do upon the export of raw materials and natural products. There are many reasons why the United States may be less interested in the carrying out of this development. For these reasons I would certainly support the Government's move to proceed with the building of the waterway, with or without the cooperation of the United States.

Another consideration is that a waterway from Montreal to the Great Lakes is inherently much more of a Canadian project than a United States project from the standpoint of trade and commerce. To the United States almost its sole use would be for foreign trade, whereas for Canada it would also constitute an important artery for domestic commerce. This is clear from an examination of the figures of the present traffic using the existing canals of the St. Lawrence River and the Welland Canal.

Considering first the traffic on the St. Lawrence River: The all-Canadian traffic, namely, that which originates at Canadian ports and is destined to Canadian ports, greatly exceeds the all-United States traffic. According to the Canada Yearbook for 1951, the all-Canadian traffic in the navigation season 1949 amounted to 5,659,698 tons and the all-United States traffic amounted to 108,690 tons.

The total traffic from Canada to United States ports through the St. Lawrence River was 585,701 tons, and the total traffic from United States to Canadian ports was 1,605,505 tons.

Through the Welland Canal the all-Canadian traffic was 5,517,062 tons; the all-United States traffic, 1,375,721 tons. Traffic from Canadian to United States ports through the Welland Canal was 653,375 tons, and from the United States to Canadian ports, 6,146,041.

The combined tonnage for the Welland Canal and the St. Lawrence River amounted to 11,176,760 tons for the all-Canadian traffic and 1,484,411 tons for the all-United States traffic.

Mr. LONG. Mr. President, will the Senator from Maryland yield?

Mr. BUTLER of Maryland. I shall be happy to yield.

Mr. LONG. Are the figures which the Senator has given us late figures?

Mr. BUTLER of Maryland. They are very late figures.

Mr. LONG. Do I correctly understand that there were 11 million tons of Canadian traffic and only 1 million tons of United States traffic through the Welland Canal?

Mr. BUTLER of Maryland. The total traffic from Canada to United States ports through the St. Lawrence River was 585,701 tons, and the total traffic from United States ports to Canadian ports was 1,605,505 tons. Through the Welland Canal the all-Canadian traffic was 5,517,062 tons, and the all-United States traffic amounted to 1,375,721 tons.

Mr. LONG. Does not that indicate that the traffic moving in the present channels, through the existing project, is 5 to 1 Canadian traffic to the United States?

Mr. BUTLER of Maryland. That is correct.

Mr. LONG. Is there any doubt in whose favor the balance of trade exists?

Mr. BUTLER of Maryland. I do not think there can be any doubt about that.

Mr. LONG. Do not the Senator's figures indicate that the traffic carried over the existing project is to the advantage of Canada by 5 to 1 as compared to the United States?

Mr. BUTLER of Maryland. That is true.

Mr. LONG. If we could work out some project to improve the waterway so as to enable us to sell five times as much as Canada is selling to us, is there any doubt that we would be willing to enter upon the proposed project?

Mr. BUTLER of Maryland. I should be very enthusiastic for it.

Mr. LONG. Does not that explain why the Canadians are willing to build the canal at their own expense?

Mr. BUTLER of Maryland. Yes; and it conclusively indicates why we should not help to construct the project.

So far as traffic which originates in one country but destined for the other country is concerned, there is a combined interest and it is not possible to say which country would benefit the most from such traffic. It is clear, however, that so far as the traffic which is purely Canadian or purely United States is concerned, there is a preponderance of the all-Canadian traffic, which amounts to more than seven times as much as the all-United States traffic.

Mr. LONG. Mr. President, will the Senator from Maryland further yield?

Mr. BUTLER of Maryland. I yield.

Mr. LONG. The Senator is not including the fact that one of the main purposes of the canal is gradually to build up the importation of 5 million tons of Canadian ore, while we reduce American ore production by a comparable amount.

Mr. BUTLER of Maryland. That is absolutely correct.

Mr. LONG. In view of those facts, would it not make good sense for Canada to pay us for the privilege of building the canal?

Mr. BUTLER of Maryland. That is correct. I agree with the Senator.

Thus, in view of the differences between the 2 countries, so far as their financial condition is concerned, the need of the 2 countries for additional transport facilities, and the effect which the construction of the project would have on the various segments of their economy, I could not say that from the Canadian standpoint the construction of a 27-foot waterway through the St. Lawrence River would not make sense.

However, the fact that it might make sense from the standpoint of the best interests of Canada would certainly not constitute a reason why we should seek to contribute to the expense of constructing this waterway when its construction from the standpoint of serving the best interests of the United States is not found to be justified.

Mr. LONG. Mr. President, will the Senator from Maryland yield further?

Mr. BUTLER of Maryland. I yield.

Mr. LONG. It is probably interesting to note that lake ships could go to Montreal, although the more efficient oceangoing ships would not be able to carry their maximum cargoes into the Great Lakes system.

Mr. BUTLER of Maryland. That is correct.

Mr. LONG. With the result that Montreal would be one of the greatest ports in the world.

Mr. BUTLER of Maryland. That is true.

Mr. LONG. It would make good sense, would it not, to say that cargo ships could operate to as far as Montreal, and there load their cargoes aboard deep-draft oceangoing shipping?

Mr. BUTLER of Maryland. That is completely true.

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

Mr. BUTLER of Maryland. I yield.

Mr. LONG. Perhaps that is what makes it to the advantage of Canada to advocate a 27-foot channel instead of a 35-foot channel.

Mr. BUTLER of Maryland. That is why Canada says she is not interested in any other kind of channel. If Canada can build a 27-foot channel, and can maintain it at that depth, she can take trade away from the United States, which is what she seeks to do.

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

Mr. BUTLER of Maryland. I yield.

Mr. LONG. In view of the fact that this investment has been proposed, at the expense of the American taxpayer, not by force of necessity, but only to prevent Canada from going it alone, it seems rather unfortunate that when the Senator from Minnesota [Mr. THYE] proposed that the United States should get some benefit from the project, the committee said, "No, United States interests should be left out. It should be for the benefit of the 5 to 1 Canadian traffic."

Mr. BUTLER of Maryland. The Senator is correct. When a proposal is made to benefit the United States, the response is, "Oh, no."

If Canada has decided to go ahead with the construction of the waterway alone, as it has indicated it has, that is Canada's affair and we should not as good neighbors attempt to interfere with such action by Canada. Beyond that, I see no possible obligation on the United States as a good neighbor, and I believe that is entirely in accord with the official and generally prevailing Canadian view.

This suggests one other facet to the many-sided problem that needs exploration, namely, whether Canada alone will build the waterway through the St. Lawrence, if the Congress of the United States does not pass Senate bill 2150.

There have been a number of occurrences during the past 18 months that have a bearing on the answer to this question. In a note, dated June 30, 1952, to the Acting Secretary of State of the United States from the Canadian Ambassador, the following statements were made:

> I have been instructed by my Government to inform you that, when all arrangements have been made to insure the completion of the power phase of the St. Lawrence project, the Canadian Government will construct locks and canals on the Canadian side of the International Boundary to provide for deep-water navigation to the standard specified in the proposed agreement between Canada and the United States for the development of navigation and power in the Great Lakes-St. Lawrence Basin, signed March 19, 1941, and in accordance with the specifications of the Joint Board of Engineers, dated November 16, 1926, and that such deep-water navigation shall be provided as nearly as possible concurrently with the completion of the power phase of the St. Lawrence project.
>
> The undertaking of the Government of Canada with respect to these deep-water navigation facilities is based on the assumption that it will not be possible in the immediate future to obtain congressional approval of the Great Lakes-St. Lawrence Basin Agreement of 1941. As it has been determined that power can be developed economically, without the seaway, in the International Rapids section of the St. Lawrence River and as there has been clear evidence that entities in both Canada and the United States are prepared to develop power on such a basis, the Canadian Government has, with parliamentary approval, committed itself to provide and maintain whatever additional works may be required to allow uninterrupted 27-foot navigation between Lake Erie and the Port of Montreal, subject to satisfactory arrangements being made to ensure the development of power.
>
> Canada's undertaking to provide the seaway is predicated on the construction and maintenance by suitable entities in Canada and the United States of a sound power project in the International Rapids section.

In reply to that note, also dated June 30, 1952, the Acting Secretary of State of the United States stated that "my Government approves the arrangements set forth in your note."

Likewise, under date of June 30, 1952, the Acting Secretary of State filed on behalf of the Government of the United States an application to the International Joint Committee, said to have been filed in contemplation of the filing of a similar application by the Government of Canada. Among other statements in that application was the following:

2. This application is filed with the understanding on the part of the United States.

a. That, in addition to the works specified in section 8 which are covered by this application and which are to be constructed by entities to be designated by the Government of the United States and the Government of Canada, Canada will construct, maintain, and operate all such works as may be necessary to provide and maintain a deep waterway between the Port of Montreal and Lake Erie.

It will be observed that in the Canadian note of June 30, 1952, it was stated that the undertaking of the Government of Canada with respect to the deep-water navigation facilities was based on the assumption that it would not be possible in the immediate future to obtain congressional approval of the Executive Agreement of 1941. I am not informed as to whether a similar statement was contained in the Canadian Application to the International Joint Commission, but, in any event, that would appear to be immaterial, since the International Joint Commission gave its approval to the application on October 29, 1952, and 5 days thereafter the Canadian Government sent another note to the United States Government stating that "the Canadian Government, therefore, considers that agreement"—1941 Executive Agreement—"as having been superseded and does not intend to take any action to have it ratified." Since that date it has become an accepted fact that the 1941 Executive Agreement has been abrogated.

It seems quite clear that the approval by the International Joint Commission of the application, which carried with it the understanding that Canada would construct, maintain, and operate a waterway through the St. Lawrence River on the Canadian side of the river, placed Canada under an obligation to construct such navigation works if it should build the dams and power project in the International Rapids section which constituted the main basis for the application to the International Joint Commission.

As will have been noted in the exchange of notes between Canada and the United States, of June 30, 1952, the Canadian Government conditioned its undertaking to build the waterway upon arrangements having been made to insure the completion of the power phase of the St. Lawrence Waterway. To insure the completion of the power phase of the project, one of the necessary prerequisites was the approval by the International Joint Commission which, as I have said, was given on October 29, 1952. Another prerequisite thereto was the authorization of some entity in the United States to construct the United States share of the power project. The method by which such authorization was sought was through an application to the Federal Power Commission by the New York Power Authority for a license to construct the United States side of the power project. This license was granted in a decision rendered by the Federal Power Commission on July 10, 1953. Furthermore, the President of the United States by Executive order on November 5, 1953, designated the New York Power Authority as the entity to build the United States portion of the power project.

The authority of the Federal Power Commission to grant such a license is under attack by three parties in the United States Court of Appeals for the District of Columbia Circuit. These suits attack the order of the Federal Power Commission on a number of grounds, one of which is that the Federal Power Commission has no jurisdiction to grant a license to construct a portion of a project such as would be involved here. If these appeals should be successful, Canada would not construct any waterway through the St. Lawrence, nor would it be under any obligation to do so, because both its plans to build a waterway and its obligation to do so depend upon the construction of the power project. Likewise, it is perfectly clear that in that event there would be no occasion whatsoever to consider S. 2150, for it is clear from the proviso of section 3 of the bill that it is predicated entirely upon the assumption that the power project will be built. As a matter of fact, it would appear, in view of the indeterminate state of the proposal for the construction of the power project, that consideration of the bill at this time is premature.

However, leaving that question aside, if the appeals taken to the order of the Federal Power Commission are not successful, then it would appear that the last condition precedent to the firm obligation on the part of Canada to construct a waterway through the St. Lawrence River would have been met. Therefore, assuming that the power project will go forward, there seems to be little doubt that Canada is obligated to build a 27-foot waterway through the St. Lawrence.

Evidently there is no debate on this point, for as Senators will see from the following statement inserted in the CONGRESSIONAL RECORD on April 8, 1953, by the Senator from Wisconsin [Mr. WILEY], chairman of the Senate Foreign Relations Committee, that he, too, is of the view that Canada is "unequivocally committed to the construction" of the waterway. The statement of the Senator from Wisconsin was:

The purpose of these hearings is to come to an answer, basically on a single question: Do we or do we not as a Nation want to join with Canada in construction of the seaway canals?

If we do not, the Canadian Government is ready, willing, and eager to go ahead with the project. Just yesterday, the ranking minister of the Canadian Cabinet, the Right Honorable C. D. Howe, Minister of Trade and Commerce, speaking before a Town Hall forum in New York City, reemphasized the urgency with which Canada seeks to go ahead on its own behalf in this project.

This latest statement by this distinguished official, completely demolishes the arguments of those seaway opponents on this side of the border who have so ridiculously contended that there is or was the slightest doubt as to the intentions of Canada.

On the contrary, the Canadians are unequivocally committed to the construction, as soon as the power license has been granted to New York State and Ontario.

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

Mr. BUTLER of Maryland. I yield.

Mr. LONG. A very important point, in connection with Canadian-American operations, is to be on our guard when we start deepening this channel below 27 feet, because in my judgment any Senator who desired to have a modern port in his State would want a channel of at least 35 feet.

Mr. BUTLER of Maryland. I believe that is well recognized.

Mr. LONG. If Senators are solicitous for the welfare of their States, when the project is opened up, they will want the channels of the ports deepened to 35 feet.

Mr. BUTLER of Maryland. There are amendments providing for that very thing, offered by the Senator from Minnesota.

Mr. LONG. To deepen the channels to 27 feet, to meet the channel of 27 feet in the St. Lawrence, and also in the Welland Canal. If we undertook to dredge the channel down to 35 feet, does the Senator have any estimate as to what it would cost?

Mr. BUTLER of Maryland. Yes. I think it is estimated the cost would be $549 million. That is because the sills are now set at 30 feet, and to put the sills lower down in order to accommodate a 35-foot channel would cost $549 million.

Mr. LONG. Is there any agreement or understanding between the United States and Canada with regard to sharing the cost or with regard to the manner in which tolls will be fixed on a 35-foot channel if one is ever dredged on the Welland Canal?

Mr. BUTLER of Maryland. There is no agreement of any kind, and, indeed, there is no agreement as to how the tolls shall be fixed or how the canal shall be operated, in the case of a 27-foot channel.

Mr. LONG. The Senator is referring to a 27-foot channel on Welland Canal, is he not?

Mr. BUTLER of Maryland. Yes; and if we construct the canal in the International Rapids section, as is provided in the bill, with a 27-foot channel, we have no agreement as to how the tolls shall be fixed or how the canal will be used. That is all to be decided later, and we have to put our faith in the owner of a big enterprise almost solely owned by Canada, and we will be like a stockholder who owns a little interest in a family corporation. We know what happens to him.

Mr. LONG. Is the Senator familiar with the situation which exists on the existing 14-foot project? Does the Senator know, for example, that through the present 14-foot channel American ship-

ping is allowed to pass without paying tolls?

Mr. BUTLER of Maryland. Yes.

Mr. LONG. Does the Senator know of any discrimination made by Canada on that project?

Mr. BUTLER of Maryland. No; and I said yesterday that it is inconceivable to me that our neighbor to the north would practice any discrimination.

Mr. LONG. If our neighbors wanted to discriminate against us in regard to the traffic moving through this area, in view of the ratio of 4 to 1 in the matter of traffic moving from Canada into the United States, the Senator can see that this Nation would be well in a position to protect itself, would it not?

Mr. BUTLER of Maryland. It is well in a position to protect itself.

Mr. LONG. With regard to the 14-foot channel, can the Senator tell me whether or not the committee report, or facts presented before the Senate, indicate whether or not the 14-foot channel is to be closed down in the event the 27-foot channel is opened?

Mr. BUTLER of Maryland. No; there is nothing in the report about that.

Mr. LONG. In regard to the 14-foot channel, is there a record of the facts available, or did the distinguished chairman of the Committee on Foreign Relations tell the Senate whether or not this 14-foot channel is to be permitted to operate toll-free, in direct competition with the 27-foot channel?

Mr. BUTLER of Maryland. No; he did not.

Mr. LONG. Would it not be very well if we had that information when we act upon the proposed project?

Mr. BUTLER of Maryland. I think we ought to have that, and much more information, before we act.

Mr. LONG. If someone would like to persuade us to build a waterway on the theory that it would be a self-liquidating project, would it not be desirable to know whether or not the other waterway, side by side with it, not more than a mile or two from it, was going to be allowed to operate toll free?

Mr. BUTLER of Maryland. Yes; but I do not believe we will know what is happening, and I do not think we will get the facts before the Senate as to the bill at the present time. That is why I say the bill should be defeated, and no action should be taken until Congress has the facts, and can decide whether or not it desires to go into the proposed project.

Mr. LEHMAN. Mr. President, will the Senator from Maryland yield?

Mr. BUTLER of Maryland. I yield to the Senator from New York.

Mr. LEHMAN. I wonder if the Senator from Maryland knows that the question of power and navigation on the St. Lawrence has been before either one or both Houses of Congress virtually every year during the past 15 years.

Mr. BUTLER of Maryland. I do know that, and I also know that no estimate of tolls has been made since 1940. I cannot help referring to the canny perception of Mr. Kline, the president of the American Farm Bureau, who said, "I do not want to oppose this canal, but let the public decide whether it is workable. Sell revenue bonds, and that will insure its success, because the public will have enough judgment to know before it puts its money into it whether it is good or bad. The public is bound to get the facts, whereas we cannot get them."

Mr. LEHMAN. Mr. President, will the Senator yield for another question?

Mr. BUTLER of Maryland. I am glad to yield to the Senator from New York.

Mr. LEHMAN. I do not desire to reflect at all on anything the Senator from Maryland has said, or upon his industry, or on his familiarity with a problem which has been before Congress, but I wonder whether the Senator from Maryland has really studied the record of the hearings which have been held. I say to the Senator from Maryland, that I appeared before committees of Congress as long ago as 1941, when I was Governor of my State.

Mr. BUTLER of Maryland. I am cognizant of that fact. I have read the Senator's testimony.

Mr. LEHMAN. If the Senator from Maryland will take the trouble to study the record made in those years, he will find that since 1941, I appeared seven times before committees of one or the other of the Houses of Congress. If the Senator will only study the records of those hearings I think he will find the answers to most of the questions he has raised.

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

Mr. BUTLER of Maryland. I am happy to yield to the Senator from Louisiana.

Mr. LONG. In view of the long study of many years the Senator from New York has made of this matter, does the Senator from New York know whether the 27-foot waterway would be a project which would be in direct competition with a 14-foot toll-free waterway located no more than a mile or two away from it?

Mr. BUTLER of Maryland. I do not think the Senator from New York can know that, because there is no agreement on that.

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

Mr. BUTLER of Maryland. I yield to the Senator from Michigan.

Mr. FERGUSON. The Senator from Maryland indicated that he thought this project ought to be financed by placing bonds on the market and selling them.

Mr. BUTLER of Maryland. I was expressing the opinion of Mr. Kline, president of the American Farm Bureau Federation, who said he thought that would be a good thing.

Mr. FERGUSON. Does the Senator advocate that?

Mr. BUTLER of Maryland. It occurred to me that it would be a good thing.

Mr. FERGUSON. Then I would assume that, if any work is to be done in the Delaware River or at Baltimore, the same practice should be followed, that the amount of money necessary to do the necessary work should be obtained by financing on a basis that would yield a certain return to investors and that the indebtedness should be amortized.

Mr. BUTLER of Maryland. Of course, to begin with, the Senator from Michigan is talking to the Senator from Maryland and not to the Senator from Delaware. I am not too much interested in the Delaware River.

Mr. FERGUSON. I meant to include Baltimore.

Mr. BUTLER of Maryland. But, laying facetiousness aside, because this is a serious matter——

Mr. FERGUSON. It is a serious matter.

Mr. BUTLER of Maryland. It is a very serious matter. I am advocating that 1 of 2 things be done in a case of this kind, where the project under consideration is of such doubtful merit.

Mr. FERGUSON. Doubtful in whose mind?

Mr. BUTLER of Maryland. I say that a study ought to be made by the Committee on Appropriations. That is the usual procedure in such matters. When the harbors or channels on the Chesapeake Bay are deepened, the way to proceed is to go before the Committee on Appropriations. The Committee on Appropriations has the Army engineers study the project. Then, if the testimony of other experts is desired, they are called in, if there is disagreement with the opinions of the Army engineers. Very elaborate steps are taken. Then, after the proposal goes through the crucible of debate and public opinion, if Congress decides to approve the project, it allots so much money for it. Congress keeps control over the project all the time. If Congress sees fit to stop granting appropriations for the project, that is done. That arrangement will not apply in this case.

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

Mr. BUTLER of Maryland. I yield to the Senator from Louisiana.

Mr. LONG. Does not the Senator feel that a Senator who is as interested in economy as the Senator from Michigan has always been would hesitate to urge that the Government rush in and build, at the expense of the American taxpayer, a project which originates in a foreign country and ends in a foreign country, when the foreign country has said that it is going to build the project in any event?

Mr. BUTLER of Maryland. Yes; and, furthermore, the principal product for which the Canadians say they are building the canal is solely in control of the Canadian Government, and we cannot take out a ton of that product unless the Canadians let us do so.

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

Mr. BUTLER of Maryland. I yield.

Mr. FERGUSON. I am surprised that the Senator from Louisiana would raise that question, in view of the fact that he and his party have advocated the spending of billions of dollars in foreign countries which are thousands of miles away from the United States. Yet in this instance the proposal is to construct a canal which will bring traffic directly

into the United States. I am really surprised that the Senator from Louisiana, in relation to this particular canal, should bring up my ideas of economy, and should claim that all the canal will be outside the United States, and not directly related to it.

Mr. LONG. Will the Senator from Maryland yield to me?

Mr. BUTLER of Maryland. I am very happy to yield.

Mr. LONG. Does the Senator from Maryland recall the amendment which proposed the deepest cut in the foreign-aid program last year? Does he recall that the amendment was called the Long amendment, and that it proposed to cut by approximately $2 billion the foreign-aid program?

Mr. BUTLER of Maryland. Yes; and I am very happy to say that I voted for the adoption of the amendment.

Mr. LEHMAN. Mr. President, will the Senator from Maryland yield to me?

Mr. BUTLER of Maryland. I am happy to yield to the Senator from New York.

Mr. LEHMAN. Of course, I need not describe the geographical location of the St. Lawrence River, or state that it constitutes a part of the northern boundary of the United States, as well as a part of the southern boundary of Canada, or state that the St. Lawrence is the greatest river on the continent, flowing between two nations, that on this continent it is the greatest arterial highway for navigation, and is similar to many other rivers which touch two countries and constitute a common border between them.

I wonder whether the Senator from Maryland has ever known of a case in which a great nation has voluntarily surrendered its control of, and sovereignty over, a river which it has controlled jointly with another nation.

I yield to no one in my admiration for Canada. I think Canada is one of the great nations of the world. I have the highest affection and highest regard for both the Government of Canada and the people of Canada. However, to me it is inconceivable that in the case of this great navigable arterial highway, which flows right by our doors and right by the doors of Canada, a river which has been owned and controlled jointly by Canada and the United States, we shall say to Canada, "We do not want to have any more control of it. We will turn it over, lock, stock, and barrel, to your Government"—to the Canadian Government.

Yet that is what is proposed to be done if we do not pass this bill, which will provide for a joint effort between the United States and Canada.

Mr. BUTLER of Maryland. Mr. President, I have the highest regard for the Senator from New York and for his opinions. I wish to point out to him that alternative proposals are shown on the map which is now attached to the rear wall of this Chamber. If we do not undertake the project to which I am now pointing, namely, that at the Point Rockway lock, and the other one, Canada will build on her own side and on her own property, and will not interfere in any manner with the sovereignty of the United States over its portion of the St. Lawrence River. Then at any time we wish to do so, we can develop our portion of the St. Lawrence River.

So, with all respect to the Senator from New York, I say we shall not be surrendering any sovereignty.

I would be the last Member of the Senate to agree to surrender one ounce of sovereignty of any United States citizen or one ounce of the sovereignty of my country. I am very much devoted to my country, and I would not think of surrendering to anyone any of its sovereignty.

I say to the Senator from New York, in all fairness, that we shall not be surrendering any sovereignty. We are simply proposing to refuse to go along with a project which is not a worthy one, and has not been proved to be worthy.

Mr. LONG. Mr. President, will the Senator from Maryland yield further to me?

Mr. BUTLER of Maryland. I yield.

Mr. LONG. Is the Senator from Maryland familiar with the fact that one of the Canadian Ministers—the Minister of Transport, I believe—has said that if the United States wishes to build a canal of her own, there is no reason why she cannot do so; that the United States can build locks on her side, and Canada can build locks on her side?

Mr. BUTLER of Maryland. Yes, Mr. President; many persons high in the Canadian Government have said, "If the United States builds locks on her side, we will build parallel locks on our side, because we do not want the United States to participate."

Mr. LEHMAN. Mr. President, will the Senator from Maryland yield at this time to me?

Mr. BUTLER of Maryland. Yes; I am happy to yield.

Mr. LEHMAN. It seems to me the argument just stated is an argument on our side of the matter.

Mr. BUTLER of Maryland. No; it has nothing whatever to do with sovereignty.

Mr. LEHMAN. But it has to do with control.

Mr. BUTLER of Maryland. No; it has nothing whatever to do with control. The Canadians cannot control our portion.

Mr. LEHMAN. It has to do with the effort of the two countries jointly to develop a great navigational highway. Certainly I believe we would completely negate any chance for our country ever to develop the St. Lawrence River as a navigational highway, unless we enter this work jointly with Canada. Otherwise the costs would be prohibitive, and we would simply be in competition with a nation which always has been our friend, and whose friend we always have been. Subsequent to the War of 1812, there have never been any differences between the United States and Canada. Except during our joint defensive efforts in World War II, no warship ever has been stationed on the St. Lawrence River, within the memory of any living man, nor has a fort or even a pillbox or a blockhouse been erected between the two countries.

In this instance we have a chance to develop this great resource, for power and navigation, and to develop it jointly with our friendly neighbor, which has the ability and the resources to go it alone, and may be willing to go it alone.

But Canada proposes to us, "Let us work together as partners on this project. We will treat you fairly, as a partner; and we have confidence that you will treat us fairly, as a partner."

For us to close the door to that proposal, does not make sense to me.

Mr. BUTLER of Maryland. Mr. President, I simply do not agree with my colleague, the Senator from New York. Certainly he is entitled to his opinion, and I respect it.

Mr. LEHMAN. I realize that, of course.

Mr. BUTLER of Maryland. I feel that in opposing this bill we are not in any way interfering with the development of this great natural resource. I believe that on the basis of the present scheme or the present plan, the proposed development would be detrimental to the best interests of the United States, and in great degree would enhance Canadian interests over United States interests.

Mr. LEHMAN. Of course I respect the opinion of the Senator from Maryland, even though I disagree with him.

Mr. LONG. Mr. President, will the Senator from Maryland yield further to me?

Mr. BUTLER of Maryland. I am very happy to yield to the Senator from Louisiana.

Mr. LONG. Since some reference has been made to the fact that this project has been before the Congress for 30 years, I should like to ask the Senator from Maryland a question. Inasmuch as it is the duty, after all, of the Congress to protect the public interest and to act for all the people of the United States, I ask the Senator from Maryland whether he does not feel that the fact that Congress has been turning down this project time after time, for 30 years, might indicate that we in Congress should proceed carefully before we approve such a project?

Mr. BUTLER of Maryland. I think the Senator from Louisiana has made a very telling point.

Mr. President, I should like to proceed with my prepared statement, because I have yet some way to go with it. So I should like to proceed a little faster than I have been, if possible.

Thus it appeared that, at long last, the proponents of the St. Lawrence Waterway had accomplished at least a part of their long-sought project. The prospects appeared strong that the power project would be constructed, that the 27-foot waterway through the St. Lawrence River would be constructed, and that the improvements at the Welland Canal, between Lake Ontario and Lake Erie, would be made. The only part of their original objective remaining unaccomplished would be the improvement of the upper Great Lakes channels.

When all these events had taken place, I thought, of course, that Senate bill 2150 and other similar bills would be considered as serving no useful purpose, and would be dropped. It seems to me that was the only reasonable thing to expect in the circumstances. For those

who had clamored that there must be a waterway through the St. Lawrence River in order to provide a new deep-water route for bringing in Labrador ore to the Midwest steel mills, there was to be a waterway of exactly the same size and dimensions they had been seeking. For those who sought the deepening of the waterway through the St. Lawrence in order to ship automobiles and other manufactured products abroad, there was to be such a waterway. In other words, if the United States Congress does not pass Senate bill 2150 or any other similar measure there will still be a 27-foot waterway through the St. Lawrence River of the same size and dimensions and, from a functional standpoint, identical with any waterway that might result from some participation by the United States. And, if there would be any benefits from the construction of the 27-foot waterway through the St. Lawrence, all of those benefits would accrue in full measure without the passage of S. 2150 or any participation by the United States in the construction of the waterway.

The proponents, appreciating the fact that this left them without a leg to stand on in proposing to Congress that it appropriate more than $100 million of money that we do not have in order to get a project that we may have without spending anything, felt that they had to have something to hang their hats on, even though it be the most tenuous and unsubstantial peg. The reed they are leaning on is certainly one without substance, for the only thing that they could come up with was that the United States must participate in some way in the construction of the waterway through the St. Lawrence River in order that the United States may have joint control with Canada over the waterway, which they claim is necessary to protect our national interest.

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

Mr. BUTLER of Maryland. I yield.

Mr. LONG. The more the junior Senator from Louisiana thinks about this matter the more he is concerned about the prospect of this waterway becoming a toll waterway, whereas it is now a free waterway. He certainly hopes that information can be obtained as to whether the construction of this project means that the toll-free waterway on the St. Lawrence is to be closed. Such information would be of great help to us. It would certainly be unfortunate if all the shippers on the St. Lawrence who are now shipping toll-free were to be told that the result of building this project in order to accommodate deeper draft vessels would be that all those who could operate on a 14-foot channel would be denied the benefit of toll-free navigation.

Mr. BUTLER of Maryland. I may say to my dear friend from Louisiana that unless that toll-free passage were closed this project could never under any circumstances be self-liquidating.

Mr. LONG. The thing that amazes the junior Senator from Louisiana is that so important a question as this has not been answered before the Senate. So far as I know, up to this moment we have done nothing toward exploring the answer to that important question.

Mr. BUTLER of Maryland. That is correct.

Mr. LONG. Is this waterway to operate at 27 feet, in competition with a 14-foot waterway which is toll free? In that event it is difficult to see how the project would ever pay out. Or is this waterway to operate by requiring that tolls be imposed on what is today a toll-free waterway, open to the commerce of the world?

Mr. BUTLER of Maryland. I think the Senator has made a very fine point, and it should be answered.

Let me say now, aside from my prepared remarks, that I am simply amazed that the proponents of this project have not told the people of America what they propose to do with a great amount of their money.

None of the proponents has ever spelled out what is meant specifically by such a term, or just how our interests would be adversely affected by reason of the sole control of the proposed waterway by Canada. However, even without the benefit of any such specification by the proponents, let us examine the question of control to see whether there is such reason to fear the consequences of Canada's sole control of this portion of the waterway as to justify the United States in spending more than $100 million of money we cannot afford to spend.

In order to have a proper understanding of the factors involved in this particular facet of the problem it is necessary to have clearly in mind the geography of the St. Lawrence River region in relation to the waterway which would be built by Canada alone and the waterway which would be built if the United States were to construct the only link through the International Rapids section.

The St. Lawrence River forms the international boundary between Canada and the United States for a distance of only 114 miles, 46 miles in the International Rapids section and 68 miles in the Thousand Islands section. To the east of that section for more than a thousand miles to the ocean the existing links in that waterway lie wholly within Canadian territory. First, there is a section of 68 miles to Montreal, where vessels must transit the Soulanges Canal and the Lachine Canal, with their locks. Beyond Montreal, the waterway extends for another thousand miles through Canadian territory, first in the St. Lawrence River and then in the Gulf of St. Lawrence. Finally, to the west of the proposed construction there is another link in the waterway which is also wholly in Canadian territory, namely, the Welland Canal, connecting Lake Erie and Lake Ontario.

Under either plan Canada would necessarily have to perform the work in the 68-mile section from Montreal west to the international boundary and the improvement of the Welland Canal, this work lying wholly in Canadian territory. The only difference would be that under the all-Canadian plan Canada would also make the improvements necessary for navigation in the International Rapids section and in the Thousand Islands section, while it is contemplated that under the plan for United States participation the canals through the International Rapids section would lie in United States territory and would be built by the United States, and that the improvements in the Thousand Islands section would be made by the United States.

This assumes, of course, that if Senate bill 2150 were to be enacted by the Congress Canada would not build any canals through the International Rapids section. The question of whether there is any basis for such an assumption will be discussed later, but for the moment we will proceed on the assumption that this is so, for the purposes of considering the significance of control over the waterway, depending upon who performs the work in the International Rapids section.

The question of control over the waterway can have significance only as it might affect our rights to free navigation through the waterway and as it might affect the basis upon which tolls might be imposed on United States vessels and commerce using the waterway. These questions should be considered under the assumptions both of a friendly Canada and of an unfriendly Canada.

First, as to our rights of navigation through the St. Lawrence. These rights are dealt with in the treaties between the United States and Great Britain of 1871 and 1909. Article XXVI of the Treaty of 1871 contains the following provision:

> The navigation of the river St. Lawrence, ascending and descending, from the 45th parallel of north latitude, where it ceases to form the boundary between the two countries, from, to, and into the sea, shall forever remain free and open for the purposes of commerce to the citizens of the United States, subject to any laws and regulations of Great Britain, or of the Dominion of Canada, not inconsistent with such privilege of free navigation.

This provision confers perpetual navigation rights upon the citizens of the United States for the purposes of commerce eastward in the St. Lawrence River from the point where the river enters Canadian territory to the sea.

The Boundary Waters Treaty of 1909 contains the following provision in article I:

> The high contracting parties agree that the navigation of all navigable boundary waters shall forever continue free and open for the purpose of commerce to the inhabitants and to the ships, vessels, and boats of both countries equally, subject, however, to any laws and regulations of either country, within its own territory, not inconsistent with such privilege of free navigation and applying equally and without discrimination to the inhabitants, ships, vessels, and boats of both countries.
>
> It is further agreed that so long as this treaty shall remain in force, this same right of navigation shall extend to the waters of Lake Michigan and to all canals connecting boundary waters, and now existing or which may hereafter be constructed on either side of the line. Either of the high contracting parties may adopt rules and regulations governing the use of such canals within its

own territory and may charge tolls for the use thereof, but all such rules and regulations and all tolls charged shall apply alike to the subjects or citizens of the high contracting parties and the ships, vessels, and boats of both of the high contracting parties, and they shall be placed on terms of equality in the uses thereof.

This provision insures our rights of navigation in the St. Lawrence River from Lake Ontario east to the point where the river ceases to form the international boundary, and through the Welland Canal. It is also to be noted that in the second paragraph of article I the rights of navigation through canals covered by this provision are similarly guaranteed and provision is made for equal application to the citizens and vessels of both parties of any tolls imposed for the use of such canals and of any rules and regulations governing the use thereof.

Canadian officials have recognized the existence of this right. Take, for instance, the following statement from a speech by the Right Honorable C. D. Howe, Canadian Minister of Trade and Commerce, made on April 7, 1953:

It should be noted at this point that the St. Lawrence seaway is, and always has been, a Canadian seaway. Every important improvement has been built and paid for by Canada, from Lake Erie down. The cost of operating and maintaining the seaway is paid wholly by Canada. Nevertheless, ships of every nation may use the seaway without payment of tolls.

That brings me to the question which the Senator from Louisiana asked me a few minutes ago.

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

Mr. BUTLER of Maryland. I am happy to yield.

Mr. LONG. Did I correctly understand the Senator to say that the Canadian Minister made the statement that ships of every nation may use the seaway without paying any tolls?

Mr. BUTLER of Maryland. That is correct. I will read the statement again:

It should be noted at this point that the St. Lawrence seaway is, and always has been, a Canadian seaway. Every important improvement has been built and paid for by Canada, from Lake Erie down. The cost of operating and maintaining the seaway is paid wholly by Canada. Nevertheless, ships of every nation may use the seaway without payment of tolls.

Mr. LONG. In other words, up to this time every nation of the world has had the right to use the Canadian improvements without paying any tolls. Is that correct?

Mr. BUTLER of Maryland. That is correct.

Mr. LONG. As a matter of fact, ships of every nation in the world have the right to use the American navigation improvements without paying any tolls. Is that correct?

Mr. BUTLER of Maryland. That is correct.

Mr. LONG. So there is no reason to feel that Canada is offering us any special benefit; she is willing to permit every nation to use the improvements on her side of the border. Is that correct?

Mr. BUTLER of Maryland. That is correct.

Mr. LONG. Furthermore, we have no assurance that the project would be in any way superior if we put our $100 million into it than if Canada built it entirely by herself.

Mr. BUTLER of Maryland. It has been said on the floor that it may even be better without our help.

Mr. LONG. I thank the Senator from Maryland.

Mr. BUTLER of Maryland. I conclude the quotation from the speech of the Right Honorable C. D. Howe, Canadian Minister of Trade and Commerce:

An international treaty provides that, if and when tolls on shipping are imposed, they will bear equally on Canadian and foreign-flag ships.

It is difficult to believe that our good neighbor Canada would try to deny to us the use of this waterway contrary to the terms of the various treaties between the two countries; but bear in mind that if relations between our countries should ever reach that unhappy stage, the Canadians have complete control and domination over the effective use of the waterway by reason of the fact that its exit and the last 1,000 miles of its course run entirely through Canadian territory, as well as the link through the Welland Canal. Bear in mind also that the construction of the canals through the International Rapids section on the United States side of the boundary line, as proposed in S. 2150, in no way adds to our rights to use the all-Canadian portions of the waterway beyond the international boundary.

Mr. LONG. Mr. President, will the Senator from Maryland yield further?

Mr. BUTLER of Maryland. I am happy to yield to the Senator from Louisiana.

Mr. LONG. I am sure the Senator from Maryland realizes that this is not a one-way street.

Mr. BUTLER of Maryland. That is correct.

Mr. LONG. He realizes that Canada uses our navigation improvements.

Mr. BUTLER of Maryland. That is correct.

Mr. LONG. Is the Senator from Maryland familiar with the fact that the only deep locks at Sault Ste. Marie are the American locks, and that if deep-draft lake vessels want to go through the locks they have to use the American locks. Is that correct?

Mr. BUTLER of Maryland. That is correct.

Mr. LONG. Is the Senator from Maryland aware of the fact that the United States does not charge the Canadians anything for the use of the locks on the American side of the Soo?

Mr. BUTLER of Maryland. That is correct.

Mr. LONG. Is the Senator from Maryland aware of the fact that the navigation improvements on the Great Lakes system itself, even on the international boundary, have been made by this Government entirely at its own expense, in opening the channels in the St. Clair River and Lake St. Clair, and in opening up the channels at the Soo locks and making them deeper than the Canadian channels?

Mr. BUTLER of Maryland. I did not know it, but I am glad to hear it.

Geography and international boundary lines have made the St. Lawrence River 90 percent a Canadian waterway and 10 percent a joint United States-Canadian waterway, so that in the final analysis, if the existing treaty provisions I have cited are not sufficient to protect our interests, we must rely upon the good will and friendship of Canada.

In this connection let me give the Senate some indication of what the Canadian thinking is on this point. The Canadians, with full right and justification, think that the claims of the proponents that the St. Lawrence is a great international waterway are absurd. Consider, for instance, the following from an editorial of June 25, 1952, in the Ottawa newspaper, the Globe and Mail:

The St. Lawrence, as our American friends need to be reminded, is a Canadian river. For less than one-tenth of its length it happens to be, by historical accident, an international boundary. With a half interest in that fraction of the whole stream, the Americans may be said to own rather less than 5 percent of the St. Lawrence and the Canadians rather more than 95 percent.

If that is not a complete example of buying into a closely held family corporation, I have never heard of any. We have less than 5-percent ownership and the majority has 95 percent or more. I cannot think of any worse situation to get ourselves into.

For a more official expression of this point of view I refer the Senate to a statement made on April 8, 1953, by the Right Honorable C. D. Howe, Minister of Trade and Commerce, whom the senior Senator from Wisconsin [Mr. WILEY], described as the ranking minister of the Canadian Cabinet. Mr. Howe said:

It should be noted at this point that the St. Lawrence seaway is, and always has been, a Canadian seaway. Every important improvement has been built and paid for by Canada, from Lake Erie down. The cost of operating and maintaining the seaway is paid wholly by Canada. Nevertheless, ships of every nation may use the seaway without payment of tolls. An international treaty provides that, if and when tolls on shipping are imposed, they will bear equally on Canadian and foreign flagships.

Mr. LONG. Mr. President, will the Senator from Maryland yield?

Mr. BUTLER of Maryland. I am happy to yield.

Mr. LONG. Of course, the Senator from Maryland knows that Mr. Howe was 100 percent correct when he spoke of the improvements on the St. Lawrence as being Canadian improvements, and entirely a Canadian project?

Mr. BUTLER of Maryland. That is correct.

Mr. LONG. If our Nation were to provide $100 million, as proposed by this bill, we would be paying to construct a channel which would start in Canada and end in Canada. Is that correct?

Mr. BUTLER of Maryland. We would be caught in the middle, and it seems to me we would be at the mercy of what the Canadian Government might want to do.

To those who think of our participation in the St. Lawrence project to the

extent of constructing the canals in the International Rapids section as the creation of a club to hold over Canada's head in the event of her unwillingness to permit us to use the Canadian portions of the waterway, I should like to point out the fact that we already have at our disposal a number of such clubs. I, for one, am certain their use will never be required, but I point to their existence for those whose support of S. 2150 might be based on such reasoning.

Certain of the channels through the Thousand Islands section of the St. Lawrence River are today in United States territory and will remain so even under the proposal for the all-Canadian waterway. In fact, the Canadian plan calls for a cut through an island all of which is in United States territory. These channels are under United States control and domination, and their use by Canadian vessels is necessary in order to utilize the remainder of the waterway through the St. Lawrence River.

Furthermore, the connecting channels between the upper Great Lakes lie mostly in United States territory and all of the construction and maintenance work on these channels has been performed at the expense of the United States. All of these channels are used by Canadian commerce to and from the upper Great Lakes.

Finally, there is the situation at the Soo where there are 5 locks, 4 on the United States side and 1 on the Canadian side. The deepest and only truly modern lock there is the MacArthur lock on the United States side and it is used freely by Canadian vessels. In fact, the United States canals at the Soo must be used by all large modern Canadian vessels because the only lock on the Canadian side has a limiting depth of 16.8 feet.

Mr. LONG. Mr. President, will the Senator from Maryland yield?

Mr. BUTLER of Maryland. I yield.

Mr. LONG. As a matter of fact, is it not true that we have been going along now for 50 years, with the Canadians developing their part of the project on the St. Lawrence and we developing our part of the project?

Mr. BUTLER of Maryland. That is correct.

Mr. LONG. We develop the channels on the American side of the Great Lakes and the Canadians are permitted to use them.

Mr. BUTLER of Maryland. That is correct.

Mr. LONG. The arrangement has worked very well. Canada has not had anything to say about what we have done, and we have had nothing to say about what Canada has done. It seems to me to be one of the best examples of international good will that has been demonstrated anywhere in the world.

Mr. BUTLER of Maryland. Yes; and cooperation.

Mr. LONG. And cooperation; yes. If we proceed to become involved in the proposed general operation, how do we know that the Commission might not have all sorts of friction and all sorts of disagreements.

Mr. BUTLER of Maryland. They are bound to have them.

Mr. LONG. Instead of having the perfect harmony and good will that has existed for the last 50 years, how do we know that the Commission might not become involved in all sorts of disputes and thus upset the good relations which have existed between this country and Canada, with her running her part of the project and with us running our part of it?

Mr. BUTLER of Maryland. There is a great possibility of that happening.

Mr. LONG. If we become involved in the proposed project does the Senator from Maryland realize it would further complicate matters?

Mr. BUTLER of Maryland. That is correct.

Mr. LONG. One segment of the project would be operated entirely by Canada, one segment would be operated entirely by the United States, and the third segment would be operated by the Joint Commission. It seems to me that it would make for all sorts of misunderstanding, which might completely destroy the fine relations we have had with Canada for nearly 150 years.

Mr. BUTLER of Maryland. The Senator is entirely correct.

Each country controls today and would continue to control an important and integral segment of the Great Lakes-St. Lawrence Waterway. Each country has exercised its control in the past in a nondiscriminatory manner with complete respect for the rights of the other, and I am certain that any independent control that each might have in the future would always be exercised in the same spirit of fairness and friendliness. We have never dealt with Canada before on the basis of who wields the biggest club, and I trust we never will. That suggestion, however, is inherent in the arguments advanced in support of S. 2150. As a practical matter, if it ever should come down to that, the determination of which country wields the biggest stick would certainly not be dependent upon whether we build canals in the International Rapids section of the St. Lawrence River.

Let me suggest several other considerations with respect to the matter of tolls. For instance, it has been intimated that, notwithstanding the treaty protection we have in the form of a guaranty of equal treatment in the matter of tolls, since different kinds of cargo are of different importance to the two countries, Canada might impose low tolls on traffic of importance to Canada and high tolls on traffic of importance to the United States. In this connection, reference has been made to the iron ore traffic from Labrador, as an example. The fact is apparently overlooked that the source of this traffic is Canada itself, that Canada will derive a royalty from every ton of ore mined in Labrador, and that all factors considered, Canada probably stands to profit more than does the United States by the development of this ore field. Accordingly, it is hardly to be anticipated that Canada would place unreasonable obstacles in the way of its development.

Furthermore, the suggestion of any such discriminatory treatment is certainly attributing to Canada a narrow, selfish, and unfriendly attitude, and to me it is incredible to think that Canada would do such a thing.

Consider this also: In the act establishing the St. Lawrence Seaway Authority of Canada, section 16 contains provisions setting forth the standards for the establishment of tolls. That section reads as follows:

> The tolls that may be charged by the Authority shall be fair and reasonable and designed to provide a revenue sufficient to defray the cost to the Authority of its operations in carrying out the purposes for which it is incorporated, which costs shall include (a) payments in respect of the interest on amounts borrowed by the Authority to carry out such purposes; (b) amounts sufficient to amortize the principal of amounts so borrowed over a period not exceeding 50 years; and (c) the cost of operating and maintaining the canals and works under the administration of the Authority, including all operating costs of the Authority and such reserves as may be approved by the Minister.

These standards are very much like the standards governing tolls set forth in Senate bill 2150. Canada is a constitutional Government, with a record equal to ours for the preservation and protection of constitutional rights. Again I say that I see not the slightest danger of unreasonably high tolls or of any discrimination against American commerce in the levying of tolls.

The United States exercises sole control over the imposition of tolls at the Panama Canal, but in all the years we have exercised this control we have never seen fit to impose tolls on any such discriminatory basis as it is suggested Canada might do if there were an all-Canadian waterway through the St. Lawrence River.

One more consideration, and certainly an important one, is the manner in which Canada over a long period of years has exercised its control over the Welland Canal and the existing 14-foot canals through the St. Lawrence River. Throughout this entire period of time no instance has been cited by anyone of any discrimination against United States commerce or vessels with respect to the use of these canals. Can anyone suggest any logical reason why there is any likelihood that suddenly Canada's attitude and manner of dealing with respect to the operation of its canals should change simply because the canals are to be deepened from 14 to 27 feet in the St. Lawrence and from 25 to 27 feet in the Welland Canal? There is no substance to proponents' argument, and it just does not make sense.

Furthermore, I would go so far as to say that proponents know it does not make sense and are merely trying to throw up a smokescreen to conceal the lack of any sound basis for their insistence upon the United States making the unnecessary expenditure proposed in Senate bill 2150.

I do not want to labor this point about tolls and the fact it would not be possible for our economy to be seriously affected adversely by reason of the establishment of too high a level of tolls by Canada for the use of the proposed St. Lawrence Waterway, but I do want to mention one more protection we have against any such situation arising.

We have one final protection against any such situation, namely, that afforded by the operation of the law of economics, and, in particular, that facet of the law known as the law of diminishing returns. The proposed waterway would not be an indispensable facility for which there would be no substitute. All of the traffic that would move over the proposed waterway is presently moving by other modes and routes of transportation which will continue to provide sufficient competition to insure a reasonable level of tolls over the waterway.

An illustration of what I have in mind is to be found in the testimony of Mr. George Humphrey before the House Public Works Committee in 1951. He testified, in effect, that his company would never be a guaranteed customer of the proposed waterway, and, as transportation rates and conditions existed at that time, he did not think that his company would use the waterway for the transportation of iron ore from Labrador in the event that the toll rate should be fixed above 50 cents a ton, because it would be cheaper to use existing alternative routes and modes of transportation.

Before leaving the question of control, I want to make a few more remarks on that subject. I know I have dealt with this question at considerable length, but I make no apology for that, for it is a matter of the utmost importance, and it seems to be clear that if there is nothing to this point made so much of by the proponents, there is certainly no possible justification for the passage of this bill and the expenditure by the United States of a large sum of money.

The force of the logic of the statements I have made on this point has apparently not been felt alone by the proponents, but by others as well. The others to whom I refer are not opponents of the project, but include people who are definitely sympathetic to the project or are avowed advocates of it. Their statements were made, of course, not in relation to the use of the argument of control in connection with support of this legislation but in connection with a different situation in which precisely the same argument was advanced.

The Federal Power Commission has recently had under consideration the applications of two applicants for a license to construct the United States share of the power project in the International Rapids section. One of these applicants, the New York Power Authority, predicated its application on the agreement by Canada to construct the entire 27-foot waterway through the St. Lawrence River entirely by itself without United States assistance. This plan included, of course, the construction of the canals through the International Rapids section on the Canadian side.

On the other hand, the other applicant, the Public Power & Water Corp. of Trenton, presented a plan under which the canals through the International Rapids section would be built on the United States side of the line. The Public Power & Water Corp. contended that for this reason its plan gave greater protection to the interests of the United States and was therefore superior to that of the New York Power Authority. The two applications were considered jointly by Examiner Law, of the Federal Power Commission, and in his decision, which was favorable to the New York Power Authority, Examiner Law had the following to say regarding the contention of the Public Power & Water Corp. on this point:

> We would be much more impressed with the importance of maintaining within the United States portion of the boundary stream the navigation facilities necessary for utilization of the International Rapids section of the St. Lawrence River for commerce at 27-foot depths if the portion of the river below the International Rapids section were so located as to be within the control of the United States.
>
> However, the section of the river between St. Regis, N. Y., and Quebec, as well as the entire tidal section of the river and Gulf of St. Lawrence from Quebec to the Atlantic Ocean at Belle Island Strait, lies within the Dominion of Canada, and any utilization of the St. Lawrence River in the International Rapids section as a part of a continuous waterway from the Great Lakes to the Atlantic must depend upon forbearance or agreement of the Dominion of Canada in such use.
>
> • • • • •
>
> In view of the fact that, as previously stated, approximately two-thirds of the St. Lawrence River is entirely within the Dominion of Canada and the tidal section below Quebec in the Gulf of St. Lawrence is also wholly under Canadian control, we cannot see any great benefit to American commerce which can arise from the construction of the two locks and the short section of the canal proposed within the United States by Public Power & Water Corp.

I wish to quote next for the benefit of Senators the views of some other persons regarding the matter of control. Listen carefully to their statement:

> Petitioner also expressed fear of Canada's proposal for a seaway in its territory, arguing that the United States would thereby lose control of the St. Lawrence River. But the United States never can have such control, whatever that may mean. The International Rapids section comprises but a small portion of the St. Lawrence River, the major part of which flows through Canadian territory. The Welland Canal, which provides passage between Lakes Erie and Ontario and forms a major part of the contemplated overall Great Lakes-St. Lawrence seaway, is entirely within the Province of Ontario and below the International Rapids section the St. Lawrence River flows entirely within Canada. Moreover, article 1 of the Boundary Waters Treaty of 1909 (36 Stat. (pt. 2) 2448) provides among other things that the St. Lawrence River shall forever continue free and open for the purpose of commerce to the merchants, ships, vessels, and boats of both countries equally.

It will be noted that those views accord precisely with what I have been spelling out in considerable detail. They are not, however, the views of another opponent of the project, but rather they are the written and very recently expressed views of the Acting Solicitor General of the United States. This is taken from the brief filed December 17, 1953, with the United States Court of Appeals for the District of Columbia circuit in the proceeding brought by the Public Power and Water Corp. contesting the grant of a license to the New York Power Authority by the Federal Power Commission for authority to construct the power project in the International Rapids section of the St. Lawrence River. This represents the views not only of the Acting Solicitor General of the United States, but also of the General Counsel for the Federal Power Commission and of counsel for the New York Power Authority. Therefore, Senators when speaking in a forum where resort to strained and illogical reasoning would not be expected to produce profitable results, even the most ardent proponents recognize that the argument of control is a pure makeweight.

Aside from the question of control, one other argument has been advanced by proponents as to why it would be better if the canals through the International Rapids section of the St. Lawrence were built on the United States side. Proponents in general have stated that the construction cost in the International Rapids section would be less on the United States side than on the Canadian side, and, therefore, the tolls could be somewhat lower. In fact, this was one of the reasons set forth by a special Cabinet committee for favoring United States participation in the project. Administration witnesses who testified in support of the project also made the same statement. No one has furnished the basis for it, nor, so far as I know, has anyone even indicated on whose authority such a statement was made, though presumably it would have been on the authority of the Army engineers. I do not believe the matter to be of great importance, because I doubt that the difference in cost would be substantial, no matter on which side of the river the works in the International Rapids section were built. Accordingly, I doubt that the effect on the level of tolls would be material.

However, be that as it may, it is clear that officials of the Canadian Government do not agree with the statement. Not only do they think that the cost of the works in the International Rapids section would be cheaper if built on the Canadian side, but also that if the entire project were built by Canada there would be advantages from the standpoint of overall construction costs and from the standpoint of maintenance and operation of the canal system.

In this connection let me refer to a statement made by the Right Honorable C. D. Howe, Canadian Minister of Trade and Commerce, in an address delivered in New York on April 7, 1953. This is what Mr. Howe had to say on this point:

> Proposals are now being advanced that the United States should build the new canal in the International Rapids section. It seems to me that such a proposal can only complicate the present situation. Ownership by the United States of a short section of a very long seaway would not only add to the overall construction cost, but would complicate problems of maintenance and operation of the canal system. It seems obvious to me that continued ownership by one national authority of the entire seaway represents the most efficient procedure.

It is obvious that this was no thoughtless or inadvertent statement on the part of Mr. Howe, because it has been specifically confirmed by the Right Honorable Chevrier, Canadian Minister of

Transport, in a debate in the House of Commons of Canada, on May 12, 1953. When asked to comment on the point contained in the United States Cabinet recommendations to the effect that construction of the canals through the International Rapids section on the United States side would be more economical than on the Canadian side, Mr. Chevrier said:

I find myself unable to agree with that statement because it is not in conformity with our information. On the contrary, our information is that it would be as cheap, if not cheaper, to build a canal on the Canadian side of the boundary.

What I have said thus far has been directed toward showing that the project has no significance to the United States from the standpoint of national defense, that no showing has been made that the project would be economically sound or could be made self-liquidating, and that it would have harmful consequences to many segments of our economy; furthermore, that notwithstanding these considerations it appeared that Canada was in any event planning to proceed with the construction of a waterway through the St. Lawrence River as soon as it became an assured fact that the power project would be built, and that the latter fact constituted no reason for the passage of S. 2150.

Let me indicate now why, regardless of what the attitude of some Senators with respect to the various aspects of the situation may be, consideration of the pending bill, S. 2150, is premature and makes no sense at all at this time.

To understand what I am speaking about, certain facts must be borne clearly in mind. S. 2150 authorizes and directs the Corporation created under the bill to construct canals and deep-water navigation works throughout the International Rapids section on the United States side of the boundary. Construction of these works is conditioned only on two points: First, that the power project authorized and approved by the International Joint Commission will be built; and second, that assurances are provided that the Canadian portions of the navigation works will be completed. There is, however, no condition imposed to the effect that the construction of the works on the United States side in the International Rapids section shall not proceed until assurances are obtained from Canada that it will not build similar navigation works on the Canadian side of the river in the International Rapids section.

As I have already pointed out, Canada has submitted a plan calling for construction of a complete waterway through the St. Lawrence River lying wholly on the Canadian side and constructed solely by Canada. This plan was presented to the United States by the Canadian Ambassador in an official note. In a reply, the Acting Secretary of State stated:

My Government approves the arrangement set forth in your note.

Likewise, the application to the International Joint Commission was predicated on construction of all the canals on the Canadian side of the River, and the United States again showed its approval of this plan by joining in that application. Finally, as I have already pointed out, the license granted to the New York Power Authority by the Federal Power Commission was predicated on the construction of all the canals on the Canadian side of the river.

Thus, until the parties backtrack through all the steps to which I have referred, Canada remains obligated to build canals on the Canadian side of the river in the International Rapids section, which will join with the canals on the Canadian side in the purely Canadian section of the river to form a complete 27-foot waterway. Furthermore, not only is Canada obligated to build the entire waterway on its side of the line, but it appears anxious to do so.

In the present state of affairs, all that Congress would be doing if it were to pass S. 2150 would be to authorize the construction of canals duplicating similar canals on the Canadian side of the river. Yet no evidence whatsoever was presented at the hearings on S. 2150 attempting to justify the construction of a duplicate set of canals in the International Rapids section. It is clear beyond any possible doubt that such duplicate works could not be made self-liquidating through the imposition of tolls, and could not possibly be anything other than a gigantic white elephant.

I feel certain there can be no real dispute that if Canada were to build a complete waterway on the Canadian side of the river, including canals through the International Rapids section, no one would advocate construction of the works called for by S. 2150. As a matter of fact, General Robinson, Deputy Chief of Engineers, testifying before the House Public Works Committee, stated in response to a question that he would not favor construction of the works called for in S. 2150 if similar works were to be built on the Canadian side of the river.

I say, therefore, that at least until such time as Canada is relieved of its obligation to build canals through the International Rapids section, and until it has, in some satisfactory manner, given us assurances that it does not intend to proceed with such works, the consideration of this bill is premature.

Bear in mind the steps that must be taken before S. 2150 would do what its advocates claim that it will do, namely, provide for an essential link in the 27-foot waterway through the St. Lawrence River. First, we must withdraw from the approval of the all-Canadian plan which we gave in an exchange of diplomatic notes; second, Canada and the United States would have to make new application to the International Joint Commission to obtain approval for a revised plan; and third, an application for an amended license for the New York Power Authority would have to be obtained from the Federal Power Commission.

Perhaps all those steps could be successfully taken, but why should the Congress of the United States be asked to take a $100 million gamble on the success of those steps? That is precisely what the Congress is being asked to do when it is asked to approve S. 2150 at this time.

Let us go beyond this, however, and consider what the prospects are of Canada's being willing to forbear constructing the works on the Canadian side in the International Rapids section and letting the United States build the only canals through this section. The Canadians have never done more than express a willingness to discuss a proposal under which the United States would join in the construction of the navigation works. A willingness on the part of Canada to go this far was set forth in a note handed to the American Ambassador to Canada on January 8, 1953, in which the following was contained:

While the Canadian Government is, of course, prepared to discuss, in appropriate circumstances, joint participation in the seaway, the demand for power in the area to be served by the International Rapids power development is so urgent that the Canadian Government is most reluctant to engage in any discussion which might delay the progress of the plan now under way for the development of power in the International Rapids section of the St. Lawrence River at the earliest possible moment.

Once an entity is designated and authorized to proceed with construction of the United States share of the power works, if the United States Government wishes to put forward a specific proposal differing from that put forward by the Canadian Government for the construction of the seaway in the International section, which proposal would not delay the development of power under arrangements agreed upon in the exchange of notes of June 30, 1952, and approved on October 29, 1952, by the International Joint Commission, the Canadian Government will be prepared to discuss such a proposal.

As Senators can see, there is nothing very specific in this statement as to how the United States will participate, but presumably any understanding calling for United States participation would have to provide for the steps to be taken which I have already outlined, and include some type of agreement or understanding that Canada would not now or even at a later time complete the waterway on its side of the river. Without such an agreement, of course, the United States would gain absolutely nothing by constructing the works called for by S. 2150. That merely goes to point up one of the inherent difficulties in trying to make a joint project out of the navigation works through the St. Lawrence River, for Canada can at any time complete the waterway on the Canadian side, whereas it is impossible for the United States at any time to do more than provide the works through the International Rapids section.

It is quite clear that certain officials of the Canadian Government are very mystified by the course of conduct of our Government, and particularly as exemplified by the current advocacy of S. 2150. Consider, for instance, the following statement by the Honorable Lionel Chevrier, Canadian Minister of Transport, in an address in Washington, D. C., on April 30, 1953:

It is said that it would be a mistake for the United States to allow Canada to build the seaway alone, but if this be a mistake then we made it some time ago. In 1952 the

Government of the United States agreed to join with Canada in an application to the International Joint Commission for the development of power on the distinct understanding that Canada would at the same time construct the seaway. This we have undertaken to do by an exchange of notes between our two Governments.

It is said that Canada may not always be a friendly nation. I cannot conceive of our two countries living on other than friendly terms, nor of Canada becoming powerful enough to be able to afford to be unfriendly. However, if it is felt that United States interests would be safeguarded by the construction of a canal on your side of the international section, why not go ahead and build and let us do likewise on our side?

Thus, as late as the last day of April of last year, the Canadian Minister of Transport was pointing out to us that the United States had agreed formally to the construction of the entire waterway by Canada, and it was obviously very difficult for him to understand why we felt there was any occasion to back down on this agreement. Further, Senators will note that the Canadian Minister of Transport does not suggest as a possibility that Canada will not construct the works in the International Rapids section on the Canadian side of the river, but only that we construct another set of canals on our side if we feel that would would do us any good—and not even proponents of S. 2150 think that would make sense.

The proponents have tried to convey the impression that Canada was ready, willing, and anxious to have us build a part of the waterway through the St. Lawrence River and that the maintenance of our friendly relations with Canada almost demanded such participation. However, the statement by Mr. Chevrier mentioned previously definitely conveys an entirely different impression, and the conclusion is inescapable that, far from being anxious for the United States to participate in this project, Canada is genuinely desirous of having us not participate in the project. This position is made even clearer by the following additional statements from Mr. Chevrier's address:

> But we are not asking for any funds from you. Canada is not seeking financial aid on the St. Lawrence seaway. On the contrary, Canada is ready, willing, and anxious to proceed with the seaway at her own expense without cost to the American taxpayer.

A statement by the Right Honorable C. D. Howe, Canadian Minister of Trade and Commerce, delivered in New York on April 7, 1953, is equally specific and unequivocal regarding the question of United States participation in the waterway through the St. Lawrence River. That statement is as follows:

> Proposals are now being advanced that the United States should build the new canal in the International Rapids section. It seems to me that such a proposal can only complicate the present situation. Ownership by the United States of a short section of a very long seaway would not only add to the overall construction cost, but would complicate problems of maintenance and operation of the canal system. It seems obvious to me that continued ownership by one national authority of the entire seaway represents the most efficient procedure. There are critical channels between the upper lakes that will require deepening to 27 feet at some stage. By assuming responsibility for such deepening, your country can assume a much more logical and valuable role by making 27-foot navigation possible throughout the upper lakes, to conform with depths provided in the all-Canadian St. Lawrence seaway.

It is impossible to express a meaning any more clearly or forcefully than that and still remain polite. To my mind it is perfectly clear that Mr. Howe has said, in effect, "We would prefer to do this job alone and we hope you will not pass legislation such as S. 2150."

The only thing the proponents of the bill have been able to point to as indicating that Canada might consider not building the entire project on its own is the statement twice made by the Canadian Government that it "would be prepared to discuss" a proposal differing from the agreed-upon all-Canadian waterway plan after arrangements for building the power project had been completed. This statement was first made in the previously referred-to memorandum of January 8, 1953, given to the United States Ambassador in Ottawa, and again in a communique issued at the conclusion of talks between the President and the Prime Minister of Canada on May 8, 1953. Let us remember that the above-quoted statements by Mr. Howe and Mr. Chevrier were made some time after the first declaration regarding a willingness to discuss some new proposal; and secondly, let us remember that the second announcement regarding such a new proposal, made almost immediately after the Howe and Chevrier statements, and in the face of their adverse comments regarding any such proposal, went not a bit further than the first statement, still sticking strictly to a willingness to discuss some new proposal.

Mr. President, it is almost too obvious to mention that a willingness to discuss a matter is a far cry from constituting an assurance that the views of one of the parties, which may be at variance with the views of the other, will prevail. In Canada the statements of Cabinet Ministers reflect, even more than would statements of Cabinet members in this country, the views of the Government; and especially is that so of statements by Mr. Howe, whose position is next to that of the Prime Minister.

In short, at no time since June of 1952 has there been any official expression on the part of any Canadian official of a desire to have the United States participate with Canada in the construction of the portion of the waterway through the St. Lawrence River. It is very clear, indeed, to me, that if Canada agrees not to build the portion of the waterway through the International Rapids section, and to make some sort of working arrangement with the United States regarding the joint management of the waterway through the St. Lawrence River, in the event Congress should approve a measure such as Senate bill 2150, such action would have been taken by Canada solely because of pressure from the United States or because of Canada's unwillingness to take a chance of offending the present administration.

Apparently most of the proponents seem to think or pretend to think that it is a foregone conclusion that Canada would be delighted to have the United States build the navigation works in the International Rapids section. I have already pointed out that such a conclusion appears to be contrary to the facts; but the proponents point to the fact that under the 1941 executive agreement Canada apparently was willing to have the United States participate in the construction of the waterway, and so the proponents do not see why Canada should not still be willing to have us participate.

One reason for this difference in attitude may be by reason of the vast difference between the situations under the Executive agreement of 1941 and under Senate bill 2150. The 1941 Executive agreement constituted a partnership between Canada and the United States on a "horse and rabbit" basis. Under the 1941 agreement the United States would have paid the cost not only of constructing the works in the International Rapids section, but also most of the cost of the works on the waterway lying wholly in Canada. Under that agreement the United States would have paid approximately six-sevenths of the total cost of the waterway and Canada only one-seventh. However, under the proposal of Senate bill 2150 the United States would pay, at the most, only a little over one-third of the total cost of the waterway; and Canada would have to pay almost two-thirds of the cost of the waterway, even if she did not do any of the work in the International Rapids section. It seems to me that difference in who pays the cost of the waterway could well account for the difference between the attitude on the part of Canada then and her attitude now, insofar as it relates to United States participation.

There is one other matter to which attention should be called. Under the 1941 agreement provision was made for the maintenance of the existing 14-foot canals on the Canadian side of the river, and such canals were to be maintained toll free. Also, the cost of the works necessary to preserve the 14-foot canals was included in the total cost, six-sevenths of which was to be met by the United States. Under the plan for the all-Canadian waterway, there was no necessity for the provision of the existing 14-foot canals, because they were to be replaced by 27-foot canals. On the other hand, if Canada were not planning to build 27-foot canals on the Canadian side through the International Rapids section, she would probably insist upon the maintenance of the 14-foot canals. Accordingly, if this were one of the conditions imposed by Canada for United States participation in the 27-foot waterway, no one would have authority on behalf of the United States to agree to such a condition, since no provision covering this point is included in Senate bill 2150. This provides one more reason why the approval of the bill at this time would make no sense.

In summation, I believe it has been demonstrated that the proposed St. Lawrence Waterway would be of no consequence from the standpoint of national defense; that no demonstration has been made that there is any reasonable prospect that the project could be made self-liquidating, through the imposition of tolls; that the project would have no broad economic advantages, but would be one primarily to give a competitive advantage to five steel companies; that the project would have a serious adverse effect upon numerous segments of our economy, such as the railroads, the coal industry, the United States merchant marine, the ports of our eastern seaboard, and the gulf coast, and the labor employed in those industries and localities; that from a functional standpoint the project proposed would from the outset be an outmoded and obsolete waterway, and for from 4 to 5 months of each year it would be frozen over and useless; that the ultimate cost of the project would very greatly exceed the estimated cost; that the United States is not in a position financially to undertake any project that is not urgently required in the national interests; that without spending $1, the project—for watever it may be worth—will become available through the efforts of Canada alone; that our right to use such a project, built by Canada, on terms of complete equality with Canadian vessels is fully guaranteed without any participation on the part of the United States; that in view of our formal approval of the plan for construction of the waterway entirely by Canada, and of the Canadian undertaking to construct such a canal, consideration of Senate bill 2150 is premature at this time; that Canada has not only expressed a willingness to construct the waterway at its own expense, but has plainly indicated that our participation is not desired; and that the approval of Senate bill 2150 would constitute nothing more than the authorization of a useless duplicate set of structures in the International Rapids section.

In the light of these facts, Mr. President, I cannot believe that the majority of the Senate of the United States will see fit to give its approval to the pending bill, S. 2150.

REPORT OF NATIONAL SCIENCE FOUNDATION—MESSAGE FROM THE PRESIDENT

The PRESIDING OFFICER (Mr. CARLSON in the chair) laid before the Senate the following message from the President of the United States, which was read and, with the accompanying report, referred to the Committee on Labor and Public Welfare:

To the Congress of the United States:

Pursuant to the provisions of Public Law 507, 81st Congress, I transmit herewith the Third Annual Report of the National Science Foundation for the year ending June 30, 1953.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *January 15, 1954.*

NOTICE OF HEARING ON NOMINATION OF PRESTON HOTCHKIS TO BE REPRESENTATIVE ON ECONOMIC AND SOCIAL COUNCIL OF UNITED NATIONS

Mr. WILEY. Mr. President, the Senate received today the nomination of Preston Hotchkis, of California, to be the United States representative to the Economic and Social Council of the United Nations. Notice is hereby given that the nomination will be considered by the Committee on Foreign Relations at the expiration of 6 days.

EXECUTIVE MESSAGE REFERRED

As in executive session,

The PRESIDING OFFICER (Mr. CARLSON in the chair) laid before the Senate a message from the President of the United States submitting the nomination of Preston Hotchkis, of California, to be the representative of the United States on the Economic and Social Council of the United Nations, which was referred to the Committee on Foreign Relations.

NOMINATION OF FRANK H. WEITZEL TO BE ASSISTANT COMPTROLLER GENERAL—EXECUTIVE REPORT OF A COMMITTEE

Mr. MUNDT. Mr. President, as in executive session, from the Committee on Government Operations, I report favorably the nomination of Frank H. Weitzel, of the District of Columbia, to be Assistant Comptroller General of the United States. It has the unanimous support of the committee. The nomination is accompanied by a letter to the Senator from Wisconsin [Mr. MCCARTHY] from Lindsay C. Warren, Comptroller General, recommending Mr. Weitzel. I ask unanimous consent that Mr. Warren's letter, together with a biographical sketch of Mr. Weitzel, be printed in the RECORD.

The PRESIDING OFFICER. The nomination will be received and placed on the Executive Calendar and, without objection, the letter and biographical sketch will be printed in the RECORD.

The letter and biographical sketch are as follows:

COMPTROLLER GENERAL OF THE UNITED STATES,
Washington, January 14, 1954.

HON. JOSEPH R. MCCARTHY,
Chairman, Committee on Government Operations, United States Senate.

MY DEAR MR. CHAIRMAN: I understand the nomination by the President of Mr. Frank H. Weitzel to be Assistant Comptroller General of the United States is pending before your committee.

Mr. Weitzel's appointment has my wholehearted approval. He has served in the General Accounting Office for more than 25 years, the last 11 of which have been in my immediate office. He is steeped in the tradition of the General Accounting Office as the agency of the Congress and a part of the legislative branch of the Government. I appointed Mr. Weitzel in 1945 as my assistant in charge of the legislative program of the Office. In this position he has constantly dealt with committees of both Houses of the Congress, especially the Government Operations Committees. He has worked on much important legislation, including, as your committee knows, the Federal Property and Administrative Services Act of 1949 and the Budget and Accounting Procedures Act of 1950.

Mr. Weitzel is well and favorably known not only by the majority of leaders in the Congress, but throughout the Government. On many occasions he has been my direct representative in dealing with members of the Cabinet and agency heads. He has taken a leading part in the joint accounting improvement program being conducted by the General Accounting Office with the Treasury Department and the Bureau of the Budget.

A large part of the duties of the Assistant Comptroller General are of a legal nature, including the rendition of decisions binding on the executive branch. Mr. Weitzel holds the degrees of bachelor of arts with highest distinction and bachelor of laws with distinction from the George Washington University. He is a member of the Supreme Court bar, and a lawyer of outstanding ability. He has a great love and respect for the Constitution and the law. In character and integrity he is without a peer.

Mr. Weitzel is active in the religious life of Washington. I regard him as one of the finest Christian gentlemen I have ever known.

I hope your committee will favorably report Mr. Weitzel's nomination.

With the highest personal regards and best wishes, I am,

Sincerely yours,

LINDSEY C. WARREN.
Comptroller General of the United States.

BIOGRAPHICAL SKETCH OF FRANK H. WEITZEL IN CONNECTION WITH NOMINATION FOR THE OFFICE OF ASSISTANT COMPTROLLER GENERAL OF THE UNITED STATES

The Congress has always been most jealous of the General Accounting Office as its own nonpartisan and nonpolitical agency in the legislative branch for checking on the financial transactions of the Government and assisting the Congress on fiscal problems. The position of Assistant Comptroller General is the second highest post in the General Accounting Office and was given a statutory term of 15 years, terminable only by the Congress, in order to make its incumbent independent of the executive branch. The Assistant Comptroller General must serve as Comptroller General during a vacancy in that Office or during the absence or incapacity of the Comptroller General. His duties are largely of a legal nature, requiring the rendition of quasi-judicial decisions binding and conclusive upon the executive branch.

It is of paramount importance that a trained lawyer be appointed to this position. It is likewise of tremendous importance that the incumbent of the position be familiar with and sympathetic to the status of the General Accounting Office as the nonpartisan and nonpolitical agency of the Congress and that he be well versed in the many functions of the Office having to do with accounting and auditing in the Government and involving cooperation between the Treasury Department, General Accounting Office, and Bureau of the Budget toward the improvement of accounting on a Government-wide basis.

Frank H. Weitzel, age 46, has been employed in the General Accounting Office since 1923, and permanently since 1927. He has risen through the successive ranks to the post of Assistant to the Comptroller General, GS–18, in charge of the legislative activities of the Office, interagency relationships, and personal representation of the Comptroller General in formulating policies at the highest level within the General Accounting Office and with the heads and key officials of other departments and agencies of the Government.

Mr. Weitzel is a university graduate, holding the degree of bachelor of arts with highest distinction from George Washington University, and bachelor of laws with distinction from the same university. He is a member of the bar of the United States Court of Appeals for the District of Columbia and of the Supreme Court of the United States. He has had 7 years' experience in the General Counsel's office, General Accounting Office, in the drafting of decisions for the Comptroller General, and more than 11 years in the immediate Office of the Comptroller General in handling legal, organizational, and procedural problems, and since 1945 in his post in charge of the entire legislative program and interagency relations of the Office. During his incumbency in that post he has participated in the legislative processes in the enactment of a great deal of basic legislation, not only strengthening the functions and operations of the General Accounting Office, but laying the foundation for Government-wide improvements in accounting and auditing. Such legislation includes the Government Corporation Control Act of 1945, the Budget and Accounting Procedures Act of 1950, the Post Office Department Financial Control Act of 1950, and the Federal Property and Administrative Services Act of 1949.

Mr. Weitzel has worked with committees of both Houses of Congress, especially the Appropriations, Government Operations, Post Office and Civil Service, Banking and Currency, and Agriculture Committees. He took a leading part in the development of the joint accounting program now being carried on by the General Accounting Office, Bureau of the Budget, and Treasury Department. He is called upon constantly by congressional committees on problems affecting fields in which the General Accounting Office can be of assistance.

While Mr. Weitzel has always administered his duties in a completely nonpartisan and nonpolitical manner, he has been a lifelong Republican. Although he is a native and resident of the District of Columbia, both of his parents, whose origins were in Ohio and New York, have likewise always been Republicans. Mr. Weitzel's brother was one of the original small group which met with Senators CARLSON, DUFF, and NIXON to plan the Eisenhower campaign and participated in the primary campaign in New Hampshire and Maryland, which resulted in a victory for General Eisenhower. He was also president of the Eisenhower-for-President Club of Montgomery County, Md., before the nomination, and of the campaign club of Montgomery County after the nomination; and worked during the campaign, including the national Republican convention for General Eisenhower and Vice President NIXON, campaigning in New Jersey, Pennsylvania, Virginia, and Indiana. Mr. Weitzel's wife's father was a member of the Republican State Central Committee for Ohio and a close associate of the late President Harding.

Comptroller General Lindsay C. Warren has stated before congressional committees that Mr. Weitzel is recognized by the Government as a whole as one of the ablest men in Government, devoted to the public service. Mr. Weitzel is active in church work in Washington and is an elder of the Georgetown Presbyterian Church.

Since October 12, 1953, Mr. Weitzel has filled the office of Assistant Comptroller General of the United States under a recess appointment by the President.

RECESS TO MONDAY

Mr. KNOWLAND. Mr. President, if there is no further business to be transacted, pursuant to the order previously entered, I move that the Senate now stand in recess until 12 o'clock noon on Monday next.

The motion was agreed to; and (at 5 o'clock and 20 minutes p. m.) the Senate took a recess, the recess being, under the order previously entered, until Monday, January 18, 1954, at 12 o'clock meridian.

NOMINATION

Executive nomination received by the Senate January 15 (legislative day of January 7), 1954:

ECONOMIC AND SOCIAL COUNCIL OF THE UNITED NATIONS

Preston Hotchkis, of California, to be the representative of the United States of America on the Economic and Social Council of the United Nations.

SENATE

MONDAY, JANUARY 18, 1954

(Legislative day of Thursday, January 7, 1954)

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:

O Thou guide of our pilgrim way, through the shadows of another night refreshing sleep has brought new vigor to our fragile flesh. As now reverently we bow at this shrine of the spirit, wilt Thou restore our souls. Solemnly conscious that we cannot hope to give to a needy world that which we do not have, we pray that we may be strengthened by Thy might in the inner man. Purge us, we beseech Thee, from all insincerity; cleanse us from the impurity that blinds our eyes to the high and holy. Break down in each of us the idols of our false pride, and shatter the sophistries of our self-love. And now, for the waiting tasks and perplexing questions of this new week, consecrate with Thy presence the way our feet may go, and steady us with the assurance that as we follow obediently and patiently the kindly light, the humblest work will shine and the roughest places be made plain. In the Redeemer's name, we ask it. Amen.

DESIGNATION OF ACTING PRESIDENT PRO TEMPORE

The legislative clerk read the following letter:

UNITED STATES SENATE,
PRESIDENT PRO TEMPORE,
Washington, D. C., January 18, 1954.

To the Senate:

Being temporarily absent from the Senate, I appoint Hon. JOHN M. BUTLER, a Senator from the State of Maryland, to perform the duties of the Chair during my absence.

STYLES BRIDGES,
President pro tempore.

Mr. BUTLER of Maryland thereupon took the chair as Acting President pro tempore.

ATTENDANCE OF A SENATOR

MIKE MANSFIELD, a Senator from the State of Montana, appeared in his seat today.

THE JOURNAL

On request of Mr. KNOWLAND, and by unanimous consent, the reading of the Journal of the proceedings of Friday, January 15, 1954, was dispensed with.

MESSAGES FROM THE PRESIDENT

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

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 for the presentation of petitions and memorials, the introduction of bills and resolutions, and the insertion of matters in the RECORD, under the usual 2-minute limitation on speeches.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

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

The ACTING PRESIDENT pro tempore. The Secretary will call the roll.

The Chief Clerk proceeded to call the roll.

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

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ANNOUNCEMENT OF HEARINGS ON CIVIL FUNCTIONS APPROPRIATIONS BILL

Mr. KNOWLAND. Mr. President, I should like to make an announcement. The Army Civil Functions Subcommittee of the Senate Appropriations Committee will start its hearings on Monday, January 25, and it intends to hold hearings January 25, 26, 27, 28, 29, and February 1. The subsequent hearing dates will be announced later. I am making the public announcement at this time inasmuch as it has been the custom in the past for the Senate committee to wait until the House Committee on Appropriations had concluded their consideration of appropriation measures. I feel, however, that the Senate could expedite its schedule by having the appropriation bills reported to it at an early date.

REPORT OF COMMODITY CREDIT CORPORATION—MESSAGE FROM THE PRESIDENT (H. DOC. NO. 299)

The ACTING PRESIDENT pro tempore laid before the Senate the following message from the President of the